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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
REVISED YIFENG PROJECT**

Reference is made to the Announcement.

The Board wishes to announce following the establishment of Yifeng WFOE, EN (Jiangxi) will enter into an investment contract with the Yifeng Government on or around 26 May 2010 to amend certain terms of 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.

Reference is made to the announcement of the Company dated 4 February 2010 (the "**Announcement**"). Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as they are defined in the Announcement.

THE REVISED YIFENG PROJECT

The Board wishes to announce following the establishment of Yifeng WFOE, EN (Jiangxi) will enter into a new investment contract with the Yifeng Government (the "**New Investment Contract**") on or around 26 May 2010 to (i) amend the principal business of Yifeng WFOE to include the research and development, manufacture, subcontracting and sale of all categories of garment products and (ii) increase the registered capital and total investment of Yifeng WFOE to US\$12 million (approximately HK\$93.6 million) and US\$25 million (approximately HK\$195.0 million) respectively (the "**Revised Yifeng Project**").

** For identification purpose only*

Save for the amendments as aforesaid, all the terms of the Yifeng Project as disclosed in the Announcement shall remain unchanged and be incorporated into the Revised Yifeng Project. Upon signing of the New Investment Contract, the previous investment contract entered into between EN (Jiangxi) and the Yifeng Government will be superseded by the New Investment Contract.

REASONS FOR THE REVISED 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.

As disclosed in the Announcement, the Group has been in constant lookout for expansion opportunities to cope with the growing demand for sportswear and casual wear. The Board considers that the implementation of the Revised Yifeng Project by including scopes of business which were not previously covered in the Yifeng Project and by increasing the total investment amount in Yifeng WFOE will prepare the Group well for its future expansion and development. Although the Revised Yifeng Project will consequently affect the cash flow and profit over the next few years since substantial capital injection during the construction of the plant will be required, and provision of depreciation will rise accordingly in the initial production stage, the production facilities of the Group can be further extended. To capture the opportunities of development in the competitive sportswear manufacturing industry, the Board considers it to be in the interests of the Company and the Shareholders to engage in the Revised Yifeng Project.

GENERAL

The Company may, through its subsidiaries, enter into further contracts in connection with respect to the Revised 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.

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, 14 May 2010