

KO YO GROUP<08042> – Results Announcement (Q3, 2005, Summary)

Ko Yo Ecological Agrotech (Group) Limited announced on 08/11/2005:
(stock code: 08042)

Year end date :31/12/2005
 Currency :RMB
 Auditors' report :N/A
 3rd Quarterly Report Reviewed by :Audit Committee

Important Note :

This result announcement form only contains extracted information from and should be read in conjunction with the detailed results announcement of the issuer, which can be viewed on the GEM website at <http://www.hkgem.com>

Unaudited	Unaudited	
	Current	Last
Corresponding	Period	
Period	from	from
01/01/2004	01/01/2005	01/01/2005
30/09/2004	to 30/09/2005	to 30/09/2005
RMB' 000	RMB' 000	
Turnover	:	478,039
308,885		
Profit/(Loss) from Operations	:	51,508
27,662		
Finance cost	:	(5,797)
(5,285)		
Share of Profit/(Loss) of Associates	:	N/A
N/A		
Share of Profit/(Loss) of Jointly	:	
Controlled Entites	:	N/A
N/A		
Profit/(Loss) after Taxation & MI	:	38,185
20,284		
% Change Over the Last Period	:	+88.25%

EPS / (LPS)			
0.0483	Basic (in dollar)	:	RMB 0.0905 RMB
N/A	Diluted (in dollar)	:	N/A
N/A	Extraordinary (ETD) Gain/(Loss)	:	N/A
20,284	Profit (Loss) after ETD Items	:	38,185
NIL	3rd Quarter Dividends per Share	:	NIL
N/A	(specify if with other options)	:	N/A
	B/C Dates for 3rd Quarter Dividends	:	N/A
	Payable Date	:	N/A
	B/C Dates for (-) General Meeting	:	N/A
	Other Distribution for Current Period	:	NIL
	B/C Dates for Other Distribution	:	N/A

(bdi: both days inclusive)

For and on behalf of
Ko Yo Ecological Agrotech (Group) Limited

Signature :
Name : Man Au Vivian
Title : Director

Responsibility statement

The directors of the Company (the "Directors") as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this results announcement form (the "Information") and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief the Information are accurate and complete in all material respects and not misleading and that there are no other matters the omission of which would make the Information herein inaccurate or misleading. The Directors acknowledge that the Stock Exchange has no responsibility whatsoever with regard to the Information and undertake to indemnify the Exchange against all liability incurred and all losses suffered by the Exchange in connection with or relating to the Information.

Remarks:

1. Basis of preparation

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has undertaken to converge by 1 January 2005 all Hong Kong Financial Reporting Standards ("HKFRSs") with International Financial Reporting Standards ("IFRSs") issued by the international Accounting Standards Board. As a result, the HKICPA had aligned HKFRSs with the requirements of IFRSs in all material respects as at 31 December 2004. The accounts have been prepared under the historical cost convention.

2. Turnover

Turnover represents the net amounts received and receivable for chemical products and chemical fertilizers sold, less returns and allowances and value-added taxes, if applicable, during the nine months period. The Group's revenue are primarily generated in the People's Republic of China.

3. Taxation

No provision for profits tax in the Cayman Islands, the British Virgin Islands or Hong Kong has been made, as the Group had no assessable profit arising in or derived from those jurisdictions during the nine months ended 30 September 2005.

Chengdu Ko Yo Chemical Industry Co., Ltd., Chengdu Ko Yo Compound Fertilisers Co., Ltd., Dezhou Ko Yo Compound Fertiliser Co., Ltd., Dazhou City Dazhu Ko Yo Chemical Industry Co., Ltd. and Qingdao Ko Yo Chemical Industry Co., Ltd. were established as foreign investment enterprises in the PRC. They are subject to Enterprise Income Tax ("EIT") at the rate of 15%, 15%, 33%, 15% and 33% respectively, and are entitled to full exemption from EIT in the first two profitable years and a 50% reduction for the next three years thereafter.

4. Earnings per share

The calculation of the basic earnings per share for the three months and nine months ended 30 September 2005 and 2004 is based on the unaudited consolidated profit attributable to shareholders of approximately RMB13,037,000 and RMB38,185,000 for the relevant periods (2004:RMB11,462,000 and RMB20,284,000) and on the weighted average number of shares approximately 421,820,000 ordinary shares in 2005 (2004:420,791,000 for three months and 420,264,000 for nine

months). Diluted earning per share is not presented as there was no dilutive potential share.

5. Dividend

The Board does not recommend the payment of interim dividend for the three months ended 30 September 2005 (30 September 2004: Nil).