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CHINA TYCOON BEVERAGE HOLDINGS LIMITED

中國大亨飲品控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 209)

CLARIFICATION ANNOUNCEMENT – RESIGNATION OF AUDITOR

The Board refers to the announcement dated 26 February 2013 in respect of the resignation of the auditor of the Company and the Group.

Trading in the shares of the Company on the Stock Exchange has been suspended since 8 March 2012 and will remain suspended until further notice.

The Board refers to the announcement dated 26 February 2013 (the “26 February 2013 Announcement”) in respect of the resignation of the auditor of the Company and the Group, and would like to provide the following clarification. Terms defined in the 26 February 2013 Announcement are used herein unless otherwise specified.

In the resignation letter from BDO Limited (“BDO”) dated 26 February 2013 (the “Resignation Letter”), BDO stated that they had reported to the Audit Committee of the Company (the “Audit Committee”) and the Board in their letter dated 19 June 2012 the status of the audit of the consolidated financial statements of the Group for the year ended 31 December 2011 and the outstanding matters they encountered thus far, and had also brought to the attention of the Audit Committee and the Board indications of possible deficiencies in internal controls of the Company’s subsidiary, Tycoon Beverage Group Co. Ltd. and its subsidiaries (the “Beverage Sub-group”) which are mainly established and operated in Tianjin, the People’s Republic of China. Subsequently, on 16 August 2012, BDO issued to the management of the Company a draft modified audit report on the consolidated financial statements of the Group for the year ended 31 December 2011 in respect of certain limitations of scope arising from the possible deficiencies in internal controls of the Beverage Sub-group as referred to in the BDO letter dated 19 June 2012.

As disclosed in the 26 February 2013 Announcement, the Company has issued a letter dated 22 January 2013 requesting BDO to (i) complete the audit of the Company's financial statements for the year ended 31 December 2011; (ii) perform a review of the Company's financial statements for the six months ended 30 June 2012; and (iii) perform an audit of the Company's financial statements for the year ended 31 December 2012 as soon as possible in light of the further evidences and supporting documents gathered/located by the local management of the Beverage Sub-group.

In response, BDO informed the Company in the Resignation Letter that, due to the fact that they are in the middle of audit busy season, such that they were unable to spare any resources to perform the additional work arising in response to the request by the Company. After taking into consideration the effective utilisation of internal resources and the professional risk associated with the audit, BDO advised in the Resignation Letter that they were unable to meet the Company's expectations in the reporting timeframe within such a short notice period. As such, BDO has resigned as the auditor of the Company and the Group with effect from 26 February 2013.

BDO also confirmed that from their perspective, there are no matters in addition to those referred to in the Resignation Letter and disclosed by the Company in the 26 February 2013 Announcement and this announcement that need to be brought to the attention of the holders of securities of the Company.

Trading in the shares of the Company on the Stock Exchange will remain suspended until further notice.

By Order of the Board
Lo Ming Chi, Charles

Deputy Chairman and Chief Executive Officer

Hong Kong, 4 March 2013

As at the date of this announcement, the Board comprises one Non-executive Director, namely Mr. Sue Ka Lok (Chairman); four Executive Directors, namely Mr. Lo Ming Chi, Charles (Deputy Chairman and Chief Executive Officer), Ms. Danita On (Chief Operating Officer), Ms. Chan Yuk Yee and Ms. Wang Jingyu; and three Independent Non-executive Directors, namely Mr. Kwok Ming Fai, Mr. Wong Kwok Tai and Ms. Leung Pik Har, Christine.

* *For identification purpose only*