

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt about this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Eagle Nice (International) Holdings Limited (the "Company"), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**PROPOSALS INVOLVING GRANT OF GENERAL MANDATES  
TO ISSUE AND PURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Unit 0906, 9th Floor, Tower B, Regent Centre, 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong on Tuesday, 16 August 2005 at 11:00 a.m. (the "Annual General Meeting") is set out on pages 11 to 15 of this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof, should you so wish.

\* For identification purposes only

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“Annual General Meeting”	the annual general meeting of the Company to be held at Unit 0906, 9th Floor, Tower B, Regent Centre, 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong on Tuesday, 16 August 2005 at 11:00 a.m., notice of which is set out on pages 11 to 15 of this circular
“Articles of Association”	the existing articles of association of the Company
“associate”	has the same meaning as defined in 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 the Shares of which are listed on the Stock Exchange
“connected person”	has the same meaning as defined in the Listing Rules
“Directors”	the directors of the Company
“Great Pacific”	Great Pacific Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Yue Yuen Industrial (Holdings) Limited, a company incorporated under the laws of Bermuda with limited liability and its shares listed on the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot and issue Shares as set out in resolution no.5 in the notice convening the Annual General Meeting
“Latest Practicable Date”	18 July 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

## DEFINITIONS

“Purchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to purchase Shares as set out in resolution no.6 in the notice convening the Annual General Meeting
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	the holders of the Shares
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning as defined in the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Time Easy”	Time Easy Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is beneficially owned as to 90% by Mr. Chung Yuk Sing, the chairman and an executive director of the Company and as to 10% by Ms. Tsang Yuk Ni, an executive Director
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



**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)**

*Executive Directors:*

Mr. Chung Yuk Sing (*Chairman*)

Ms. Tsang Yuk Ni

Mr. Chung Tung Sau

Ms. Tsang Sau Fan

Mr. Ku Yu Sun Edward

Mr. Kuo Tai Yu

*Non-executive Director:*

Mr. Ong Chor Wei

*Independent Non-executive Directors:*

Mr. Chan Cheuk Ho

Mr. Li Chi Chung

Mr. Cheng Yung Hui Tony

*Registered Office:*

Century Yard

Cricket Square

Hutchins Drive

P.O. Box 2681GT

George Town

Grand Cayman

Cayman Islands

British West Indies

*Head Office and Principal Place of*

*Business in Hong Kong:*

Units 0902-0903 and 0905-0906

9th Floor, Tower B

Regent Centre

70 Ta Chuen Ping Street

Kwai Chung

New Territories

Hong Kong

20 July 2005

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS INVOLVING GRANT OF GENERAL MANDATES  
TO ISSUE AND PURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to (i) provide you with details of the Issue Mandate and the Purchase Mandate; (ii) set out an explanatory statement regarding the Purchase Mandate as required under the Listing Rules; and (iii) give you notice of the Annual General Meeting.

\* For identification purposes only

## LETTER FROM THE BOARD

### GENERAL MANDATES TO ISSUE AND PURCHASE SHARES

The Directors wish to propose ordinary resolutions at the Annual General Meeting to give to the Directors general mandates:

- (i) to allot, issue and otherwise deal with new Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the Issue Mandate; and
- (ii) to purchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the Purchase Mandate.

In addition, a separate ordinary resolution will also be proposed at the Annual General Meeting to add to the mandate to issue those Shares purchased by the Company pursuant to the Purchase Mandate granted to the Directors at the Annual General Meeting.

An explanatory statement containing information regarding the Purchase Mandate is set out in the appendix to this circular.

### RE-ELECTION OF DIRECTORS

In relation to resolution no.3 in the notice of the Annual General Meeting regarding the re-election of Directors, Mr. Chung Tung Sau, Mr. Li Chi Chung and Mr. Cheng Yung Hui Tony will retire at the Annual General Meeting pursuant to the Articles of Association, and, being eligible, offer themselves for re-election. Biographical details of the retiring Directors are set out below:

- (i) **Mr. Chung Tung Sau**, aged 52, is an executive Director. Mr. Chung is responsible for the strategic planning and management functions of the Group. Mr. Chung has over twenty years of managerial experience in the manufacturing industry in particular, in the areas of production and sales and was previously a director of Quam Limited (previously known as Wah Fu International Holdings Limited), a company listed on the Main Board of the Stock Exchange. Prior to joining the Group in October 2002, he worked as a sales director in a securities company. Mr. Chung was an independent non-executive director of IA International Holdings Limited, a company listed on the Growth Enterprise Market of the Stock Exchange, until October 2003. Mr. Chung is the uncle of Mr. Chung Yuk Sing, the chairman and an executive director of the Company. Saved as aforesaid, Mr. Chung does not hold any other directorship in other companies within the Group nor does he have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Chung does not have any interests in the securities of the Company or any of its associated corporation within the meaning of Part XV of the SFO. Mr. Chung has entered into a service contract with a subsidiary of the Company for an initial term of three years commencing from 22 August 2003. He is entitled to receive a monthly salary of HK\$40,000. He is also entitled to receive

## LETTER FROM THE BOARD

an amount equivalent to one month's of his salary payable annually prior to the first day of each Lunar New Year and a discretionary year-end bonus. The amount of his remuneration is determined by the Company with reference to his experience, duties and time devoted to the Group and prevailing market conditions. Mr. Chung is subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association.

Saved as disclosed above, Mr. Chung has confirmed that there are no other matters that need to be brought to the attention of the Shareholders.

- (ii) **Mr. Li Chi Chung**, aged 36, is an independent non-executive Director. Mr. Li is a solicitor practising in Hong Kong. He obtained a bachelor degree in laws from The University of Sheffield in England in 1990. Mr. Li was admitted as a solicitor of the High Court of Hong Kong in 1993 and his practice has been focused on commercial related matters. He is also an independent non-executive director of PINE Technology Holdings Limited, a company listed on the Growth Enterprise Market of the Stock Exchange and an independent non-executive director of Kenford Group Holdings Limited, a company listed on the Main Board of the Stock Exchange. Saved as aforesaid, Mr. Li does not hold any other directorship in other companies within the Group nor does he have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Li does not have any interests in the securities of the Company or any of its associated corporation within the meaning of Part XV of the SFO. Mr. Li has no service contract with the Company. He is not appointed for a specific term except that he is subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association. He is entitled to receive a director's fee of HK\$10,000 per month. Other than the director's fee, he is not entitled to any other payment or discretionary bonus. The amount of his remuneration is determined by the Company with reference to his experience, duties and time devoted to the Group and prevailing market conditions. Mr. Li confirms that he does not have any conflict of interest as per the requirements of Rule 3.13 of the Listing Rules which would render him unsuitable as an independent non-executive Director.

Saved as disclosed above, Mr. Li has confirmed that there are no other matters that need to be brought to the attention of the Shareholders.

- (iii) **Mr. Cheng Yung Hui Tony**, aged 63, was appointed as an independent non-executive Director on 30th September 2004. Mr. Cheng is the chairman and chief executive officer of World Friendship Company, Ltd., an unlisted company in Taiwan. Mr. Cheng has over 30 years of experience in operating his company. He often travels between Taiwan, China and United States to manage his business. He has extensive experience in international business, and has profound knowledge in the recreational vehicle, automotive accessory, and

## LETTER FROM THE BOARD

air tool industries. Mr. Cheng did not hold directorship in any other listed public company during the three years preceding the Latest Practicable Date. Saved as aforesaid, Mr. Cheng does not hold any other directorship in other companies within the Group nor does he have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Cheng does not have any interests in the securities of the Company or any of its associated corporation within the meaning of Part XV of the SFO. Mr. Cheng has no service contract with the Company. He is not appointed for a specific term except that he is subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association. He is entitled to receive a director's fee of HK\$10,000 per month. Other than the director's fee, he is not entitled to any other payment or discretionary bonus. The amount of his remuneration is determined by the Company with reference to his experience, duties and time devoted to the Group and prevailing market conditions. Mr. Cheng confirms that he does not have any conflict of interest as per the requirements of Rule 3.13 of the Listing Rules which would render him unsuitable as an independent non-executive Director.

Saved as disclosed above, Mr. Cheng has confirmed that there are no other matters that need to be brought to the attention of the Shareholders.

### ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at Unit 0906, 9th Floor, Tower B, Regent Centre, 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong on Tuesday, 16 August 2005 at 11:00 a.m. is set out on pages 11 to 15 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

You will find enclosed a form of proxy for use at the Annual General Meeting. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof, should you so wish.

To the best of the knowledge and belief of the Directors having made due and careful enquiries, none of the Shareholders is required to abstain from voting at the Annual General Meeting under the Listing Rules.

### PROCEDURE FOR DEMANDING A POLL

Pursuant to Article 66 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of



## LETTER FROM THE BOARD

any other demand for a poll) a poll is demanded (i) by the chairman of the meeting; or (ii) by at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or (iii) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or (iv) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

### RECOMMENDATION

The Directors believe that all resolutions as set out in the notice of the Annual General Meeting are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders vote in favour of such resolutions.

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully,  
For and on behalf of the Board  
**Chung Yuk Sing**  
*Chairman*

This appendix includes an explanatory statement required by the Stock Exchange to be presented to Shareholders concerning the Purchase Mandate proposed to be granted to the Directors.

## **1. STOCK EXCHANGE RULES FOR PURCHASES OF SHARES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed purchases of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be purchased must be fully paid up.

## **2. FUNDING OF PURCHASES**

Any purchase will be made out of funds which are legally available for the purpose in accordance with the memorandum and articles of association of the Company and the laws of the Cayman Islands. As compared with the financial position of the Company as at 31 March 2005 (being the date of its latest audited accounts), the Directors consider that there will not be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed purchases were to be carried out in full during the proposed purchase period.

The Directors do not propose to exercise the Purchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing ratio which in the opinion of the Directors are from time to time appropriate for the Company.

## **3. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 427,000,000 Shares.

Subject to the passing of the Purchase Mandate and on the basis that no further Shares are issued or purchased between the Latest Practicable Date and the Annual General Meeting, the Company would be allowed under the Purchase Mandate to purchase a maximum of 42,700,000 Shares.

## **4. REASONS FOR PURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to purchase Shares on the market. Such purchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share and/or the earning per share of the Company and will only be made when the Directors believe that such purchases will benefit the Company and the Shareholders as a whole.

## 5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Purchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the memorandum and articles of association of the Company.

## 6. EFFECT OF THE TAKEOVERS CODE

If as a result of a purchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert, depending on the level of increase of the shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Time Easy and Great Pacific were the two substantial shareholders of the Company holding approximately 29.63% and 44.96% of the issued share capital of the Company respectively. Under the Takeovers Code, unless the contrary is established, there is a rebuttable presumption that Great Pacific is acting in concert with Time Easy with respect to the control of the Company. Unless such presumption is rebutted, as the aggregate shareholdings of Time Easy and Great Pacific exceed 50% of the existing issued share capital of the Company, the concert group will be free to acquire additional Shares without incurring any general offer obligation under the Takeovers Code.

In the event that the Purchase Mandate is exercised in full, the aggregate shareholdings of Time Easy and Great Pacific would be increased from approximately 74.59% to approximately 82.88% of the issued share capital of the Company and such increase would not give rise to any general offer obligation under the Takeovers Code as explained above but would result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25% as required by the Listing Rules. However, the Directors do have any intention to exercise the Purchase Mandate to the extent that would fall below the prescribed minimum percentage of 25% as required by the Listing Rules. Save as aforesaid and as at the Latest Practicable Date, the Directors are not aware of any consequence which the exercise in full of the Purchase Mandate would have under the Takeovers Code.

## 7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the Purchase Mandate is approved by the Shareholders, to sell Shares to the Company. No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make purchases of Shares.

## 8. SHARE PURCHASE MADE BY THE COMPANY

No purchase of Shares has been made by the Company in the preceding six months (whether on the Stock Exchange or otherwise) ending on the Latest Practicable Date.

## 9. SHARE PRICE

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
July 2004	2.700	2.275
August 2004	3.400	2.350
September 2004	3.400	2.975
October 2004 ( <i>Note 1</i> )	3.675	3.125
November 2004	4.075	3.500
December 2004 ( <i>Note 2</i> )	4.200	3.800
January 2005	4.200	3.850
February 2005	4.375	3.950
March 2005 ( <i>Note 3</i> )	4.400	3.825
April 2005	4.150	3.800
May 2005	3.975	3.775
June 2005	3.975	3.750
July 2005 (Up to the Latest Practicable Date)	3.925	3.700

*Notes:*

1. Trading of the Shares was suspended on 4, 5, 6 and 7 October 2004.
2. Trading of the Shares was suspended on 24, 28 and 29 December 2004.
3. Trading of the Shares was suspended on 4 March 2005.

# NOTICE OF THE ANNUAL GENERAL MEETING



## 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)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Eagle Nice (International) Holdings Limited (the “Company”) will be held at Unit 0906, 9th Floor, Tower B, Regent Centre, 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong on Tuesday, 16 August 2005 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements, the directors’ report and the auditors’ report for the year ended 31 March 2005.
2. To declare a final dividend of HK6 cents per share for the year ended 31 March 2005.
3. To re-elect the retiring directors and to authorise the board of directors to fix the directors’ remuneration.
4. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
5. To consider as special business, and if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

**“THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and securities convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes, and debentures and securities convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;

\* For identification purposes only

## NOTICE OF THE ANNUAL GENERAL MEETING

- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (A) and (B) of this resolution above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any options granted under the share option scheme adopted by the Company or an issue of shares upon the exercise of subscription rights attached to the warrants which might be issued by the Company or an issue of shares in lieu of the whole or part of a dividend on shares or any scrip dividend scheme or similar arrangement in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this resolution; and
- (D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to overseas shareholders or fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

## NOTICE OF THE ANNUAL GENERAL MEETING

6. To consider as special business, and if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

**“THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of The Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby, generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the Directors;
- (C) the aggregate nominal amount of the shares purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the time of passing this resolution; and
- (D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

## NOTICE OF THE ANNUAL GENERAL MEETING

7. To consider as special business, and if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of the ordinary resolution nos.5 and 6 set out in the notice convening this meeting, the aggregate nominal amount of the share capital of the Company which are purchased by the Company pursuant to and in accordance with the said resolution no.6 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with resolution no.5 as set out in the notice of the meeting of the Company.”

By Order of the Board  
**Eagle Nice (International) Holdings Limited**  
**Ong Chor Wei**  
*Company Secretary*

20 July 2005

*Registered Office:*  
Century Yard  
Cricket Square  
Hutchins Drive  
P.O. Box 2681GT  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

*Head Office and Principal Place  
of Business in Hong Kong:*  
Units 0902-0903 and 0905-0906  
9th Floor, Tower B  
Regent Centre  
70 Ta Chuen Ping Street  
Kwai Chung  
New Territories  
Hong Kong



## NOTICE OF THE ANNUAL GENERAL MEETING

*Notes:*

1. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member. A proxy shall be entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise if it were an individual member.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the branch share registrar and transfer office of the Company, Tengis Limited, Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy or by representative, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register. Several executors or administrators of a deceased member in whose name any share stands shall for such purpose be deemed joint holders thereof.

As at the date hereof, the board of directors of the Company comprises six executive directors, namely, Mr. Chung Yuk Sing, Ms. Tsang Yuk Ni, Mr. Chung Tung Sau, Ms. Tsang Sau Fan, Mr. Ku Yu Sun Edward and Mr. Kuo Tai Yu, one non-executive director, namely, Mr. Ong Chor Wei and three independent non-executive directors, namely, Mr. Chan Cheuk Ho, Mr. Li Chi Chung and Mr. Cheng Yung Hui Tony.