

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

This announcement is not an offer of securities for sale in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia ("**United States**") and/or other jurisdiction nor is it an offer of, or invitation to subscribe for, securities in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"). The securities may not be offered or sold in the United States or Hong Kong absent registration or an exemption from registration. Neither this announcement nor any copy of it may be taken or transmitted into the United States, Canada or Japan or distributed, directly or indirectly, in the United States or Canada, or distributed or redistributed in Japan or to any resident thereof.



CHAODA MODERN AGRICULTURE (HOLDINGS) LIMITED

(the "**Company**")

(Incorporated in Cayman Islands with limited liability)

(Stock code : 682)

DISCLOSURE PURSUANT TO RULE 13.09 OF THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED

PROPOSED ISSUE OF FIXED RATE BONDS

The Company proposes to issue fixed rate bonds with an expected aggregate principal amount of US\$150,000,000 (the "**Proposed Bond Issue**"). The Company has appointed Credit Suisse First Boston and Merrill Lynch International as joint lead managers (the "**Joint Lead Managers**") and Credit First Suisse Boston as the sole global co-ordinator and bookrunner of the Proposed Bond Issue. Roadshow in relation to the Proposed Bond Issue is expected to be conducted from 17 June 2004 to 22 June 2004 in Singapore and Europe.

As at the date of this announcement, no legally binding underwriting or subscription agreement has been entered into by the Company in relation to the Proposed Bond Issue. Material terms relating to the Proposed Bond Issue including but not limited to the pricing and interest rate of the bonds to be issued by the Company (the "**Bonds**") have yet to be determined by the Company and the Joint Lead Managers.

Approval in principle has been obtained for the listing of the Bonds on the Singapore Exchange Securities Trading Limited (the "**Singapore Exchange**"). No application will be made for the listing of, or permission to deal in, the Bonds on the Hong Kong Stock Exchange. The Bonds will not be registered under the US Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, US persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in certain transactions exempt from the registration requirements of the Securities Act.

The Company has been assigned a rating of BB by Standard & Poor's Ratings Services and Ba3 by Moody's Investors Services .

PROPOSED BOND ISSUE

The Company proposes to issue fixed rate bonds with an expected aggregate principal amount of US\$150,000,000. The Bonds are expected to have a term of five years from their date of issue and to have a denomination of US\$1,000. On 9 June 2004, the Company appointed Credit Suisse First Boston and Merrill Lynch International as the Joint Lead Managers and Credit Suisse First Boston as the sole global co-ordinator and bookrunner of the Proposed Bond Issue. Roadshow in relation to the Proposed Bond Issue is expected to be conducted from 17 June 2004 to 22 June 2004 in Singapore and Europe.

As at the date of this announcement, no legally binding underwriting or subscription agreement has been entered into by the Company in relation to the Proposed Bond Issue. Material terms relating to the Proposed Bond Issue including but not limited to the pricing and interest rate of the Bonds have yet to be determined by the Company and the Lead Managers. The Company intends to use the net proceeds arising from the Proposed Bond Issue to finance the expansion of the agricultural production bases of the Company and its subsidiaries for general corporate purposes.

Approval in principle has been obtained for the listing of the Bonds on the Singapore Exchange. The Bonds are expected to be traded on the Singapore Exchange in a minimum board lot size of US\$200,000.

No application will be made for the listing of, or permission to deal in, the Bonds on the Hong Kong Stock Exchange. The Bonds will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act. Credit Suisse First Boston may, as the sole global co-ordinator, carry out

stabilisation activities in respect of the Bonds in compliance with all applicable laws and regulations.

A further announcement will be issued by the Company upon signing of the underwriting or subscription agreement in relation to the Proposed Bond Issue and the fixing of the material terms.

Warning : As the Proposed Bond Issue may or may not proceed, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

GENERAL

This announcement is made pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company has been assigned a rating of BB by Standard & Poor's Ratings Services and Ba3 by Moody's Investors Services.

As at the date of this announcement, the board of directors of the Company (the "**Board**") comprises seven executive directors, namely, Mr. Kwok Ho, Mr. Ip Chi Ming, Madam Chiu Na Lai, Mr. Lee Yan, Mr. Chan Hong, Ms. Wong Hip Ying and Mr. Fong Jao, and three independent non-executive directors, namely, Mr. Fung Chi Kin, Mr. Tam Ching Ho and Professor Lin Shun Quan.

By order of the Board
Kwok Ho
Chairman

Hong Kong, 14 June 2004.

In this announcement, "US\$" and "HK\$" refer to United States dollars, the lawful currency of the United States and Hong Kong dollars, the lawful currency of Hong Kong respectively.

Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.