



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)

**REDESIGNATION OF DIRECTOR
AND
CHANGE OF AUTHORIZED REPRESENTATIVE,
AGENT FOR THE SERVICE OF PROCESS IN HONG KONG
AND
QUALIFIED ACCOUNTANT**

The Board announces that effective 5 January 2005,

- Mr. Lee Kwok Ming resigned as an executive director of the Company due to personal reasons and remains a non-executive director of the Company;
- Ms. Lo Oi Lan was appointed as the authorized representative and the agent for the service of process in Hong Kong on behalf of the Company in place of Mr. Lee; and
- Mr. Yeung Man, Simon, an associate of the Hong Kong Institute of Certified Public Accountants, was appointed as the qualified accountant of the Company in place of Mr. Lee.

REDESIGNATION OF DIRECTOR

The board of directors (the “Board”) of Vitop Bioenergy Holdings Limited (the “Company”) announces that effective 5 January 2005, Mr. Lee Kwok Ming (“Mr. Lee”) resigned as an executive director of the Company due to personal reasons and remains a non-executive director of the Company.

Mr. Lee, age 47, was appointed as an executive director of the Company on 5 January 2004. Mr. Lee holds a Master of Science degree in Business Administration from the University of Bath and has more than 20 years of financial management experience with extensive experience in mergers and acquisitions, as well as corporate finance. He was previously an executive director and chief financial officer of Tom.com Limited during the period from 1 August 2001 to 31 March 2003 (now known as TOM Group Limited, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)) and an

executive vice president and chief financial officer of Guangdong Kelon Electrical Holdings Company Limited (a company listed on the Main Board of the Stock Exchange). Mr. Lee is a fellow of the Hong Kong Institute of Certified Public Accountants and an associate of the Chartered Institute of Management Accountants in the United Kingdom. He is also a fellow of the Hong Kong Institute of Directors. Mr. Lee is an independent non-executive director of Lianhua Supermarket Holdings Co., Ltd. (a company listed on the Main Board of the Stock Exchange) and TravelSky Technology Limited (a company listed on the Main Board of the Stock Exchange). Save as disclosed herein, Mr. Lee has not held any other directorships in publicly listed companies in the last three years.

Mr. Lee has confirmed that there is no disagreement with the Board and there are no matters that need to be brought to the attention to the shareholders of the Company in relation to his resignation. The Board would like to express its sincere appreciation to Mr. Lee for his valuable contribution to the Company during his tenure of office and looks forward to his continued advice and support in the future.

Reference is made to the announcement made by the Company dated 5 January 2004 and the circular issued by the Company dated 21 January 2004 relating to, inter alia, the subscription agreement (the "Subscription Agreement") entered into between the Company and Mr. Lee in relation to the subscription of an aggregate of 7,752,000 new shares in the capital of the Company at HK\$0.31 per share and the grant of options (the "Options") to subscribe for 20,000,000 shares at the exercise price of HK\$0.495 per share under the share option scheme of the Company adopted on 23 January 2003. Upon resignation of Mr. Lee, a termination agreement (the "Termination Agreement") was entered into between the Company and Mr. Lee on 5 January 2005, terminating the service agreement between the Company and Mr. Lee in relation to his appointment as an executive director of the Company (the "Service Agreement") and the Subscription Agreement. On termination of the Service Agreement and the Subscription Agreement, neither party shall have any liabilities towards the other party under the aforementioned agreements.

Up to the date of the Termination Agreement, Mr. Lee has subscribed for 1,938,000 shares pursuant to the Subscription Agreement. Pursuant to the Termination Agreement, the parties have agreed that Mr. Lee shall subscribe for an additional 1,727,348 new shares under the Subscription Agreement, representing a pro rata portion of the 1,938,000 shares Mr. Lee was eligible to subscribe for upon expiration of every six-month period. Subscription of the 1,727,348 shares is expected to complete on 13 January 2005. Save as aforementioned, upon termination of the Subscription Agreement, Mr. Lee is no longer obligated to subscribe for the remaining 4,086,652 shares under the Subscription Agreement. None of the Options granted to Mr. Lee has been exercised by him as at the date of this announcement and shall remain exercisable in accordance with the terms of grant.

No service contract was entered into between the Company and Mr. Lee in relation to his appointment as a non-executive director of the Company. The appointment of Mr. Lee as a non-executive director is for a term of one year, subject to termination by either party by giving one month's written notice to the other party at any time and the rotation requirements of the articles of association of the Company. He is entitled to a director's fee which will be determined by the Board under the authority granted by the shareholders of the Company at the annual general meeting.

As at the date hereof, Mr. Lee does not hold any positions with the Company or other members of the Group other than acting as a non-executive director of the Company, nor have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. He is deemed to be interested in 23,665,348 shares of the Company (including the 20,000,000 underlying shares of the Company to be issued to him upon exercise of the Options granted to him pursuant to the share option scheme of the Company and the 1,727,348 new shares to be issued and allotted to him under the Subscription Agreement as mentioned above) within the meaning of Part XV of the Securities and Futures Ordinance.

The Board confirms that there are no other matters in relation to the resignation of Mr. Lee as an executive director of the Company that need to be brought to the attention of the shareholders of the Company.

CHANGE OF AUTHORIZED REPRESENTATIVE AND AGENT FOR THE SERVICE OF PROCESS IN HONG KONG

Upon resignation of Mr. Lee as an executive director of the Company, Mr. Lee also ceased to act as the authorized representative of the Company under Rule 3.05 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and the agent for the service of process in Hong Kong on behalf of the Company effective 5 January 2005. Ms. Lo Oi Lan was appointed effective 5 January 2005 to be one of the authorized representative of the Company and the agent for the service of process in Hong Kong on behalf of the Company in place of Mr. Lee.

CHANGE OF QUALIFIED ACCOUNTANT

Mr. Lee also ceased to be the qualified accountant of the Company under Rule 3.24 of the Listing Rules effective 5 January 2005. Mr. Yeung Man, Simon, an associate of the Hong Kong Institute of Certified Public Accountants, was appointed the qualified accountant of the Company in place of Mr. Lee.

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

By Order of the Board
Hung Kai So
Chairman

Hong Kong, 5 January 2005

* *For identification purpose only*

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