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Vital BioTech Holdings Limited

維奧生物科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

**NOTICE OF VOLUNTARY WITHDRAWAL OF LISTING ON
THE GROWTH ENTERPRISE MARKET OF
THE STOCK EXCHANGE OF HONG KONG LIMITED,
RESULTS OF THE EXTRAORDINARY GENERAL MEETING,
REDUCTION OF THE NOTICE PERIOD IN RESPECT OF
THE PROPOSED WITHDRAWAL,
TERMINATION OF THE EXISTING SHARE OPTION SCHEME,
ADOPTION OF THE PROPOSED SHARE OPTION SCHEME
ALTERATIONS TO THE ARTICLES OF ASSOCIATION,
AND
GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE SHARES**

The Board is pleased to announce that an ordinary resolution approving, among others, the withdrawal of the listing of the Shares on GEM was passed by the Shareholders at the Extraordinary General Meeting held on 23 July 2003. Notice is hereby given that the last day of dealings in the Shares on GEM will be 1 August 2003 and the listing of the Shares on GEM will be withdrawn with effect from 9:30 a.m. on 4 August 2003. It is expected that dealings in the Shares on the Main Board (stock code: 1164) will commence at 9:30 a.m. on 4 August 2003.

The Proposed Withdrawal and the Introduction will not have any effect on the existing share certificates of the Company and such share certificates will continue to be good evidence of legal title. In addition, the Proposed Withdrawal and the Introduction will not involve any transfer or exchange of the existing share certificates of the Company. No change is proposed to be made to the board lot size, the trading currency of the Shares and the share registrars of the Company in connection with the Proposed Withdrawal and the Introduction. Shares will continue to be traded in board lots of 5,000 Shares each following the Introduction.

Warning:

There is no assurance that permission will be obtained from the Stock Exchange for the Introduction. Shareholders and potential investors should be aware that the implementation of the Proposed Withdrawal and the Introduction are subject to the conditions set out below being fulfilled and thus may or may not become effective. Accordingly, the Proposed Withdrawal and the Introduction may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the announcement of Vital BioTech Holdings Limited (the “Company”) dated 30 June 2003 in relation to the Proposed Withdrawal.

The Board is pleased to announce that the following resolutions were duly passed by the Shareholders at the Extraordinary General Meeting held on 23 July 2003:

1. the ordinary resolutions approving the Proposed Withdrawal and the reduction of the notice period for the Proposed Withdrawal required under Rule 9.19(3) of the GEM Listing Rules to a minimum of five clear Business Days;
2. the ordinary resolution approving the termination of the Share Option Scheme and the adoption of the Proposed Share Option Scheme;
3. the ordinary resolution approving the general mandates to issue securities and repurchase Shares;
4. the ordinary resolution approving the extension of the general mandate to issue securities by the aggregate nominal amount of Share repurchased by the Company pursuant to the proposed general mandate to repurchase Shares; and
5. the special resolution approving the alterations to the Articles of Association.

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The Proposed Withdrawal and the Introduction will be conditional upon, among other things:

1. the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares in issue and any Shares which may fall to be allotted and issued pursuant to the exercise of any options which were granted under the Share Option Scheme and which may be granted under the Proposed Share Option Scheme on the Main Board; and
2. the publication of this notice.

The adoption of the Proposed Share Option Scheme will be conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares in issue and any Shares which may fall to be allotted and issued pursuant to the exercise of any options which were granted under the Share Option Scheme and which may be granted under the Proposed Share Option Scheme on the Main Board.

The Directors further confirm that the Company has no present intention to grant any options under the Share Option Scheme prior to its proposed termination.

The listing of the Shares on the Main Board by way of Introduction will be treated as a new listing. As a result, the closing price on the last day of dealings in the Shares on GEM will not be disclosed as the previous closing price of the Shares on the date of commencement of dealings in the Shares on the Main Board. However, it will be disclosed as a note on Teletext for reference purposes only.

The estimated amount of expenses of the Company in relation to the Introduction is approximately HK\$4.5 million and is payable by the Company.

By order of the Board
VITAL BIOTECH HOLDINGS LIMITED
Ko Sai Ying, Thomas
Chairman

Hong Kong, 23 July 2003

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at “www.hkgem.com” on the “Latest Company Announcements” page for at least seven days from the day of its posting.