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## **China Agrotech Holdings Limited**

**浩倫農業科技集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

### **MORTGAGE OF SHARES BY CONTROLLING SHAREHOLDER**

The Company was notified by Mr. Wu Shaoning, the Chairman and controlling shareholder of the Company that he had mortgaged 70,000,000 ordinary shares in the Company held by him to Union Bank of Hong Kong Limited.

On 8 August 2000, China Agrotech Holdings Limited (the “Company”) received a notice from its Chairman, Mr. Wu Shaoning (“Mr Wu”), being an initial management shareholder and a controlling shareholder of the Company, that he had obtained a personal loan facility (the “Facility”) from Union Bank of Hong Kong Limited (the “Bank”) on 8 August 2000 and had mortgaged with the Bank 70,000,000 ordinary shares (“Mortgaged Shares”) in the capital of the Company held by him.

As of today, Mr. Wu holds 140,000,000 ordinary shares of HK\$0.10 each in the capital of the Company, representing 56% of the entire issued share capital of the Company. Pursuant to Rule 13.16 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong

Kong Limited (the “GEM Listing Rules”), Mr. Wu has undertaken to the Company, ICEA Capital Limited and The Stock Exchange of Hong Kong Limited that he will not, except pursuant to Rule 13.17 of the GEM Listing Rules, dispose of any of his interest in the 140,000,000 ordinary shares in the Company held by him for a period of two years from 25 November 1999.

The details of the Facility and the Mortgaged Shares are summarised below:

Date of the facility letter:	8 August 2000
Name of Borrower:	Mr. Wu Shaoning
Name of Lender:	Union Bank of Hong Kong Limited
Number and class of securities being mortgaged:	70,000,000 ordinary shares in the Company, representing 28% of the entire issued share capital of the Company
Purpose for the mortgage:	As security for a banking facility of HKD20,000,000 granted to Mr. Wu Shaoning for his own personal use
Maximum amount of the Facility:	HKD 20,000,000
Terms of the Facility:	One year from the date of the facility letter
Interest rate:	Prime plus 3% or HIBOR plus 3%, whichever in higher

By Order of the Board  
**Wu Shaoning**  
Chairman

Hong Kong, 8 August 2000

*This announcement will remain on the GEM website on the “Latest Company Announcements” page for 7 days from the day of its posting.*

\* *For identification only*