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First Dragoncom Agro-Strategy Holdings Ltd.

第一龍浩農業策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 875)

ANNOUNCEMENT

Two statutory demands under Section 178(1)(a) of the Companies Ordinance, in respect of a total sum of HK\$17,190,000, have been served on the Company. Under the Companies Ordinance, the Company must deal with them within 21 days after their respective service on the Company, or a winding-up order could be made in respect of the Company.

The Company has no current intention to dispute the liability or the quantum of either of the two statutory demands. As at the date of this announcement, the Company does not have the financial resources to pay in full the debt stated in either of the two statutory demands. **Accordingly, there is a significant risk that proceedings may be taken to wind up the Company.**

The Board announces that the release and publication of the Company's final results and the annual report for the year ended 31 December 2004 will be further delayed to a date until further notice. The directors of the Company acknowledge that the delay constitutes a breach of Rules 13.46(2)(a) and 13.49(1) of the Listing Rules and that the Stock Exchange reserves its rights to take appropriate actions against the Company and/or its directors in respect of the breach.

The Board also announces that Mr. Chu Cheong Kit Raymond has been appointed as an independent non-executive director of the Company with effect from 9 September 2005.

At the request of the Company, trading in the securities of the Company has been suspended from 9:30 a.m. on 29th April, 2005 and will remain suspended until further notice.

* *For identification purposes only*

Statutory demands

The directors of First Dragoncom Agro-Strategy Holdings Ltd. (the “Company”) announce that two statutory demands under Section 178(1)(a) of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) (the “Companies Ordinance”), in respect of a total sum of HK\$17,190,000, have been served on the Company.

It is stated in the first statutory demand, dated 8th September, 2005, that the debt was incurred in respect of a total outstanding sum of HK\$12,330,000 which, under a borrowing agreement dated 19th July, 2005, the Company has agreed to pay to the creditor making the first statutory demand.

It is stated in the second statutory demand, dated 9th September, 2005, that the debt was incurred in respect of an outstanding sum of HK\$4,860,000 which, under an agreement for consultancy service dated 27th June, 2005, the Company has agreed to pay to the creditor making the second statutory demand.

Under the Companies Ordinance, the Company must deal with the two statutory demands within 21 days after their respective service on the Company, or a winding-up order could be made in respect of the Company.

The Company has no current intention to dispute the liability or the quantum of either of the two statutory demands. As at the date of this announcement, the Company does not have the financial resources to pay in full the debt stated in either of the two statutory demands. **Accordingly, there is a significant risk that proceedings may be taken to wind up the Company.** Further announcements will be made to keep shareholders informed of the developments.

Further delay in the publication of annual results and annual report for the year ended 31 December 2004 and holding the board meeting

Further to the announcements of First Dragoncom Agro-Strategy Holdings Ltd. (the “Company”) of 4 July, 23 June and 1 August, 2005, the board of directors (the “Board”) of the Company announces that the release and publication of the Company’s final results for the year ended 31 December 2004 and the despatch of the annual report will be further delayed.

Pursuant to Rules 13.46(2)(a) and 13.49(1) of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), an issuer is required to publish on the newspaper its annual results and despatch its annual report to its shareholders not later than four months after the date upon which the financial period ended.

Since the publication of the Company’s announcement dated 1 August 2005, the Board has closely liaised with the auditors of the Company relating to the scope limitation as set out in the draft auditor’s report, the major ones of which have been disclosed in the announcement of the Company dated 5 August 2005. The Board considers that more time is needed for the Company to finalize its audited financial reports and therefore the Company is unable to release and publish its audited final results for the year ended 31 December 2004 on or before 31 August 2005.

The Board proposes that the board meeting originally scheduled to be held on 31 August 2005 is now rescheduled to a date until further notice. It is expected that the release and publication of the final results and the annual report will be further delayed to a date until further notice.

The directors of the Company (the “Directors”) acknowledge that the delay constitutes a breach of Rules 13.46(2)(a) and 13.49(1) of the Listing Rules and that the Stock Exchange reserves its rights to take appropriate actions against the Company and/or its directors in respect of the breach.

The Directors have not dealt in any of the securities of the Company during the one month period immediately preceding 30 April 2005, the deadline for the Company to publish an announcement for the results for the year ended 31 December 2004, and up to the date of this announcement. The Directors have also given their undertaking to the Stock Exchange that they will not deal in the securities of the Company until the Company’s audited final results for the year ended 31 December 2004 are released and published.

Appointment of independent non-executive director

The Board also announces that Mr. Chu Cheong Kit (“Mr. Chu”) has been appointed as an independent non-executive director of the Company with effect from 9 September 2005.

Mr. Chu, aged 45, is a Qualified Solicitor of the High Court of Hong Kong since 1987 and has over 17 years of experience and commercial law. In the course of the last three years, Mr. Chu had been an non-executive director of E-Hoo Net, a Gem board company in Hong Kong. For personal reasons, he resigned from E-Hoo Net in 2004. Save for this, Mr. Chu did not hold any directorship in other listed public companies in the last three years. He has no relationships with any other directors, senior management, substantial shareholders (as defined in the Listing Rules) or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the date of this announcement, Mr. Chu is not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the Securities and Futures Ordinance. There is no service contract entered into between Mr. Chu and the Company.

Mr. Chu’s appointment is subject to retirement by rotation and re-election pursuant to the articles of association of the Company. Mr. Chu is remunerated at an annual director’s fee of HK\$120,000. His remuneration is determined based on their anticipated time and effort to be spent on the Company’s matter. Save as disclosed herein, there are no other benefit provided to them save for his directorship in the Company.

Saved as disclosed above, there are no other matters concerning the appointment of Mr. Chu that need to be brought to the attention of the shareholders of the Company.

The Board welcomes the joining of Mr. Chu and deeply believes that his experience will be beneficial to the Company’s corporate governance.

At the request of the Company, trading in the securities of the Company has been suspended from 9:30 a.m. on 29th April, 2005 and will remain suspended until further notice.

By Order of the Board
First Dragoncom Agro-Strategy Holdings Ltd.
Lau Man Kin
Executive Director

Hong Kong, 13 September, 2005

As at the date of this announcement, the directors of the Company are comprised of five directors, including two executive directors, namely, Mr. Lau Man Kin and Mr. Yu Jingshi and three independent non-executive directors, namely, Mr. Chen Bin, Mr. Qin Li and Mr. Chu Cheong Kit Raymond.

Please also refer to the published version of this announcement in China Daily.