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INTERCHINA HOLDINGS COMPANY LIMITED

國 中 控 股 有 限 公 司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE ACQUISITION OF THE EQUITY INTEREST OF BLACK DRAGON

EXTENSION OF TIME FOR THE DESPATCH OF CIRCULAR

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules for an extension of the deadline for the despatch of the Circular. The Company expects to despatch the Circular on or before 31 January 2008.

Reference is made to the announcement of Interchina Holdings Company Limited (the “Company”) dated 24 August 2007 (the “Announcement”) in relation to the very substantial acquisition regarding the acquisition of the equity interest of Black Dragon. Terms defined in this announcement shall have the same meanings as those defined in the Announcement, unless the context requires otherwise.

Under Rule 14.38 of the Listing Rules, the Company is required to despatch the circular (the “Circular”) setting out, among other matters, further information on the Black Dragon Transfer, the accountant’s report of Black Dragon and pro forma financial information of the Enlarged Group, to its shareholders on or before 14 September 2007, being 21 days after the date of publication of the Announcement.

The Board wishes to announce that additional time is needed for finalising (i) the details of the Black Dragon Transfer, including but not limited to, the valuation of Black Dragon Sale Shares, the final consideration of the Black Dragon Transfer, the debts of the Vendor to be assumed by Interchina

(Tianjin), and the net assets (of RMB100 million) to be remained in Black Dragon; (ii) the accountants' report of Black Dragon; and (iii) the pro forma financial information of the Enlarged Group.

As stated in the Announcement, Black Dragon has submitted an application for resumption of trading in its shares to the Shanghai Stock Exchange on 14 May 2007 and received “關於受理黑龍江黑龍股份有限公司恢復股票上市申請的通知” (“Notice in relation to the acceptance of the application of resumption of trading of the shares of Black Dragon”) and “關於對黑龍股份有限公司恢復上市申請材料的補充意見函” (“Letter of the supplemental comments on the application materials in relation to the resumption of trading in the shares of Black Dragon”) from the Shanghai Stock Exchange on 21 May 2007 and 28 May 2007, respectively.

As at the date of this announcement, the Company has appointed its PRC financial adviser to conduct due diligence review on Black Dragon and its subsidiaries. After completion of the due diligence review, (which is expected to be in the middle of November 2007), further details of the Black Dragon Transfer, including but not limited to, the valuation of Black Dragon Sale Shares, the final consideration of Black Dragon Transfer, the debts of the Vendor to be assumed by Interchina (Tianjin), and the net assets (of RMB100 million) to be remained in Black Dragon will be finalized. Thereafter, a further supplemental agreement will be executed recording such final terms, including but not limited to, the final consideration of the Black Dragon Transfer and the details of the net assets to be remained in Black Dragon. It is expected that a 上市公司收購報告書 (the Acquisition Report of Listed Company), which includes the restructuring proposal in relation to the resumption of trading in Black Dragon's shares would be submitted to the CSRC by the end of November 2007. Pursuant to the current terms of the Black Dragon Share Transfer Agreement, one of the conditions precedent to completion of the Black Dragon Transfer is that the CSRC should not have raised any objection within the statutory time limit, being 20 business days, after submission of the 上市公司收購報告書 (the Acquisition Report of Listed Company).

The Directors consider that it is in the best interest of the Shareholders to provide a circular which contains all determined details of the Black Dragon Transfer. Accordingly, the Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules for an extension of the deadline for the despatch of the Circular. The Company expects to despatch the Circular on or before 31 January 2008.

By Order of the Board
Interchina Holdings Company Limited
Lam Cheung Shing, Richard
Director and Company Secretary

Hong Kong, 14 September 2007

As at the date of this announcement, the executive Directors are Mr. Zhang Yang, Mr. Chan Wing Yuen, Hubert and Mr. Lam Cheung Shing, Richard; and the independent non-executive Directors are Mr. Wong Hon Sum, Ms. Ha Ping and Dr. Tang Tin Sek.