



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)

**(1) FURTHER DELAY IN THE PUBLICATION OF THE ANNUAL RESULTS,
DESPATCH OF THE ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2004 AND
MEETING OF THE BOARD OF DIRECTORS;
(2) PROFIT WARNING;
AND
(3) CHANGE IN DIRECTORSHIP**

(1) The Board announces that the release and publication of the Company's final results for the year ended 31 December 2004 will be further delayed to no later than 1 August 2005 and the despatch of the annual report will be further delayed to no later than 8 August 2005.

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.

(2) The Board announces that the Group may record substantial losses for the year ended 31 December 2004.

(3) The Board announces that Mr. Zhang Xiao Xiong and Ms. Liu Ha have respectively resigned as executive director and independent non-executive director of the Company with effect from 15 July 2005. The Board also announces that Mr. Ng Wing Hang Patrick, and Mr. Chan Chung Yin, Victor have been appointed as independent non-executive directors of the Company with effect from 14 July 2005.

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

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

Further to the announcement of First Dragoncom Agro-Strategy Holdings Ltd. dated 4 July 2005 and 23 June 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 Company is still currently in the course of obtaining appropriate sufficient documentary evidence to satisfy the auditors as to the validity and recoverability of certain receivables, prepayments and deposits, 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 15 July 2005.

The board meeting originally scheduled to be held on 15 July 2005 is now rescheduled to no later than 1 August 2005. It is expected that the final results will be released and published on or before 1 August 2005 and the annual report dispatched on or before 8 August 2005.

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 directors of the Company 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. The directors of the Company have also given their undertakings 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.

(2) Profit Warning

It is expected that the final results of the Company and its subsidiaries (together with the Company, the "Group") for the year ended 31 December 2004 may record substantial losses as compared with the losses of approximately HK\$10,606,000 recorded in the previous year, for the reason set out below.

After the review of the Group's management accounts for the year ended 31 December 2004 by the management of the Company, it is expected that certain receivables due to the Group, prepayments and deposits may need to be provided and/or written off. The amounts of such receivables, prepayments and deposits are still subject to further adjustment and confirmation by the auditors of the Company.

This profit warning announcement is only based on the review of the Group's management accounts for the year ended 31 December 2004. Investors should read the Company's results announcement for the year ended 31 December 2004 carefully, which is expected to be published no later than 1 August 2005.

Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

(3) Change in Directorship

(i) Resignation of executive director and independent non-executive director

The Board announces that Mr. Zhang Xiao Xiong ("Mr. Zhang") and Ms. Liu Xia ("Ms. Liu") have resigned as executive director and independent non-executive director of the Company with effect from 15 July 2005 due to personal reasons. Mr. Zhang and Ms. Liu have respectively confirmed that they have no disagreements with the Board and do not have any other matters that need to be brought to the attention of the shareholders of the Company.

The Board would like to express its sincere appreciation for the invaluable contribution of Mr. Zhang and Ms. Liu to the Company during their term of office.

(ii) Appointment of independent non-executive directors

The Board announces that Mr. Ng Wing Hang, Patrick and Mr. Chan Chung Yin, Victor have been appointed as independent non-executive directors of the Company with effect from 14 July 2005.

Ng Wing Hang, Patrick

Mr. Ng, aged 52, is a practising Certified Public Accountant in Hong Kong and is the sole proprietor of Messrs. Patrick Ng & Company, Certified Public Accountants. Mr. Ng also serves as independent non-executive director on the boards of four listed companies in Hong Kong, namely, Shenyin Wanguo (H.K.) Limited, Hong Kong Pharmaceutical Holdings Limited, Everbest Century Holdings Limited, and Far East Hotels and Entertainment Limited.

Chan Chung Yin, Victor

Mr. Chan, aged 44, is a Qualified Solicitor of the High Court of Hong Kong since 1991 and has over 14 years of experience in corporate and commercial law. Mr. Chan did not hold any directorship in other listed public companies in the last three years.

Mr. Ng and Mr. Chan do not have any 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. Ng and Mr. Chan are 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. Ng or Mr. Chan and the Company.

Their appointments are subject to retirement by rotation and re-election pursuant to the articles of association of the Company. Mr. Ng and Mr. Chan are remunerated at an annual director's fee of HK\$180,000.00 and HK\$120,000.00, which is determined based on his anticipated time and effort to be spent on the Company's matter. Save as disclosed herein, there are no other benefit provided to Mr. Ng or Mr. Chan for their directorship in the Company.

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

The Board welcomes the joining of Mr. Ng and Mr. Chan and deeply believes that his experience will be beneficial to the Company's business development.

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

By order of the Board
FIRST DRAGONCOM
AGRO-STRATEGY HOLDINGS LTD.
Han Jide
Vice-Chairman

Hong Kong, 15th July 2005

As at the date of this announcement, the directors of the Company are comprised of eight directors, including three executive directors, namely, Dr. Qian Keming, Mr. Huang Jianhua, Mr. Han Jide, a non-executive director, namely, Mr. Qin Qing Yun, and four independent non-executive directors, namely, Mr. Zhao Cai Yuan, M. Huang San Xing, Mr. Ng Wing Hang, Patrick and Mr. Chan Chung Yin, Victor.

* *For identification purposes only*

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