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If you have sold or transferred all your shares in AKuP International Holding Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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AKUP INTERNATIONAL HOLDING LIMITED

艾克國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

CANCELLATION OF SPECIAL GENERAL MEETING

This circular, for which the directors of AKuP International Holding Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities (the “GEM Listing Rules”) on the Growth Enterprise Market of the Stock Exchange (“GEM”) for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, 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.

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.

* for identification purpose only

CHARACTERISTICS OF GEM

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 of the Stock Exchange 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 to gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at <http://www.hkgem.com> in order to obtain up-to-date information on GEM-listed issuers.



AKUP INTERNATIONAL HOLDING LIMITED

艾克國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

Executive Directors:

HU Shin-Min, Alex
(President and Chief Executive Officer)
CHIANG Li-Chin, Grace
HUANG Hsian-Cheng
CHANG Jun-Min
CHU Han-Ping

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Grand Cayman
British West Indies

Independent non-executive Directors:

HSU Hsiang-Jen
LEE Mun Chee

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place of business in Taiwan*
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Taipei
Taiwan

*Principal place of business in
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Unit 906, 9th Floor
Asia Orient Tower
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33 Lockhart Road
Wanchai
Hong Kong

15 January 2003

To the shareholders of the Company

Dear Sir or Madam,

CANCELLATION OF SPECIAL GENERAL MEETING

The board of directors of the Company (the “Board”) made an announcement on 31 December 2002 regarding the proposed change of auditors from Messrs. KPMG (“KPMG”) to Messrs. PricewaterhouseCoopers (“PWC”). The proposed appointment of PWC has been cancelled because the service fee of the proposed audit service for the Company could not be reached between the Company and PWC.

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LETTER FROM THE BOARD OF DIRECTORS

The Board has therefore resolved the special general meeting (“SGM”) of the Company originally planned to be held at 4F-1, No. 213, Sec. 5, Nanking East Road, Taipei, Taiwan at 10:00 a.m. on 17 January 2003 be called off as the proposed appointment of PWC has been cancelled.

The Company is in the process of negotiation on a proposed appointment of new auditors and will make appropriate announcement and convene a SGM to approve such proposed appointment when appropriate.

Yours faithfully,
By Order of the Board
AKuP International Holding Limited
Hu Shin-Min, Alex
President and Chief Executive Officer