
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in the Company, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors (“**Directors**”) of Aptus Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors of the Company having made all reasonable enquires, confirm that, to the best of their knowledge and belief, (i) the information contained in this circular 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 circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



APTUS HOLDINGS LIMITED **(問博控股有限公司)**

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8212)

CHANGE OF AUDITORS, AMENDMENTS TO ARTICLES OF ASSOCIATION, REFRESHMENT OF THE 10 PER CENT LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME AND REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES

The notice convening an extraordinary general meeting of the Company to be held at the 30th Floor, Sunshine Plaza, No. 353 Lockhart Road, Hong Kong on Monday, 1st November 2004 at 11:00 a.m. is set out on pages 12 to 15 of this circular.

Whether or not you are able to attend the extraordinary general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for 7 days from the date of its posting.

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at www.hkgem.com in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“Auditors”	the auditors of the Company and its subsidiaries;
“Articles of Association”	the articles of association of the Company as may be amended from time to time;
“Associate(s)”	has the same meaning as defined in the GEM Listing Rules;
“B & B”	B & B Natural Products Limited, a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on GEM of the Stock Exchange, and holds as to approximately 60.02% of the entire issued share capital of the Company;
“Company”	Aptus Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange;
“Companies Law”	the Companies Law (2003 Revision) of the Cayman Islands;
“Directors”	the directors of the Company;
“EGM”	the extraordinary general meeting of the Company to be held at the 30th Floor, Sunshine Plaza, No. 353 Lockhart Road, Hong Kong on 1st November 2004 (Monday) at 11:00 a.m. and the notice of which is set out on pages 12 to 15 of this prospectus;
“Eligible Participants”	any employee of the Company or any subsidiary (including any executive director of the Company or any subsidiary) which is in full-time employment with the Company or any subsidiary at the time when an option is granted to such employee, or any person who, in the sole discretion of the Board, have contributed or may contribute to the Group;
“Existing Share Option Scheme”	the existing share option scheme of the Company adopted pursuant to an ordinary resolution passed by shareholders on 24th April, 2002;
“GEM”	The Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	The Rules Governing the Listing of Securities on The Growth Enterprise Market of the Stock Exchange;

DEFINITIONS

“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Latest Practicable Date”	30th September 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Shareholders”	the holders of Shares;
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.



A P T U S

APTUS HOLDINGS LIMITED

(問博控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8212)

Executive Directors:

Mr. Chan Ting

Mr. Fung King Him, Daniel

Independent Non -Executive Directors:

Mr. Tian He Nian

Ms. Qi Mei

Mr. Tsui Wing Tak

Registered office:

Century Yard,
Cricket Square,
Hutchins Drive
P.O. Box 2681 GT
George Town
Grand Cayman
Cayman Islands
British West Indies

*Head Office and Principal Place
of Business:*

30th Floor
Sunshine Plaza
No. 353 Lockhart Road
Hong Kong

7th October 2004

To the Shareholders of the Company

Dear Sir or Madam,

**CHANGE OF AUDITORS,
AMENDMENTS TO ARTICLES OF ASSOCIATION,
REFRESHMENT OF THE 10 PER CENT LIMIT ON THE GRANT OF
OPTIONS UNDER THE SHARE OPTION SCHEME
AND REFRESHMENT OF
GENERAL MANDATE TO ISSUE NEW SHARES**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with details regarding (a) the change of the Auditors; (b) the proposed amendments to the Articles of Association; (c) the refreshment of the 10% limit in relation to the aggregate number of Shares which may be issued by the Company upon the

LETTER FROM THE BOARD

exercise of all share options granted by the Company pursuant to the Share Option Scheme; and (d) the refreshment of the general mandate to the Directors to exercise the powers of the Company for the issue of new Shares. All such proposals shall be dealt with at the forthcoming EGM.

CHANGE OF AUDITORS

The Directors propose to change the Auditors as the Company and Messrs. Ernst & Young, Certified Public Accountants (“Ernst & Young”), the former Auditors, could not reach an agreement on the Auditor’s remuneration.

Ernst & Young were re-appointed as the Auditors at the last annual general meeting of the Company held on 15th April 2004 to hold office until the next annual general meeting of the Company at a remuneration to be fixed by the Directors with Ernst & Young. Nevertheless, Ernst & Young resigned as auditors of the Company and its subsidiaries on 3rd September 2004 as the Company and Ernst & Young were not able to reach a consensus as to the Auditor’s remuneration. The Company has accepted the resignation of Ernst & Young solely for audit fee competitiveness reason, which is in line with the Company’s general policy of minimizing operating costs. In accordance with the Articles of Association, if the office of Auditors becomes vacant by the resignation of the Auditors, the Directors shall as soon as practicable convene an extraordinary general meeting to fill the vacancy.

Both the Directors and Ernst & Young confirmed that in connection with the resignation of Ernst & Young, there were no circumstances, which should be brought to the notice of the members or creditors of the Company and its subsidiaries.

The Directors propose to appoint W.H. Tang & Partners CPA Limited (“W.H. Tang & Partners”) as the Auditors to fill the casual vacancy following the resignation of Ernst & Young and to hold office until the conclusion of the next annual general meeting of the Company. The appointment of W.H. Tang & Partners is subject to approval by the Shareholders at the EGM. Ernst & Young has not commenced the audit for the Company for the financial year ending 30th September 2004. The Directors expect that the change of Auditors will not affect the audit and the release of annual results of the Company for the financial year ending 30th September 2004.

Resolution no. 2 as set out in the notice of the EGM will be proposed at the EGM to approve the change of Auditors.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

According to the Articles of Association, the Auditors must be appointed by the Shareholders at general meetings and to hold office until removal by the Shareholders or replacement by other auditors appointed by the Shareholders.

The Directors propose to amend Articles 155(1), (2) and (3), 157 and 158 of the Articles of Association to the effect that the Shareholders may authorise the Board (i) to appoint and remove the Auditors; (ii) to fix the remuneration of the Auditors; and (iii) to appoint an auditor to fill any vacancy of the office of the Auditors when circumstance so requires.

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The existing Articles 155(1), (2) and (3), 157 and 158 of the Articles of Association proposed to be amended at the EGM provide that:-

155. (1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.
- (2) A person, other than a retiring Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than fourteen (14) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the retiring Auditor.
- (3) The Members may, at any general meeting convened and held in accordance with these Articles, by special resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.
157. The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.
158. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall as soon as practicable convene an extraordinary general meeting to fill the vacancy.

A full text of the proposed amendments to the Articles of Association is contained in the Notice set out on page 12 of this circular.

The reasons for such proposed amendments to the Articles of Association are as follows:

- (i) the existing Articles of Association contain certain procedural requirements that the Company must follow if a new auditor is to be appointed by the Company. Those requirements are neither mandatory nor prescribed under the Companies Law or other applicable laws. The Board would therefore like to remove those unnecessary procedural requirements so as to relieve the Company from such administrative burden;
- (ii) the existing Articles of Association provide that removal of the Auditors before expiration of their term of office or subsequent appointment must be approved by the Shareholders in general meetings. It is a costly, time-consuming and onerous exercise to convene a general meeting whenever the Shareholders' approval as regards the appointment or removal of the Auditors and the fixing of their remuneration is needed. With the proposed amendments in place, the Company would be able to remove and appoint the Auditors and fix their remuneration in a most cost-effective and timely fashion; and

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- (iii) there is no provision under the GEM Listing Rules, the Companies Law or other applicable laws and regulations which restricts the Company from making the proposed amendments to its Articles of Association.

The Directors consider that the proposed amendments to the Articles of Association would not have a significant impact on the interests of the Shareholders.

The Board currently has no proposal to seek the authorisation of the Shareholders to appoint and remove the Auditors pursuant to the Articles of Association as amended by the proposed amendments (which are set out in the notice of EGM on page 12 of this circular). The proposed change of Auditors as referred to resolution no. 2 is made pursuant to the existing Articles of Association.

The Board will seek approval of the Shareholders at general meeting when it considers that the granting of such authorisation is appropriate in the circumstances, and notice convening such meeting setting out the proposed terms and duration of the proposed authorisation will be sent to the Shareholders for consideration accordingly.

Resolution no. 1 as set out in the notice of the EGM will be proposed at the EGM to approve the proposed amendments to the Articles of Association.

REFRESHMENT OF THE 10% LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME

The Company adopted the pre-IPO share option scheme (“Pre-IPO Scheme”) and the Existing Share Option Scheme on 24th April 2002. Under the rules of the Existing Share Option Scheme, the Board has the right to grant to the Eligible Participants options to subscribe for Shares under the Existing Share Option Scheme, representing up to 10% of the total number of Shares in issue as at the date of adoption of the Existing Share Option Scheme and accordingly, the maximum number of Shares which may be issued upon exercise of all options to be granted under the Existing Share Option Scheme is 60,000,000 Shares.

At present, the Company has no other share option scheme apart from the Pre-IPO Scheme and the Existing Share Option Scheme. As at the Latest Practicable Date, no options which have been granted under the Pre-IPO Scheme remains outstanding. No further grant of options is allowed under the Pre-IPO Scheme. As at the Latest Practicable Date, there were options carrying right to subscribe for up to a total of 60,000,000 Shares which have been granted under the Existing Share Option Scheme.

Under the rules of the Existing Share Option Scheme and subject to the GEM Listing Rules: –

- (1) for the purpose of grant of options after the adoption of the Existing Share Option Scheme, the total number of Shares which may be issued upon exercise of all options to be granted under the Existing Share Option and any other share option schemes of the Company must not in aggregate exceed 10% of the Shares of the Company in issue as at the date of adoption of the Existing Share Option Scheme, or 60,000,000 Shares (the “General Scheme Limit”).

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- (2) the Company may seek Shareholders' approval to refresh the 10% general limit on the grant of options under the Existing Share Option Scheme as and when required. For this purpose, the total number of Shares which may be issued upon the exercise of all options granted under the Existing Share Option Scheme and any other share option schemes of the Company under the limit as "refreshed" must not exceed 10% of the Shares of the Company in issue as at the date of approval of the limit as refreshed.

Options previously granted under the Existing Share Option Scheme and any other share option schemes of the Company including those outstanding, cancelled, lapsed in accordance with such scheme(s) or exercised options will not be counted for the purpose of calculating the limit as "refreshed"; and

- (3) the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Existing Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the Shares of the Company in issue from time to time. In this regard, taking into account the maximum of 60,000,000 Shares which may be issued upon the exercise of all options granted under the General Scheme Limit and the refreshed 10% limit if approved of the Existing Share Option Scheme, the Company has not exceeded 30% limit of the total 1,546,831,428 Shares of the Company now in issue for this purpose.

As disclosed in the announcements dated 7th April, 23rd April and 8th September 2004 and circular dated 9th July 2004 of the Company, the number of Shares issued by the Company was increased from 618,260,000 Shares to 1,546,831,428 Shares.

If the General Scheme Limit is "refreshed" on the basis of 1,546,831,428 Shares in issue and assuming that no Shares are issued or repurchased by the Company prior to the EGM, the General Scheme Limit will be re-set to 154,683,142 Shares or being 10% of the issued share capital of the Company as at the date of the EGM in which the refreshed limit is approved and the Company will be allowed to grant further options under the Existing Share Option Scheme and any other share option schemes carrying the rights to subscribe for a maximum of 154,683,142 Shares or 10% of the issued share capital of the Company as at the date of the EGM.

The purpose of the Existing Share Option Scheme is to encourage the Eligible Participants to perform their best in achieving the goals of the Group and to recognise the contribution of and provide incentives to the employees and directors of the Group. In order to continue with this intended purpose, the General Scheme Limit needs to be refreshed in accordance with the rules of the Existing Share Option Scheme.

It is therefore proposed that subject to (a) the approval of the Shareholders at the EGM; (b) the approval of the shareholders of B & B at the annual general meeting of B & B which will be held on Monday, 1st November 2004, the General Scheme Limit will be refreshed and re-set to 10% of the issued share capital of the Company as at the date of the EGM in which the refreshed limit is approved and the

LETTER FROM THE BOARD

Company will be allowed to grant further options under the Existing Share Option Scheme and any other share option schemes carrying the rights to subscribe for a maximum of 154,683,142 Shares (assuming no Shares are issued or repurchased by the Company prior to the EGM) or being 10% of the issued share capital of the Company as at the date of the EGM in which the refreshed limit is approved.

The Directors confirm that they currently have no intention to issue or repurchase Shares before the EGM.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares, representing a maximum of 10% of the issued share capital as at the date of passing of the relevant resolution for refreshing the General Scheme Limit, which may be issued upon the exercise of the options to be granted under the aforesaid refreshed limit of the Existing Share Option Scheme.

Resolution no. 3 as set out in the notice of the EGM will be proposed at the EGM to approve the refreshment of the General Scheme Limit on the grant of options under the Existing Share Option Scheme.

REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES

As disclosed in the announcements dated 7th April, 23rd April and 8th September 2004 and circular dated 9th July 2004 of the Company, the number of Shares issued by the Company was increased from 618,260,000 Shares to 1,546,831,428 Shares.

The Board considers a general mandate allowing the Directors to raise additional capital by way of new issues as and when appropriate is convenient and to the best interests of the Company and the Shareholders as a whole. The general mandate to issue Shares granted at the annual general meeting held on 15th April 2004 only relates to 123,652,000 Shares. As at the Latest Practicable Date, the general mandate granted to the Directors remained unexercised. The Directors consider it appropriate to refresh the general mandate to allot and issue Shares granted on 15th April 2004 and to seek the approval of the Shareholders to refresh a general mandate to allot and issue Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue immediately following the passing of the requisite resolution at the EGM (the "New 20% General Mandate").

The Directors confirm that the general mandate to issue Shares granted at the annual general meeting held on 15th April 2004 has not been refreshed since the date of the said meeting.

Resolution no. 4 as set out in the notice of the EGM will be proposed in the EGM to refresh the general mandate to allot and issue Shares granted on 15th April 2004 and to allow the Directors to allot the New 20% General Mandate. With reference to the resolution, the Directors wish to state that they have no intention to issue any new Shares pursuant to the New 20% General Mandate.

LETTER FROM THE BOARD

THE EXTRAORDINARY GENERAL MEETING

The notice convening the EGM to be held at the 30th Floor, Sunshine Plaza, No. 353 Lockhart Road, Hong Kong on 1st November 2004 (Monday) at 11:00 a.m. is set out on pages 12 to 15 of this circular.

Under the GEM Listing Rules, any vote of Shareholders taken at the EGM to approve the New 20% General Mandate must be taken on a poll. The results of the poll will be announced by the Company by way of an announcement which is published in the newspapers on the business day following the EGM.

A form of proxy is herewith enclosed for use at the EGM. Whether or not you intend to attend the EGM, you are requested to complete the form of proxy and return the same to the Company's share registrar in Hong Kong, Tengis Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not later than 48 hours before the time appointed for the EGM. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the EGM or any adjournment thereof if you so wish.

PROCEDURE FOR DEMANDING A POLL

Under the Articles of Association, at any general meeting of the Company, on a show of hands every member present in person or by authorized representatives or by proxy shall have one vote and on a poll every member present in person or by authorized representative or by proxy shall have one vote for every fully paid up share of which he is the holder. A resolution put to the vote of a meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is duly demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

In accordance with the requirements of the GEM Listing Rules, the results of the poll will be published by way of an announcement in the local newspapers on the business day following the meeting.

LETTER FROM THE BOARD

RECOMMENDATION

The Board believes that the resolutions proposed in this circular are in the best interests of the Company and the Shareholders as a whole. The Board recommends that the shareholders vote in favour of all resolutions to be proposed at the EGM. Your attention is also drawn to the Notice of EGM set out on pages 12 to 15 of this circular.

RESPONSIBILITY STATEMENT

This circular 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:–

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this circular misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Existing Share Option Scheme and Articles of Association are available for inspection at the principal place of business of the Company at the 30th Floor, Sunshine Plaza, No. 353 Lockhart Road, Hong Kong during normal business hours on any business day up to and including the date of the EGM.

Yours faithfully,

On behalf of the Board

Aptus Holdings Limited

Chan Ting

Director and Chief Executive Officer

The existing Articles 155(1), (2) and (3), Articles 157 and Article 158 of the Articles of Association proposed to be amended at the EGM are set out below:

155. (1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.
- (2) A person, other than a retiring Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than fourteen (14) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the retiring Auditor.
- (3) The Members may, at any general meeting convened and held in accordance with these Articles, by special resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.
157. The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.
158. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall as soon as practicable convene an extraordinary general meeting to fill the vacancy.



A P T U S

APTUS HOLDINGS LIMITED**(問博控股有限公司)***(incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8212)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of APTUS HOLDINGS LIMITED (the “Company”) will be held at 30th Floor, Sunshine Plaza, No. 353 Lockhart Road, Hong Kong on Monday, 1st November 2004 at 11:00 a.m. for the following purposes:

SPECIAL RESOLUTION

As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

1. “THAT Articles 155(1), (2) and (3), 157 and 158 of the existing articles of association of the Company be and hereby deleted and replaced with the following:

“155 (1) The Members shall at any general meeting appoint an auditor to audit the accounts of the Company or authorise the Directors to appoint such auditor as it thinks fit. Such auditor shall hold office until the Members or the Directors (if so authorised by the Members) appoint another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.

(2) The Members may, at any general meeting convened and held in accordance with these Articles, by special resolution, or the Directors (if so authorised by the Members by special resolution) may remove the auditor at any time before the expiration of his term of office. In such event, the Members shall by ordinary resolution, or the Directors (if so authorised by the Members by special resolution) shall, appoint another auditor in his stead for the remainder of his term.”

“157 The remuneration of the auditor shall be fixed by the Company in general meeting or the Directors (if so authorised by the Members) or in such manner as the Members may determine.”

“158 If the office of auditor becomes vacant by the resignation or death of the auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall as soon as practicable appoint another auditor to fill the vacancy.”

ORDINARY RESOLUTIONS

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

2. “THAT the appointment of W.H. Tang & Partners CPA Limited as the auditors of the Company and its subsidiaries be and is hereby confirmed, ratified and approved and the Directors be and are hereby authorised to fix the remuneration of the auditors.”
3. “THAT subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the ordinary shares of HK\$0.01 each (“Shares”) in the share capital of the Company (representing a maximum of 10 per cent of the ordinary shares of the Company in issue as at the date of passing this resolution) which may be issued pursuant to the exercise of options granted under the Company’s share option scheme adopted on 24th April 2002 (“Scheme”), the refreshing of the scheme limit on grant of options under the Scheme and any other share option scheme(s) of the Company up to 10 per cent, of the ordinary shares of the Company in issue as at the date of passing this resolution (“Refreshed Mandate Limit”) be and is hereby approved and any director of the Company be and is hereby authorised to do such act and execute such document to effect the Refreshed Mandate Limit.”
4. “THAT:
 - 4.1 subject to paragraph 4.3 below and pursuant to the Rules Governing the Listing of Securities on The Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
 - 4.2 the approval in paragraph 4.1 above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such power during or after the end of the Relevant Period;
 - 4.3 the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph 4.1 above, otherwise than (i) a Rights Issue (as hereinafter defined), or (ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds,

debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible into shares of the Company, or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries or any other eligible person(s) of shares or rights to acquire shares of the Company or (iv) an issue of shares as scrip dividends pursuant to the articles of association of the Company, from time to time shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

- 4.4 for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; or
 - (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means an offer of shares of the Company open for a period fixed by the directors of the Company to the holders of shares of the Company (and, where appropriate, to holders of the other securities of the Company entitled to the offer) on the register on a fixed record date in proportion to their then holdings of such shares (or, where appropriate such other securities) as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any relevant jurisdiction).”

By order of the Board
Aptus Holdings Limited
Chan Ting

Director and Chief Executive Officer

Hong Kong, 7th October 2004

Registered office:

Century Yard,
Cricket Square
Hutchin Drive
P.O. Box 2681 GT
George Town
Grand Cayman
British West Indies

Head office and principal place

of business in Hong Kong:
30th Floor
Sunshine Plaza
No. 353 Lockhart Road
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on behalf of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company's share registrar in Hong Kong, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

As at the date hereof, the Board comprises the following directors:

Executive Directors:

Mr. Chan Ting
Mr. Fung King Him, Daniel

Independent Non-Executive Directors

Mr. Tian He Nian
Ms. Qi Mei
Mr. Tsui Wing Tak