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The logo for B & B Natural Products Limited, featuring the letters 'B' and 'B' in a stylized, yellow, cursive font with an ampersand between them.

B & B NATURAL PRODUCTS LIMITED

蜂林天然產品有限公司*

(incorporated in the Cayman Islands

with limited liability)

(Stock Code: 8156)



Aptus Holdings Limited

問博控股有限公司

(Incorporated in the Cayman Islands

with limited liability)

(Stock Code: 8212)

JOINT ANNOUNCEMENT

On 7 February 2005, Aptus Holdings Limited (“Aptus”), an indirect non-wholly owned subsidiary of B & B Natural Products Limited (“B & B”) (collectively the “Group”) signed a memorandum of contract (“MOC”) with the government of DongLiang Town, FuMeng County, LiaoNing Province of the PRC (中國遼寧省阜蒙縣東梁鎮人民政府) (the “DongLiang Government”), which is independent of and not connected with the directors, chief executives, management shareholders or substantial shareholders of the Group and its subsidiaries or their respective associates, to develop a natural coal and coal gas mine (the “DongLiang Mine”) situated in DongLiang Town, FuMeng County, LiaoNing Province of the PRC (中國遼寧省阜蒙縣東梁鎮). This MOC is not legally binding.

On 7 February 2005, the Group signed a non-legally binded MOC with the DongLiang Government, which is independent of and not connected with the directors, chief executives, management shareholders or substantial shareholders of the Group and its subsidiaries or their respective associates, to develop the DongLiang Mine which may if it proceeds constitute a notifiable transaction for each of B & B and Aptus under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (“GEM Listing Rules”). Principal contents of the MOC are summarized as below:

- (i) The DongLiang Government authorizes Aptus to develop the DongLiang Mine which is governed by DongLiang Government, situated in approximately 20 kilometer south of DongLiang Town and position at 121°31’ to 121°38’ Longitude East and 41°50’ to 41°55’ Latitude North;
- (ii) According to the valuation report prepared by the China Geological Survey, a PRC governmental authority, the DongLiang Mine has approximately 17.63 x 10⁸ m³ coal and coal gas;
- (iii) The duration of the contract is not less than 50 years; and

(iv) A formal contract in relation to the development of the DongLiang Mine is expected to be entered into by 1 March 2005.

The Group is ongoing in negotiations with other parties for possible business opportunities. No agreement has yet been entered into between parties and such negotiations may or may not proceed. Further announcement will be made of such negotiations, where appropriate, in accordance with the GEM Listing Rules.

The board of directors of B & B and Aptus confirm that, save as disclosed above, they are not aware of any matter discloseable, under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of price sensitive nature.

Made by the order of the Board of B & B and Aptus, the directors of which collectively and individually accept responsibility for the accuracy of this announcement.

By the order of the Board of
B & B Natural Products Limited
CHAN Ting
Director

By the order of the Board of
Aptus Holdings Limited
CHAN Ting
Director

Hong Kong, 7 February 2005

This announcement, for which the directors of B & B and Aptus 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 B & B and Aptus. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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.

As at the date of this announcement, the board of directors of B & B comprises three executive directors, being Madam Cheung Kwai Lan, Mr. Chan Tung Mei, Mr. Chan Ting, one non-executive director, Mr. Kyle Arnold Shaw Junior, and four independent non-executive directors, Professor Peter Chin Wan Fung, Mr. Tian He Nian, Mr. Du Ying Min and Mr. Tsui Wing Tak.

As at the date of this announcement, the board of directors of Aptus comprises three executive directors, being Madam Cheung Kwai Lan, Mr. Chan Ting and Mr. Fung King Him Daniel and three independent non-executive directors, being Mr. Tian He Nian, Mr. Zhao Zhi Ming and Mr. Tsui Wing Tak.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least seven days from the day of its posting thereon.

* *For identification purposes only*