

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



VITOP BIOENERGY HOLDINGS LIMITED
(天年生物控股有限公司)*

(Incorporated in the Cayman Islands with limited liability)

UNAUDITED QUARTERLY RESULTS
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2003

HIGHLIGHTS

- The turnover of the Group for the three months ended 30 September 2003 was approximately HK\$29.7 million, representing an increase of approximately 49.8% as compared to approximately HK\$19.8 million for the corresponding period last year. The increase in turnover was mainly the result of the aggressive marketing strategy adopted during the past nine months and the previous investments in the Group's franchise distribution network.
- Net profit for the three months ended 30 September 2003 was approximately HK\$4.0 million, representing an increase of approximately 44.6% as compared to approximately HK\$2.8 million for the corresponding period last year.
- The gross margin for the three months ended 30 September 2003 decreased to approximately 55.6% from approximately 61.0% for the corresponding period last year. The decrease in gross margin was mainly due to the change of product mix in which the proportion of sales of Ionised Water Apparatus, which has a lower profit margin than the traditional product, Healthy Sleeping System, increased to approximately 41.5% from approximately 24.9% for the corresponding period last year.
- During the three months ended 30 September 2003, the Group has devoted resources on media promotion in order to further enhance the brand position of Vitop® in the PRC and it is believed that such strategy will also be adopted by the management in the coming quarter.
- The announcement is made on a voluntary basis pursuant to paragraph 2 of the Listing Agreement.

The board of directors (the "Board") of Vitop Bioenergy Holdings Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the three months ended 30 September 2003 together with comparative figures for the corresponding period in 2002. The announcement is made on a voluntary basis pursuant to paragraph 2 of the Listing Agreement.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Three months ended	
	30 September	
	2003	2002
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Turnover	29,660	19,795
Cost of sales	(13,178)	(7,718)
Gross profit	16,482	12,077
Other revenue	1,275	195
Distribution costs	(8,296)	(5,165)
Administrative expenses	(4,695)	(3,941)
Other operating expenses	(488)	(365)
Profit from operating activities	4,278	2,801
Finance costs	—	(11)
Profit before tax	4,278	2,790
Tax	(245)	—
Net profit for the period	4,033	2,790

The unaudited consolidated results of the Group for the three months ended 30 September 2003 have been prepared in accordance with the same accounting policies adopted by the Group in the annual report for the year ended 30 June 2003.

By Order of the Board
Hung Kai So
Chairman

Hong Kong, 5 December, 2003

** For identification purpose only*

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