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Ko Yo Ecological Agrotech (Group) Limited

玖源生態農業科技(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8042)

Announcement

The Board of Directors (the “Board”) of Ko Yo Ecological Agrotech (Group) Limited (the “Company”) has noted the fluctuations of share prices of the Company on 13th May 2008 and hereby declares that the Board is not aware of any reasons causing the fluctuations.

The Board acknowledges that there are no negotiations or agreements entered into in respect of any relevant planned acquisition or disposal that require to be disclosed pursuant to Chapter 19 to 20 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“GEM Listing Rules”). The Board is also not aware of any matters that affect or may affect share prices requiring to be disclosed pursuant to the general obligations as provided in Rule 17.10 of the GEM Listing Rules.

The Company’s plant in Dazhou, Sichuan was not affected by the earthquake occurring in Sichuan Province (“Sichuan Earthquake”) on 12th May 2008 and the Dazhou plant is operating normally. Besides, the construction of the new 400,000-tonne synthetic ammonia and 450,000-tonne urea chemical projects in Dazhou, Sichuan proceeds as scheduled. As for the Company’s plant in Xindu, Sichuan, all production facilities remain normal and all employees are safe. At the request of the government, the plant has suspended production temporarily from 1.00 a.m. on 13th May 2008 and will resume production after receiving further instructions from the government. The Sichuan Earthquake has not created a material impact on the Company. The Company would like to thank investors for their concern.

This announcement has been made by the order of the Board and the directors of the Company collectively and individually accept responsibility for the accuracy of this announcement.

By Order of the Board
Ko Yo Ecological Agrotech (Group) Limited
Li Weiruo
Chairman

Chengdu, PRC, 13th May 2008

As at the date of this announcement, the board of directors comprises five executive directors, being Mr. Li Weiruo, Mr. Yuan Bai, Ms. Chi Chuan, Ms. Man Au Vivian, Mr. Li Shengdi and three independent non-executive directors of Mr. Hu Xiaoping, Mr. Woo Che-wor, Alex and Mr. Qian Laizhong.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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 “Latest Company Announcements” page of the GEM website and the website of the Company at www.koyochem.com for at least 7 days from the date of its posting.