

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHAODA MODERN AGRICULTURE (HOLDINGS) LIMITED 超大現代農業(控股)有限公司*

(Incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT

Summary

Chaoda Modern Agriculture (Holdings) Limited (the “Company”) was notified by Kailey Investment Ltd. after the close of trading on the Stock Exchange on 17 June 2003 that it reached agreement to sell a total of 60,000,000 existing shares of the Company, representing 3.13% of the issued share capital of the Company, to an independent third party, Value Partners Limited, at the price of HK\$0.88 per share. Such sale was completed on 18 June 2003.

This statement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

We have noted the increase in trading volume of the shares of the Company today. A total of 95,720,000 shares of the Company were traded by the close of trading on the Stock Exchange today, representing approximately 5.0% of the total issued share of the Company.

The Company was notified by Kailey Investment Ltd. after the close of trading on the Stock Exchange on 17 June 2003 that, it reached agreement to sell a total of 60,000,000 existing shares (the “Sales Shares”) of the Company, representing 3.13% of the issued share capital of the Company of 1,915,062,000 shares, to Value Partners Limited, who is independent of the directors, chief executive officer or substantial shareholders of the Company. Such sale was completed on 18 June 2003. As at the date of this announcement, the Company has not received any notification from Value Partners Limited in respect of its shareholding in the Company pursuant to the disclosure requirements under the Securities and Futures Ordinance.

The price at which the Sales Shares were sold is HK\$0.88 per share, representing a 2.20 % discount to the closing price of HK\$0.90 as at 17 June 2003, a 3.30% discount to the closing price of HK\$0.91 as at 18 June 2003, and a 6.41% premium to the average closing price of HK\$0.827 for the last 10 trading days, of the shares of the Company on the Stock Exchange.

Kailey Investment Ltd. is a company incorporated in the British Virgin Islands with limited liability which is legally and beneficially owned as to 80% by Mr. Kwok Ho and as to 10% by Madam Chiu Na Lai (who is the spouse of Mr. Kwok Ho), both of whom are executive directors of the Company. Kailey Investment Ltd. is an investment holding company. Upon completion of the disposal of the Sales Shares, Kailey Investment Ltd. holds 986,000,000 shares in the Company, representing 51.49% of its issued share capital. The Company is not aware that Kailey Investment Ltd. has any present intention to dispose of any further shares in the Company.

Save as disclosed above, we confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Made by the order of the board of directors of the Company, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

Chiu Na Lai
Director

Hong Kong, 18 June 2003

* *For identification purpose only*

“Please also refer to the published version of this announcement in The Standard”