

## **I-CHINA HOLD<00240> & <02929> - Announcement (1)**

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BUILD KING HOLDINGS LIMITED  
(Formerly known as I-China Holdings Limited)  
Incorporated in Bermuda with limited liability  
(Stock Code: 240)

### **DISCLOSEABLE TRANSACTION**

The Company has during the period from 29th April, 2004 to 24th August, 2004 acquired from the market an aggregate of 4,100,000 shares in Chaoda Modern Agriculture (Holdings) Limited for a total consideration of HK\$8,923,050.

The Investments together constitute a discloseable transaction under Chapter 14 of the Listing Rules. A circular providing the information required under the Listing Rules will be dispatched to shareholders within 21 days after the publication of this Announcement.

### **THE INVESTMENTS**

The Company has, through its wholly-owned subsidiary, acquired from the market an aggregate of 4,100,000 shares in Chaoda (representing approximately 0.175% of the issued share capital of Chaoda, based on its issued share capital of 2,344,384,000 shares as at 31st July, 2004) during the period from 29th April, 2004 to 24th August, 2004 (both days inclusive). The total consideration for the Investments was HK\$8,923,050 (exclusive of transaction costs) which was satisfied by payment in cash from internal resources of the Company. The consideration represented the then market price of the Chaoda Shares.

As the Investments were made through the market, the Company is not aware of the identities of the vendors of the Chaoda Shares and accordingly, to the best of the knowledge of the directors having made all reasonable enquiries, the vendors of the Chaoda Shares are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company, its subsidiaries and their respective associates.

### **REASONS FOR THE INVESTMENTS**

The Company is an investment holding company. Its subsidiaries carry on the principal business of construction related activities.

The directors of the Company consider that the Investments will

enhance the returns on cash held by the Company. The source of funding for the Investments were from internal cash resources of the Company. The Investments were made as part of the normal treasury management of the Company. Taking into account the track record of Chaoda, the Company considered that the Investments have potential. In addition, as the Investments were purchased at market price, the Board believe that the Investments are fair and reasonable and in the interests of the shareholders of the Company as a whole. The Investments will be booked as short term investments by the Company.

#### INFORMATION ON CHAODA

Chaoda is a company incorporated in Cayman Islands and listed on the main board of the Stock Exchange. Based on the company profile in the website of the Stock Exchange, the principal business activities of Chaoda is in the growing and sale of crops, breeding and sale of livestock and sales of ancillary food products, export trading and supermarkets chain operation. Further information on Chaoda could be found on the Stock Exchange website. According to the annual reports of Chaoda for the two years ended 30 June, 2003 and 30 June, 2002 respectively, the net profits from ordinary activities (before and after taxation) were RMB726,027,000 and RMB723,189,000 (2003) and RMB677,833,000 and RMB621,874,000 (2002) respectively.

#### GENERAL

As at 24th August, 2004, there were 781,408,494 shares of the Company in issue. Based on the average closing price of the Company's shares of HK\$0.212 as stated in Stock Exchange's daily quotation sheets for the trading days from 17th August 2004 to 23rd August 2004 (both days inclusive), being the five business days immediately preceding 24th August 2004, the total market capitalisation of the Company was approximately HK\$165.66 million as at 24th August 2004 (the "Total Market Capitalisation").

### **I-CHINA HOLD<00240> & <02929> - Announcement (2)**

As the aggregate consideration for the Investments of HK\$8,923,050 exceeds 5% of the Total Market Capitalisation of the Company, the Investments constitute a discloseable transaction for the purpose of Chapter 14 of the Listing Rules. A circular containing information regarding the Investments and providing the information required under the Listing Rules will be dispatched to shareholders of the Company within 21 days after the publication of this Announcement.

As at the date of this announcement, the Board comprises two executive directors, namely, Messrs. Zen Wei Peu, Derek and Yu Sai Yen, two non-executive directors, namely, Messrs. David Howard Gem and Cheng Chi Pang, Leslie, and two independent non-executive directors, namely, Dr. Chow Ming Kuen, Joseph and Mr. Ng Chi Ming, James.

TERMS USED IN THIS ANNOUNCEMENT

"Board" the board of directors of the Company

"Chaoda" Chaoda Modern Agriculture (Holdings) Limited,  
listed on  
the main board of the Stock Exchange (Stock code: 682)

"Chaoda Share" ordinary shares of HK\$0.10 each in the  
issued  
share capital of Chaoda

"Company" Build King Holdings Limited (formerly known as  
I-China  
Holdings Limited)

"HK\$" Hong Kong dollars

"Hong Kong" Hong Kong Special Administrative Region

"Investments" the investments by the Company from the  
market of  
an aggregate of 4,100,000 shares in Chaoda during the period  
from 29th  
April, 2004 to 24th August, 2004 (both days inclusive)

"Listing Rules" the Rules Governing the Listing of  
Securities on  
the Stock Exchange

"Stock Exchange" the Stock Exchange of Hong Kong Limited

By Order of the Board  
Fong Shiu Leung, Keter  
Company Secretary  
Hong Kong, 25th August, 2004