

CLARIFICATION OF REUTERS REPORT

With reference to a Reuters' interview on 12 June 2006, Mr. Raymond Ho, the Financial Controller of Pine Agritech Limited ("the Company") was quoted in relation to an average analyst forecast poll by Reuters, as saying: "If nothing out of our expectations happens, we are quite confident that we can beat their profit forecasts".

The Company would like to clarify that Mr. Ho's remarks were made with reference to and should be seen in the context of, a published analyst report by UOB Kayhian on 22 February 2006 which forecasted a net profit of RMB 273.2 million for FY2006.

Mr. Parry Ng
VP, Corporate Communications & Investor Relations

12 June 2006