



[For Immediate Release]

Benefun acquires Beijing Company engaged in fertilizers and agricultural products

(8 December 2009, Hong Kong) Benefun International Holdings Limited (“Benefun” or the “Group”, Stock code: 1130) today announced that the Group acquired 70% interests of the Target Company upon completion of the Beijing Jianong Yongxin Agricultural Production Materials Co., Ltd. Fuxin Branch’s restructuring (“Beijing Jianong”), for a total consideration of RMB37,000,000, which will be settled by 1) cash payment of RMB2,000,000 and 2) the balance of RMB35,000,000 by issue of 354,678,000 shares.

The Beijing Jianong is engaged in sales of fertilizers and other agricultural products. The guaranteed profit of the Target Company will be RMB7,000,000 and RMB14,000,000 for 2010 and 2011 respectively.

The Group is engaged in the green business of plantation, research and development of plantation related technologies, manufacture, sale and distribution of plantation products and materials. The Group developed the waste-to-value “O-Live Organic Waste Treatment System” (“O-Live System”) which is an automatic machine utilizing high temperature micro-organisms technology for environmental treatment of animal manures of livestock farms. Within 24 hours, O-Live System kills animal influenza and common disease bacteria and converts animal manures into raw materials for producing microbial organic fertilizer.

Mr. Kwok Wai, Executive Director of Benefun said, “Eyeing on the increasing share of organic fertilizer in total fertilizer market and the established sales channel and customer profile of the Beijing Jianong, we consider that the acquisition will allow the Group to explore the vast business potential and further capture the organic fertilizer market in the northern part of the PRC so as to broaden the Group’s revenue source. In addition, the Group has established self-operated production bases to utilize the raw materials from its O-Live System, which can meet increasing orders and enhance operating profit.”

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About Benefun International Holdings Limited

Benefun International Holdings Limited (to be renamed as “China Environmental Resources Group Limited”) is principally engaged in the businesses including ecological plantation, manufacture and sale of plantation materials, organic fertilizers and organic waste bio-treatment system. Its product brand “Tian Mi Mi” is the leading organic fertilizer brand in China.

This press release is issued by PR Concepts Asia Limited.

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