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Yue Yuen Industrial (Holdings) Limited

裕元工業(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 551)

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)

**APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER
AND
DESPATCH OF CIRCULAR**

The directors of Eagle Nice wish to announce that Partners Capital has been appointed as the independent financial adviser to the Independent Board Committee and the Independent Eagle Nice Shareholders in respect of the terms of the Amendment Agreement and the New Whitewash Waiver.

The Circular containing, among other things, (i) details of the Amendment Agreement and the New Whitewash Waiver; (ii) a letter from the Independent Board Committee to the Independent Eagle Nice Shareholders; (iii) a letter of advice from Partners Capital, the independent financial adviser to the Independent Board Committee and the Independent Eagle Nice Shareholders; and (iv) a notice of the EGM, will be despatched to the Eagle Nice Shareholders on 19 January 2005.

Reference is made to the joint announcement dated 29 December 2004 issued jointly by Yue Yuen and Eagle Nice (the "Joint Announcement"). Unless the context otherwise requires, terms used in this announcement shall have the same meanings as defined in the Joint Announcement.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The directors of Eagle Nice wish to announce that Partners Capital International Limited ("Partners Capital") has been appointed as the independent financial adviser to the independent committee of the Board (the "Independent Board Committee") and the Independent Eagle Nice Shareholders in respect of the terms of the Amendment Agreement and the New Whitewash Waiver.

DESPATCH OF CIRCULAR

The directors of Yue Yuen and the directors of Eagle Nice are pleased to announce that the circular in relation to the Amendment Agreement and the New Whitewash Waiver (the "Circular") will be despatched to the Eagle Nice Shareholders on 19 January 2005. The Circular contains, among other things, (i) details of the Amendment Agreement and the New Whitewash Waiver; (ii) a letter from the Independent Board Committee to the Independent Eagle Nice Shareholders; (iii) a letter of advice from Partners Capital, the independent financial adviser to the Independent Board Committee and the Independent Eagle Nice Shareholders; and (iv) a notice of the EGM.

The EGM will be held on 28 February 2005, details of which are set out in the notice of the EGM contained in the Circular. The Independent Eagle Nice Shareholders are advised to read the Circular carefully before deciding whether or not to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Amendment Agreement and the New Whitewash Waiver.

As at the date of this announcement, the board of directors of Eagle Nice comprises 6 executive directors, namely, Chung Yuk Sing, Tsang Yuk Ni, Chung Tung Sau, Tsang Sau Fan, Edward Ku Yu Sun and Kuo Tai Yu, 1 non-executive director, namely, Ong Chor Wei and 3 independent non-executive directors, namely, Chan Cheuk Ho, Li Chi Chung and Tony Cheng Yung-Hui.

As at the date of this announcement, the board of directors of Yue Yuen comprises 9 executive directors, namely, Tsai Chi Neng (Chairman), David N.F. Tsai (Managing Director), Edward Ku Yu Sun, Kuo Tai Yu, Lu Chin Chu, Kung Sung Yen, Chan Lu Min, Li I Nan, Steve and Tsai Pei Chun, Patty, 2 non-executive directors, namely, Choi Kwok Keung (Vice Chairman) and John J. D. Sy and 3 independent non-executive directors, namely, Shih Hung, Poon Yiu Kin, Samuel and So Kwan Lok.

By Order of the Board of
Yue Yuen Industrial (Holdings) Limited
Tsai Chi Neng
Chairman

By Order of the Board of
Eagle Nice (International) Holdings Limited
Chung Yuk Sing
Chairman

Hong Kong, 18 January 2005

* For identification only

The directors of Yue Yuen jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Eagle Nice Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the Eagle Nice Group) have been arrived at after due and careful consideration and there are no other facts (other than those relating to the Eagle Nice Group) not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of Eagle Nice jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Yue Yuen Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the Yue Yuen Group) have been arrived at after due and careful consideration and there are no other facts (other than those relating to the Yue Yuen Group) not contained in this announcement, the omission of which would make any statement in this announcement misleading.

“Please also refer to the published version of this announcement in The Standard.”