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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: 02368)**

**VOLUNTARY ANNOUNCEMENT  
INVESTMENT PROJECTS**

The Board wishes to announce that:

- (i) the Group, through its nominee, entered into the Memorandum of Understanding with Moon Lion who is an independent third party and not a connected person of the Company in relation to the acquisition of the West Java Sites;
- (ii) EN (Jiangxi), a wholly-owned subsidiary of the Company, has established Yifeng WFOE to engage in the Yifeng Project.

Further announcement will be issued by the Company in accordance with the Listing Rules as and when appropriate.

This is a voluntary announcement made by the Company to update Shareholders and potential investors of the Company regarding certain recent developments of the Group's business.

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- (ii) EN (Jiangxi), a wholly-owned subsidiary of the Company, has established Yifeng WFOE to engage in the Yifeng Project.

*\* For identification purpose only*

## **THE WEST JAVA PROJECT**

On 21 January 2010, Moon Lion, which is an independent third party and not a connected person of the Company and Mr. Shih, a duly appointed lawful attorney of the Group, entered into the Memorandum of Understanding whereby Moon Lion as seller agreed to sell, and Mr. Shih as a duly appointed lawful attorney acting on behalf of the Group as purchaser agreed to purchase, the West Java Sites with a total land area of approximately 125,400 square meters for a consideration of Rp.31,357,750,000 (or approximately HK\$26.2 million), of which Rp.9,407,325,000 (or approximately HK\$7.9 million) was paid upon signing of the Memorandum of Understanding and the remaining Rp.21,950,425,000 (or approximately HK\$18.3 million) shall be paid upon execution of the deed sale and purchase of land which shall take place on or before 31 March 2010. The land use right of the West Java Sites shall end in July 2028. It is stipulated in the Memorandum of Understanding that the West Java Sites must be registered under the name of limited liability company, PT Eagle Nice Indonesia, which will be incorporated as a wholly-owned subsidiary of the Company under the laws of the Republic of Indonesia.

As the consideration payable under the Memorandum of Understanding does not exceed 5% of the applicable percentage ratios, the transaction contemplated under the Memorandum of Understanding does not constitute a notifiable transaction under the Listing Rules.

## **THE YIFENG PROJECT**

EN (Jiangxi), a wholly-owned subsidiary of the Company, established Yifeng WFOE in January 2010 for the operation of the Facilities at the Yifeng Industrial Park. The principal business of Yifeng WFOE is the manufacture, subcontracting and sale of sportswear and casual wear. The registered capital and total investment of Yifeng WFOE are US\$6 million (or approximately HK\$46.8 million) and US\$12 million (or approximately HK\$93.6 million) respectively. The Group will acquire the land use rights in respect of Yifeng Site for the construction of the Facilities. The Yifeng Site comprises a parcel of land located at the Yifeng Industrial Park with a total land area of approximately 266.16 mu (畝) (or approximately 177,500 square meters). The Yifeng Site will be granted for industrial use only and for a term of 50 years. Based on negotiations between the Group and the Yifeng Government, the consideration for the land use rights of the Yifeng Site would be RMB40,000 (or approximately HK\$45,500) per mu (畝) so that the total consideration would be RMB10.6 million (or approximately HK\$12.1 million).

## **REASONS FOR THE WEST JAVA PROJECT AND THE YIFENG PROJECT**

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 Group has been in constant lookout for expansion opportunities to cope with the growing demand for sportswear and casual wear. To capture the business opportunities arising from such growing demand and in line with the Group's business expansion plans, it is vital to the Group's future growth that the existing production capacity of the Group be expanded to cope with the possible increasing demand of the Group's customers. The Board considers that the acquisition of the West Java Sites as contemplated under the Memorandum of Understanding and the implementation of the West Java Project and the Yifeng Project represent good opportunities to the Group to expand its production facilities.

Accordingly, the Board considers it to be in the interests of the Company and the Shareholders to engage in the West Java Project and the Yifeng Project.

## **GENERAL**

The Company may, through its subsidiaries, enter into further contracts in connection with the West Java Project and/or the Yifeng Project and will comply with the relevant disclosure and/or shareholder approval requirements in accordance with the Listing Rules.

Further announcement will be issued by the Company in accordance with the Listing Rules as and when appropriate.

## **DEFINITIONS**

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

"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"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"EN (Jiangxi)"	Eagle Nice (Jiangxi) Garment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Facilities"	the production facilities to be built on the Yifeng Site to house the garment production business of Yifeng WFOE
"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
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Memorandum of Understanding"	the memorandum of understanding dated 21 January 2010 entered into between Moon Lion and Mr. Shih as the duly appointed lawful attorney acting for and on behalf of the Group in relation to the sale and purchase of the West Java Sites
"Moon Lion"	PT Moon Lion Industries Indonesia, an independent third party who is not a connected person of the Company
"Mr. Shih"	Mr. Shih Chih Hung, a duly appointed lawful attorney of the Group
"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
"RMB"	Renminbi, the lawful currency of the PRC
"Rp."	Indonesian Rupiahs, the lawful currency of the Republic of Indonesia
"Share(s)"	ordinary share(s) of HK\$0.01 each of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"West Java Project"	the project involving the acquisition of the West Java Sites and the construction of production facilities on the West Java Sites
"West Java Sites"	two adjacent plots of land located at Kabupaten/Kotamadya Serang, Kecamatan Cikande, Kelurahan Kibin, West Java Province, Indonesia
"Yifeng Government"	江西省宜豐縣人民政府 (The People's Government of the Yifeng County of Jiangxi Province)
"Yifeng Industrial Park"	宜豐工業園區 (Yifeng Industrial Park), Yifeng County, Jiangxi Province, the PRC

"Yifeng Project"	the project involving the construction of the Facilities on the Yifeng Site and the operation of the garment production business involving manufacture, subcontracting and sale of sportswear and casual wear at the Facilities
"Yifeng Site"	a parcel of land located at the Yifeng Industrial Park with a site area of approximately 266.16 mu (畝) (or approximately 177,500 square meters)
"Yifeng WFOE"	鷹美(宜豐)製衣有限公司 (Eagle Nice (Yifeng) Apparel Corporation), a wholly-foreign owned enterprise indirectly wholly-owned by the Company
"US\$"	United States dollars, the lawful currency of the United States of America
"%"	per cent.

For reference purposes only and unless otherwise specified, Hong Kong dollar amounts have been translated into Rp., RMB and US\$ using the rates of Rp.1,196 : HK\$1.00, RMB0.88 : HK\$1.00 and US\$1.00 : HK\$7.80 respectively.

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 comprises four executive directors, namely, Mr. Chung Yuk Sing (Chairman), Mr. Chen Hsiao Ying (Chief Executive Officer), Mr. Kuo Tai Yu and Ms. Chen Fang Mei, Christina 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**  
**Chung Yuk Sing**  
*Chairman*

Hong Kong, 4 February 2010