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EAGLE NICE (INTERNATIONAL) HOLDINGS LIMITED

鷹美（國際）控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2368)

CONTINUING CONNECTED TRANSACTIONS

The Group had carried out business transactions with its connected persons which involved (i) the sales of sportswear products by YY (Shantou) to Yusheng (Kunshan) and Yucheng (Kunshan) during the four years ended 31st March 2008 and (ii) the purchase of raw materials by YY (Shantou) and EN (Shantou) from Shantou Xianda during the two years ended 31st March 2008, both of which constituted non-exempt continuing connected transactions for the Company under Chapter 14A of the Listing Rules. The Group has also carried out business transaction involving the provision of subcontracting services by the Yue Yuen Group to the Subsidiaries since October 2007 which in the past constituted non-exempt continuing connected transaction for the Company under Chapter 14A of the Listing Rules and will continue in the form of the Future Continuing Connected Transaction.

For the sales of sportswear products by YY (Shantou) to Yusheng (Kunshan) and Yucheng (Kunshan) during the four years ended 31st March 2008, the Company should have complied with the reporting, announcement and the Independent Shareholders' approval requirements but failed to do so as and when such obligations arose.

For the purchase of raw materials by YY (Shantou) and EN (Shantou) from Shantou Xianda during the two years ended 31st March 2008, the Company should have complied with the reporting and announcement requirements under the Listing Rules but failed to do so as and when such obligations arose.

For the provision of sub-contracting services by the Yue Yuen Group to the Subsidiaries during the year ended 31st March 2008, the Company should have complied with the reporting and announcement requirements under the Listing Rules but failed to do so as and when such obligations arose.

* For identification purposes only

The Company did not sign agreements for the Past Continuing Connected Transactions with the Yue Yuen Group nor Shantou Xianda and had conducted the Past Continuing Connected Transactions in the ordinary and usual course of business. The conduct of the Company in respect of the Past Continuing Connected Transactions and the failure of the Company to report and announce the details of the Past Continuing Connected Transactions and to seek Independent Shareholders' approval (where applicable) have constituted a breach of Rules 14A.34 and 14A.35 of the Listing Rules.

The Company, through Upmax International, has entered into the agreement in respect of the Future Continuing Connected Transaction, which is conditional upon Independent Shareholders' approval having been obtained at the Extraordinary General Meeting.

As the Directors expect that for the Future Continuing Connected Transaction, either the relevant percentage ratios will exceed 2.5% or the relevant considerations will be more than HK\$10,000,000, the Future Continuing Connected Transaction constitutes a non-exempt continuing connected transaction for the Company under Rule 14A.35 of the Listing Rules which is subject to Independent Shareholders' approval. In order to comply with Rule 14A.35 of the Listing Rules, the Company will convene the Extraordinary General Meeting to seek Independent Shareholders' approval for the Future Continuing Connected Transaction with the Yue Yuen Group and the Annual Cap.

A circular containing, inter alia, further details of the Future Continuing Connected Transaction, and the letter from the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, together with the notice of Extraordinary General Meeting, will be despatched to the Shareholders as soon as practicable.

PAST CONTINUING CONNECTED TRANSACTIONS

The Group had carried out business transactions with its connected persons which involved (i) the sales of sportswear products by YY (Shantou) to Yusheng (Kunshan) and Yucheng (Kunshan) during the four years ended 31st March 2008 and (ii) the purchase of raw materials by YY (Shantou) and EN (Shantou) from Shantou Xianda during the two years ended 31st March 2008, both of which constituted non-exempt continuing connected transactions for the Company under Chapter 14A of the Listing Rules. The Group has also carried out business transaction involving the provision of subcontracting services by the Yue Yuen Group to the Subsidiaries since October 2007 which in the past constituted non-exempt continuing connected transaction for the Company under Chapter 14A of the Listing Rules and will continue in the form of the Future Continuing Connected Transaction.

Particulars of the Past Continuing Connected Transactions are as follows:

(i) Sales of sportswear products by YY (Shantou) to Yusheng (Kunshan) and Yucheng (Kunshan)

During the period from February 2005 to February 2008, YY (Shantou) had entered into contracts regarding sales of various sportswear products to Yusheng (Kunshan) and Yucheng (Kunshan), both non wholly-owned subsidiaries of Yue Yuen, on several occasions. The series of transaction involved Yusheng (Kunshan) and Yucheng (Kunshan) placing order with YY (Shantou) for manufacturing and delivery of sportswear products by YY (Shantou). The consideration received by the Group is calculated on the unit price of each type of garments multiplied by the quantity agreed to be manufactured and sold which is determined after arm's length negotiation between the parties and on an order-by-order basis.

The consideration contracted and receivable by the Group for the four years ended 31st March 2008 were RMB1,841,468 (or HK\$1,737,234), RMB8,774,131 (or HK\$8,436,665), RMB24,237,258 (or HK\$24,237,258) and RMB14,422,497 (or HK\$15,023,434) respectively. Since the annual aggregate consideration contracted and receivable by the Group for each of the two years ended 31st March 2006 exceeded HK\$1,000,000 and was less than 2.5% of the relevant percentage ratios, the Company should have complied with the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules but failed to do so as and when such obligations arose. In addition, since the annual aggregate consideration contracted and receivable by the Group for each of the two years ended 31st March 2008 exceeded HK\$10,000,000 and 2.5% of the relevant percentage ratios, the Company should also have complied with the Independent Shareholders' approval requirement set out in Rules 14A.45 to 14A.48 of the Listing Rules but failed to do so as and when the such obligations arose.

As from March 2008, YY (Shantou), Yusheng (Kunshan) and Yucheng (Kunshan) have no longer been involved in the transactions as described above as a result of commercial decision of the Yue Yuen Group on the procurement of such licensee sportswear products.

(ii) Purchase of raw materials by YY (Shantou) and EN (Shantou) from Shantou Xianda

During the period from January 2006 to April 2008, YY (Shantou) and EN (Shantou) had purchased on several occasions raw materials from Shantou Xianda, an enterprise established in the PRC wholly owned by Mr. Yao Xiong De prior to 8th May 2008. Mr. Yao Xiong De is an uncle of Mr. Chung Yuk Sing, an executive Director and the Chairman of the Board and hence a connected person of the Company. The consideration payable by the Group is calculated on the unit price of each type of raw materials multiplied by the quantity agreed to be purchased which is determined after arm's length negotiation between the parties and on an order-by-order basis.

While the consideration contracted and payable by the Group for the year ended 31st March 2006 was RMB22,650 (or HK\$21,779) which constitute de minimis transactions and are exempt from the reporting, announcement and Independent Shareholders' approval requirements set out in Chapter 14A of the Listing Rules, the consideration contracted and payable by the Group for the two years ended 31st March 2008 were RMB3,707,301 (or HK\$3,707,301) and RMB8,690,531 (or HK\$9,052,637) respectively, which the Company should have complied with the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules but failed to do so as and when such obligations arose.

During the month of April 2008, the consideration contracted and payable by the Group to Shantou Xianda amounted to approximately RMB531,498 (or HK\$571,503), which constitute de minimis transactions and are exempt from the reporting, announcement and Independent Shareholders' approval requirements set out in Chapter 14A of the Listing Rules.

As Mr. Yao Xiong De has since ceased to own any interests in Shantou Xianda, the transactions between the Group and Shantou Xianda from 8th May 2008 onwards no longer constitute a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

(iii) Provision of subcontracting services by Zhongshan Baoji and Pro Kingtex VN to the Subsidiaries

Since October 2007, the Subsidiaries had engaged Zhongshan Baoji and Pro Kingtex VN, both non wholly-owned subsidiaries of Yue Yuen, for the provision of subcontracting services to the Subsidiaries on several occasions which in the past constituted non-exempt continuing connected transaction for the Company under Chapter 14A of the Listing Rules and will continue in the form of the Future Continuing Connected Transaction, particulars of which are disclosed in the section headed “Future Continuing Connected Transaction” below.

FUTURE CONTINUING CONNECTED TRANSACTION

As mentioned above, since October 2007, the Subsidiaries had engaged Zhongshan Baoji and Pro Kingtex VN, both non wholly-owned subsidiaries of Yue Yuen, for the provision of subcontracting services to the Subsidiaries on several occasions. The consideration, which is payable by the Group in cash on a credit term from 15 to 45 days after delivery, is calculated on the unit price of each type of garments multiplied by the quantity agreed to be processed which is determined after arm’s length negotiation between the parties and on an order-by-order basis, having also taken into account factors such as labour efficiency, type and complexity of the products concerned.

During the period from October 2007 to March 2008, the consideration contracted and payable by the Group to Zhongshan Baoji and Pro Kingtex VN amounted to approximately RMB5,595,792 (or HK\$5,828,950) and approximately US\$114,180 (or HK\$890,604) respectively, which amounted to an aggregate consideration of HK\$6,719,554 and the Company should have complied with the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules but failed to do so as and when such obligations arose.

In view that the above transaction between the Subsidiaries, Zhongshan Baoji and Pro Kingtex VN will continue as between themselves or the subsidiaries of their respective holding companies, the Company, through Upmax International, has entered into the following agreement in respect of the Future Continuing Connected Transaction, which is conditional upon Independent Shareholders’ approval having been obtained at the Extraordinary General Meeting:

Subcontracting Service Agreement

Date	:	2nd June 2008
Term	:	From 1st April 2008 to 31st March 2011
Parties	:	Upmax International, a wholly-owned subsidiary of the Company; and Pro Kingtex Industrial, a non wholly-owned subsidiary of Yue Yuen
Nature of transaction	:	Provision of subcontracting services by Pro Kingtex Industrial or its subsidiaries to Upmax International or the subsidiaries of its holding company in respect of the manufacture of sportswear. The exact terms of the subcontracting services are to be set out in individual written contracts to be entered into between the relevant parties

- Reasons for transaction : The management of the Company considers that the provision of subcontracting services by Pro Kingtex Industrial to Upmax International is on normal commercial terms and in the ordinary and usual course of business of the Group. Such subcontracting services from Pro Kingtex Industrial may provide additional production capacity supplementing the Group's existing facilities and hence beneficial to and in the interests of the Group
- Pricing basis : Both parties to the agreement agreed that any and all the subcontracting services shall be provided on normal commercial terms (or on terms no less favourable than those offered by the Yue Yuen Group to independent third parties) and the total value of the subcontracting services rendered by the Yue Yuen Group (in terms of revenue recognition) to the Group for each of the three years ending 31st March 2011 shall not exceed the respective Annual Cap
- Annual Cap : The management of the Company considers that the Annual Cap for the provision of subcontracting services by Pro Kingtex Industrial to Upmax International will not exceed HK\$23 million, HK\$29 million and HK\$38 million for each of the three financial years ending 31st March 2011 respectively

During the month of April 2008, the consideration contracted and payable by the Group to the Yue Yuen Group amounted to approximately RMB2,925,463 (or HK\$3,145,659)

The Annual Cap was determined with reference to the production capacity of the Group's manufacturing facilities, the historical information of the demand for sportswear products from the Group's customers, purchase orders and purchase forecasts received from the Group's customers and seasonal effects during the term covered by the agreement. Having considered the expanded customers base brought about by the acquisition of the Maitex Group as disclosed in the Company's announcement dated 17th April 2007 and the expected sales growth of the Group following the progressive shifting of the production capacity from Pro Kingtex Industrial to the Group over the next three years, the management of the Company considers that the increase of the Annual Cap over the three years ending 31st March 2011 to be justifiable

The Company will comply with the requirements of the annual review of the Future Continuing Connected Transaction as set out in Rules 14A.37 to 14A.40 of the Listing Rules and will re-comply with the relevant Listing Rules if the Annual Cap is exceeded or, when the relevant agreements are renewed or, when there is a material change to the terms of the Future Continuing Connected Transaction.

LISTING RULES IMPLICATION

The Company did not sign agreements with the Yue Yuen Group nor Shantou Xianda for the Past Continuing Connected Transactions and had conducted the Past Continuing Connected Transactions in the ordinary and usual course of business. The conduct of the Company in respect of the Past Continuing Connected Transactions by the Company and the failure of the Company to report and announce the details of the Past Continuing Connected Transactions and to seek Independent Shareholders' approval (where applicable) have constituted a breach of Rules 14A.34 and 14A.35 of the Listing Rules. The Stock Exchange reserves its right to take actions against the Company and/or the Directors as a result of the breach of the Listing Rules.

The failure to make timely disclosure and to obtain Independent Shareholders' approval was due to the oversight of the management of the Company which was not intentional. The Directors consider that the failure to comply with Rules 14A.34 and 14A.35 of the Listing Rules was inadvertent and regretful, and the Company will take steps to tighten its internal control procedure with a view to ensuring timely compliance with the relevant requirements of the Listing Rules and to preventing a recurrence of similar event. These measures will include the management and accounting staff of the Company conducting reviews of the trading volume of any continuing connected transactions between the Group and the Yue Yuen Group on a monthly basis and regularly checking with the sales and marketing team, production teams and accounting department for the forecast volume of the continuing connected transactions between the Group and the Yue Yuen Group. In addition, the Company will implement measures to strengthen the reporting and documentation system and internal control procedures of the Group and to increase training and communications to all managerial staff in the future.

As the management of the Company has conducted the Past Continuing Connected Transactions with reference to the terms and gross profit margins of the on-going transactions carried out between the Group and its other customers or suppliers and the prevailing market price of the raw materials and/or products concerned, the Directors, including the independent non-executive Directors, consider, confirm and ratify that the terms of the Past Continuing Connected Transactions are fair and reasonable and the Past Continuing Connected Transactions had been carried out on normal commercial terms in the ordinary course of business of the Company and in the interests of the Company and the Shareholders as a whole.

REASONS AND BENEFITS OF THE FUTURE CONTINUING CONNECTED TRANSACTION

The Future Continuing Connected Transaction forms an integral part of the ordinary and usual course of business of the Group and is conducted on normal commercial terms determined on an arm's length basis. The Group's relationship with the Yue Yuen Group commenced in 2004 through the Company's issue of convertible securities to the Yue Yuen Group and the Group has since been involved in different forms of co-operation with the Yue Yuen Group to improve the efficiencies and to enhance the competitiveness of the Group.

In view of the production efficiency brought about by the Future Continuing Connected Transaction to the Group, the Board considers it to be in the interests of the Company to engage in the Future Continuing Connected Transaction and that the terms of the Future Continuing Connected Transaction are fair and reasonable and in the interests of the Company and the Shareholders as a whole. On 2nd June 2008, the Board has resolved to approve the entering into of the Future Continuing Connected Transaction, with those Directors who have a material interests through their relationship with the Yue

Yuen Group abstained from voting. The remaining Directors, namely, Mr. Chung Yuk Sing, Mr. Chen Hsiao Ying, Ms. Chen Li Ying, Mr. Chang Wen Hsiang, Ms. Tsang Sau Fan and Mr. Chen Zhen Hao, being the executive Directors and Mr. Chan Cheuk Ho, Mr. Li Chi Chung and Mr. Cheng Yung Hui, Tony, being the independent non-executive Directors, all voted in favour of the resolution approving the entering into of the Future Continuing Connected Transaction and the Annual Cap.

INFORMATION OF THE GROUP, THE YUE YUEN GROUP AND THE PARTIES TO THE PAST CONTINUING CONNECTED TRANSACTIONS AND THE FUTURE CONTINUING CONNECTED TRANSACTION

The Group is principally engaged in the manufacture of sportswear for men, women and children on an OEM (an acronym for “original equipment manufacturer” which produces or customizes products according to the design supplied by the customers) basis. The sportswear manufactured and sold by the Group can broadly be divided into tracksuits, sport pants, jackets, sweaters and T-shirts.

The principal activities of the Yue Yuen Group are the manufacture and marketing of athletic footwear, athletic style leisure footwear, casual and outdoor footwear.

Yusheng (Kunshan) and Yucheng (Kungshan) are non wholly-owned subsidiaries of Yue Yuen and are principally engaged in the sales and marketing of footwear and sportswear in the PRC.

Zhongshan Baoji and Pro Kingtex VN are non wholly-owned subsidiaries of Yue Yuen and are principally engaged in the manufacture of apparel.

Pro Kingtex Industrial is a non wholly-owned subsidiary of Yue Yuen and a holding company of Zhongshan Baoji and Pro Kingtex VN and is principally engaged in the manufacture of apparel.

Shantou Xianda is an enterprise established in the PRC wholly owned by Mr. Yao Xiong De prior to 8th May 2008. Mr. Yao Xiong De is an uncle of Mr. Chung Yuk Sing, an executive Director and the Chairman of the Board, and is principally engaged in the sales and manufacture of garment-related raw materials.

RELATIONSHIP BETWEEN THE GROUP AND THE YUE YUEN GROUP

Since Yue Yuen is a substantial shareholder of the Company, holding approximately 38.42% of the entire issued share capital of the Company and Yusheng (Kunshan), Yucheng (Kungshan), Zhongshan Baoji, Pro Kingtex VN and Pro Kingtex Industrial are non wholly-owned subsidiaries of Yue Yuen, Yusheng (Kunshan), Yucheng (Kunshan), Zhongshan Baoji, Pro Kingtex VN and Pro Kingtex Industrial are connected persons of the Company. Accordingly, the Past Continuing Connected Transactions between the Group and the Yue Yuen Group constituted non-exempt continuing connected transactions, and the Future Continuing Connected Transaction between the Group and the Yue Yuen Group constitutes a non-exempt continuing connected transaction, for the Company under Chapter 14A of the Listing Rules.

GENERAL

As the Directors expect that for the Future Continuing Connected Transaction, either the relevant percentage ratios will exceed 2.5% or the relevant considerations will be more than HK\$10,000,000, the Future Continuing Connected Transaction constitutes a non-exempt continuing connected transaction for the Company under Rule 14A.35 of the Listing Rules which is subject to Independent Shareholders' approval. In order to comply with Rule 14A.35 of the Listing Rules, the Company will convene the Extraordinary General Meeting to seek Independent Shareholders' approval for the Future Continuing Connected Transaction with the Yue Yuen Group and the Annual Cap.

The Independent Board Committee will be established to advise the Independent Shareholders in relation to the Future Continuing Connected Transaction. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Future Continuing Connected Transaction.

A circular containing, inter alia, further details of the Future Continuing Connected Transaction, and the letter from the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, together with the notice of Extraordinary General Meeting, will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

“Annual Cap”	a maximum aggregate annual value of the Future Continuing Connected Transaction, details of which are set out in the section headed “Future Continuing Connected Transaction” of this announcement
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Eagle Nice (International) Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“EN (Shantou)”	汕頭市鷹美製衣有限公司 (Shantou Eagle Nice Garment Company Limited), a wholly foreign-owned enterprise established in the PRC and a wholly-owned subsidiary of the Company
“Extraordinary General Meeting”	an extraordinary general meeting to be convened by the Company to consider and, if thought fit, approve the Future Continuing Connected Transaction and the Annual Cap

“Future Continuing Connected Transaction”	the future continuing connected transaction between Pro Kingtex Industrial and Upmax International as described in the section headed “Future Continuing Connected Transaction” of this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising the independent non-executive Directors, namely, Mr. Chan Cheuk Ho, Mr. Li Chi Chung and Mr. Cheng Yung Hui, Tony to be appointed by the Board to consider and to advise the Independent Shareholders in respect of the Future Continuing Connected Transaction
“Independent Shareholder(s)”	Shareholder(s) other than Yue Yuen and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maitex Group”	collectively, Maitex (EAG) Limited, a company incorporated in Hong Kong with limited liability and Maitex Co., Ltd., a wholly foreign-owned enterprise established in the PRC, both of which are wholly-owned subsidiaries of the Company
“Past Continuing Connected Transactions”	collectively, (i) the transactions involving the sale of sportswear products by YY (Shantou) to Yusheng (Kunshan) and Yucheng (Kunshan) during the four years ended 31st March 2008, (ii) the purchase of raw materials by YY (Shantou) and EN (Shantou) from Shantou Xianda during the two years ended 31st March 2008 and (iii) the provision of subcontracting services by Zhongshan Baoji and Pro Kingtex VN to the Subsidiaries from October 2007 to March 2008
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Pro Kingtex Industrial”	Pro Kingtex Industrial Company Limited, a company incorporated in the British Virgin Islands with limited liability and a non-wholly owned subsidiary of Yue Yuen
“Pro Kingtex VN”	Pro Kingtex Vietnam Company Limited, a wholly foreign-owned enterprise established in the Republic of Vietnam and a non wholly-owned subsidiary of Yue Yuen
“RMB”	Renminbi, the lawful currency of the PRC

“Shantou Xianda”	汕頭市先達服裝輔料廠有限公司 (Shantou Xianda Clothing and Raw Materials Factory Co., Ltd.), an enterprise established in the PRC wholly and beneficially owned by Mr. Yao Xiong De prior to 8th May 2008. Mr. Yao Xiong De is an uncle of Mr. Chung Yuk Sing, an executive Director and the Chairman of the Board
“Share(s)”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries”	collectively, YY (Shantou) and the Maitex Group, all of which are wholly-owned subsidiaries of the Company
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Upmax International”	Upmax International Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
US\$	United States dollars, the lawful currency of the United States of America
“Yucheng (Kunshan)”	裕程(昆山)體育用品有限公司 (Yucheng (Kunshan) Sports Goods Co., Ltd.), a wholly foreign-owned enterprise established in the PRC and a non wholly-owned subsidiary of Yue Yuen
“Yue Yuen”	Yue Yuen Industrial (Holdings) Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Yue Yuen Group”	Yue Yuen and its subsidiaries
“Yusheng (Kunshan)”	裕晟(昆山)體育用品有限公司 (Yusheng (Kunshan) Sports Goods Co., Ltd.), a wholly foreign-owned enterprise established in the PRC and a non wholly-owned subsidiary of Yue Yuen
“YY (Shantou)”	裕鷹(汕頭)製衣有限公司 (Yuying (Shantou) Garment Co., Ltd.) a wholly foreign-owned enterprise established in the PRC and a wholly-owned subsidiary of the Company
“Zhongshan Baoji”	中山寶吉製衣有限公司 (Zhongshan Baoji Garment Manufacturing Co., Ltd.), a wholly foreign-owned enterprise established in the PRC and a non wholly-owned subsidiary of Yue Yuen
“%”	per cent.

For reference purposes only and unless otherwise specified, RMB amounts have been translated into HK\$ using the rates of RMB1.06, RMB1.04, RMB1.00 and RMB0.96 to HK\$1.00 for each of the four years ended 31st March 2008 respectively and US\$ amount has been translated into HK\$ using the rate of US\$1.00 to HK\$7.80.

For reference purposes only, the Chinese names of the PRC entities have been translated into English in this announcement. In the event of any discrepancies between the Chinese names of these PRC entities and their respective English translations, the Chinese version shall prevail.

As at the date of this announcement, the Board comprised nine executive Directors, namely, Mr. Chung Yuk Sing, Mr. Chen Hsiao Ying, Mr. Ku Yu Sun, Edward, Ms. Chen Li Ying, Mr. Kuo Tai Yu, Mr. Chang Wen Hsiang, Ms. Tsang Sau Fan, Mr. Chen Zhen Hao and Mr. Tsai Nai Kun and three independent non-executive Directors, namely, Mr. Chan Cheuk Ho, Mr. Li Chi Chung and Mr. Cheng Yung Hui, Tony.

By Order of the Board
Eagle Nice (International) Holdings Limited
Chen Hsiao Ying
Chief Executive Officer

Hong Kong, 12th June 2008