

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.



Vital BioTech Holdings Limited

維奧生物科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT

We have noted the increase in price and trading volume of the shares of the Company today and wish to state that we are not aware of any reasons for such increases, save for the Board was informed by a director of certain subsidiaries of the Company that he has disposed of 7,335,000 shares of the Company today.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The board of directors (the “Board”) of Vital BioTech Holdings Limited (the “Company”) have noted the increase in price and trading volume of the shares of the Company today and wish to state that the Board is not aware of any reasons for such increases.

The Board was informed by Mr Liao Yong Guang (“Mr Liao”), a director of four wholly-owned and one 85%-owned subsidiaries of the Company that 7,335,000 shares representing 0.57% of the entire issued share capital of the Company were disposed of on 8 October 2003 at an average price of HK\$0.57 per share on the open market. Before and after the disposal, Mr Liao held 10,000,000 and 2,665,000 shares of the Company representing 0.78% and 0.21% respectively of the entire issued share capital of the Company.

Save and except the above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Made by the order of the Board of Vital BioTech Holdings Limited the Directors of which individually and jointly accept responsibility for the accuracy of this statement.

By order of the Board
Lam Kai Cheung
Company Secretary

8 October 2003, Hong Kong

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