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中國植物開發控股有限公司

CHINA BOTANIC DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2349)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that it is presently expected that the results of the Group for the financial year ended 31 December 2008 will be materially and adversely affected.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Botanic Development Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board (the “**Board**”) of directors of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the results of the Group for the financial year ended 31 December 2008 will be materially and adversely affected due to the unprecedented credit crisis and the volatility in the economy. The unprecedented volatility caused financial strain to customers of the Group that led the Group to adopt a tightened credit management policy and control the delivery of products, which resulted in a lower sales volume in the second half of 2008. The volatility in commodity prices had also created a difficult pricing environment in our business, which impacted on the profit margins in 2008. The interest expense on convertible notes resulted in a significantly increased finance cost, which also impacted on the profit in 2008. As such, the management of the Group estimated the results in 2008 would be significantly lower than previous year, or may even record a loss for the full year.

As the Company has not yet finalized its results for the year ended 31 December 2008, the information contained in this announcement is a preliminary estimate given by the management of the Group and is not based on any figures nor information that has been audited or reviewed by the Company's auditors.

The Group has faith in its future development despite the above adverse impact and challenges.

Shareholders and potential investors are advised to exercise caution when dealing in the shares and securities of the Company.

By order of the Board
China Botanic Development Holdings Limited
But Ka Wai
Chairman

Hong Kong, 22 January 2009

As at the date of this announcement, the Board comprises Mr. But Ching Pui (honorary Chairman), Mr. But Ka Wai (Chairman), Mr. But Chai Tong (Vice Chairman), Mr. Ying Wei and Ms. Gao Jihong as executive Directors, Ms. Leung Wai Ling and Ms. Wang Fang as non-executive Directors and Mr. Cheung Yu Yan, Tommy, Mr. Ip Shing Tong, Francis, Mr. Ku Siu Fung, Stephen and Mr. Chen Ziqiang as independent non-executive Directors.