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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: 00202)

CLARIFICATION ANNOUNCEMENT IN RELATION TO DISCLOSEABLE TRANSACTION AND ISSUE OF CONVERTIBLE NOTE

Reference is made to the two announcements of the Company both dated 9 June 2009.

DISCLOSEABLE TRANSACTION

The Board would like to supply further financial information as regards the Success Flow Group for the year ended 31 March 2008, details of which are set out in the section headed “Discloseable Transaction” below.

ISSUE OF CONVERTIBLE NOTE

On 10 June 2009, the Company and the Subscriber entered into the Supplemental Agreement amending the terms of the Subscription Agreement. Pursuant to the Amended Subscription Agreement, (i) the Subscriber shall be entitled to nominate a person to be appointed as Director to the Board upon Completion; and (ii) during the life of the Subscription Agreement, the Company shall maintain its total liabilities of not more than HK\$1,250,000,000.

Reference is made to the two announcements of Interchina Company Holdings Limited (the “**Company**”) both dated 9 June 2009.

DISCLOSEABLE TRANSACTION

Unless otherwise defined, capitalised terms used in this section shall be the same as those used in the announcement of the Company dated 9 June 2009 in relation to the sale and purchase of the entire issued share capital of and the shareholder’s loan due and owing to the Company by Success Flow International Limited.

The Board would like to inform the Shareholders that (i) as at 31 March 2008, the audited consolidated net asset value of the Success Flow Group amounted to approximately HK\$39,507,000. For the year ended 31 March 2008, the Success Flow Group recorded an audited consolidated net profit before taxation of approximately HK\$34,492,000 and audited consolidated net profit after taxation of approximately HK\$32,176,000. The Board would also like to clarify that the Success Flow Group recorded an unaudited (instead of “audited” as set out in the announcement of the Company dated 9 June 2009) consolidated net liabilities (prepared under HKFRSs as at 30 April 2009) of approximately HK\$10,917,000.

ISSUE OF CONVERTIBLE NOTE

Unless otherwise defined, capitalised terms used in this section shall be the same as those used in the announcement of the Company dated 9 June 2009 in relation to the issue of the convertible note in the aggregate principle amount of HK\$35,000,000.

On 10 June 2009, the Company and the Subscriber entered into a supplemental agreement (the “**Supplemental Agreement**”, which together with the Subscription Agreement, the “**Amended Subscription Agreement**”) amending the terms of the Subscription Agreement. Pursuant to the Amended Subscription Agreement, (i) the Subscriber shall be entitled to nominate a person to be appointed as Director to the Board upon Completion; and (ii) during the life of the Subscription Agreement, the Company shall maintain its total liabilities of not more than HK\$1,250,000,000.

The Board would also like to inform the Shareholders that pursuant to the terms and conditions of the Convertible Note, in the event any adjustment made to the Conversion Price shall fall below the nominal value of the Shares, the Conversion Price shall be adjusted to an amount equal to the nominal value of one Share. As at the date of this announcement, the nominal value of a Share is HK\$0.10 while the Conversion Price is also HK\$0.10. Therefore the Conversion Price will not be adjusted below HK\$0.10 and the maximum number of Conversion Shares shall remain at 350,000,000 (save in relation to any capital reorganisation).

By Order of the Board
Interchina Holdings Company Limited
Lam Cheung Shing, Richard
Chairman

Hong Kong, 10 June 2009

As at the date of this announcement, the executive Directors are Mr. Lam Cheung Shing, Richard, Mr. Zhu Yongjun and Mr. Chan Wing Yuen, Hubert; and the independent non-executive Directors are Ms. Ha Ping, Mr. Ho Yiu Yue, Louis and Mr. Ko Ming Tung, Edward.