



VITOP BIOENERGY HOLDINGS LIMITED
(天 年 生 物 控 股 有 限 公 司) *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1178)

CLARIFICATION ANNOUNCEMENT

The Board wishes to state the Company was informed that the Claimants have on 27 June 2005 served the writ of summons regarding a lawsuit by the Claimants against Ms Sae-lao, a former executive director of the Company and currently a consultant to the Board, on Ms Sae-lao. On the same day, the Company also received a letter from the legal advisers of the Claimants that they are seeking legal advice to explore the possibility of taking legal proceedings against the Company.

Holders of shares of the Company and potential investors should take caution when dealing in the shares of the Company.

The board of directors (the “Board”) of Vitop Bioenergy Holdings Limited (the “Company”) refers to the various articles that appeared in the newspapers on 24 June 2005 (the “Articles”) regarding certain legal proceedings commenced by four individuals (the “Claimants”) against Ms Sae-lao Rakchanok (“Ms Sae-lao”), a former executive director of the Company and currently a consultant to the Board. It was reported in the Articles that the Claimants alleged that Ms Sae-lao has made statements which constituted representations of i) the net profit forecasts of the Company and ii) the target price of the Company’s shares, and the Claimants have relied on the representations and purchased shares of the Company (the “Allegations”).

The Board wishes to state the following:

The Company was informed that the Claimants have on 27 June 2005 served a writ of summons with statement of claim on Ms Sae-lao regarding the Allegations.

* *for identification purpose only*

On Monday 27 June 2005, the Company also received a letter from the legal advisers of the Claimants that the Claimants are seeking legal advice to explore the possibility of legal proceedings against the Company in relation to the Allegations. As at the date of this announcement, the Company has not received and is not aware of any writ of summons or statement of claim that has been issued against the Company in relation to the Allegations. Appropriate course of action will be taken by the Board in the event further actions are taken by the Claimants.

The Board further wishes to state that it had not at any time considered or formulated any profit forecast or target share price of the Company as referred to in the Allegations. Furthermore, the Board had not at any time been made aware of, reviewed and/or approved or authorized any statement that contains the information as set out in the Allegations.

Further announcement will be made by the Company in case of any material development.

Holders of shares of the Company and potential investors should take caution when dealing in the shares of the Company.

By Order of the Board

Hung Kai So

Chairman

As at the date of this announcement, the Board consists of four executive directors: Hung Kai So, Kam Ioi, Ma Yufeng and Liu Jun; one non-executive director: Lee Kwok Ming; and three independent non-executive directors: Yuan Tsu I, Yick Wing Fat, Simon and Li Li Te.

Hong Kong, 4 July 2005

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