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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
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF 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, 22 August 2006 at 11:00 a.m. (the "Annual General Meeting") is set out on pages 12 to 18 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 in Hong Kong, Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, 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, 22 August 2006 at 11:00 a.m., notice of which is set out on pages 12 to 18 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
“CG Code”	the Code on Corporate Governance Practices set out in appendix 14 to the Listing Rules
“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
“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”	24 July 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“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 Executive Director of the Company and as to 10% by Ms. Tsang Yuk Ni, the spouse of Mr. Chung Yuk Sing
“Yue Yuen”	Yue Yuen Industrial (Holdings) Limited, a company incorporated under the laws of Bermuda with limited liability and the shares of which are listed on the Stock Exchange
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.



Eagle Nice (International) Holdings Limited
鷹美(國際)控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

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Executive Directors:

Mr. Chung Yuk Sing (*Chairman*)
Mr. Tsai Nai Kun (*Chief Executive Officer*)
Mr. Chung Tung Sau
Mr. Kuo Tai Yu
Mr. Lin Pin Huang, Otto
Ms. Tsang Sau Fan
Mr. Ku Yu Sun, Edward
Mr. Chen Zhen Hao

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
9/F, Tower B, Regent Centre
70 Ta Chuen Ping Street
Kwai Chung
New Territories
Hong Kong

28 July 2006

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The Directors wish to seek the approval of the Shareholders at the Annual General Meeting for (i) the grant of the Issue Mandate and the Purchase Mandate, (ii) the re-election of Directors and (iii) the amendments to the Articles of Association.

* For identification purposes only

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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, (iii) provide you with information regarding the re-election of Directors, (iv) provide you with details of the amendments to the Articles of Association and (v) give you notice of Annual General Meeting.

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 of the proposed resolution for the grant of 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 of the proposed resolution for the grant of the Purchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 427,000,000 Shares. Subject to the passing of the proposed resolution for the grant of the Issue Mandate at the Annual General Meeting and on the basis that no further Shares are issued or purchased by the Company between the Latest Practicable Date and the Annual General Meeting, the Company would be allowed to issue a maximum of 85,400,000 Shares under the Issue Mandate.

In addition, a separate ordinary resolution will also be proposed at the Annual General Meeting to add to the Issue Mandate 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. Tsai Nai Kun ("Mr. Tsai"), Mr. Lin Pin Huang, Otto ("Mr. Lin"), Ms. Tsang Sau Fan ("Ms. Tsang"), Mr. Chen Zhen Hao ("Mr. Chen") and Mr. Chan Cheuk Ho ("Mr. Chan") 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. Tsai**, aged 52, has been appointed as Executive Director and the Chief Executive Officer of the Company with effect from 14 October 2005. He is responsible for the operation and management of the Group. He is the Vice President of Yue Yuen and is in charge of certain research and development

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programs. He is a college graduate and has over 25 years of experience in footwear business. Other than his directorship with the Company, Mr. Tsai does not hold any position in other members of the Company.

As at the Latest Practicable Date, Mr. Tsai had a personal interest in 777,000 Shares, representing approximately 0.18% of the existing issued share capital of the Company. Save as aforesaid, Mr. Tsai does not have any interests in Shares within the meaning of Part XV of the SFO.

- (ii) **Mr. Lin**, aged 49, has been appointed as Executive Director of the Company with effect from 14 October 2005. He is responsible for the sales and marketing of the Group. He is currently the Vice President of Yue Yuen in charge of certain branded customers' business in Dongguan, Indonesia and Vietnam. He is a graduate of Tung Hai University and has over 20 years of experience in footwear business. Other than his directorship with the Company, Mr. Lin does not hold any position in other members of the Company.

As at the Latest Practicable Date, Mr. Lin had a personal interest in 1,043,000 Shares, representing approximately 0.24% of the existing issued share capital of the Company. Save as aforesaid, Mr. Lin does not have any interests in Shares within the meaning of Part XV of the SFO.

- (iii) **Ms. Tsang**, aged 39, is Executive Director and General Manager of the Company. She is responsible for the sales, marketing and administrative functions of the Group. She has over 10 years of experience in sales of garment products. Prior to joining the Group in March 1996, she worked as a merchandiser in a garment manufacturing company in Hong Kong. Other than her directorship with the Company, Ms. Tsang does not hold any position in other members of the Company. Ms. Tsang has entered into a service contract with a subsidiary of the Company for an initial term of three years commencing from 22 August 2003. She is entitled to receive a monthly salary of HK\$52,500. She is also entitled to receive an amount equivalent to 1 month of her salary payable annually prior to the first day of each Lunar New Year and a discretionary year-end bonus. The amount of her remuneration is determined by the Company with reference to her experience, duties and prevailing market conditions. Ms. Tsang is subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association.

As at the Latest Practicable Date, Ms. Tsang had a personal interest in 1,500,000 Shares, representing approximately 0.35% of the existing issued share capital of the Company. Save as aforesaid, Ms. Tsang does not have any interests in Shares within the meaning of Part XV of the SFO.

- (iv) **Mr. Chen**, aged 41, has been appointed as Executive Director of the Company with effect from 14 October 2005. He is currently the Chief Production Officer of the Group in the PRC. He is responsible for the production and management of the Group in the PRC. He is also a director of 裕美(汕頭)製衣有限公司, a

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wholly-owned subsidiary of the Company since August 2004. Mr. Chen has over 10 years of experience in garment manufacturing industry. Save as aforesaid, Mr. Chen does not hold any position in other members of the Company.

As at the Latest Practicable Date, Mr. Chen did not have any interests in Shares within the meaning of Part XV of the SFO.

- (v) **Mr. Chan**, aged 39, is an Independent Non-Executive Director of the Company. He obtained a master degree in Business Administration from the University of Manchester in 2003. He is also a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Chan has more than 10 years of experience in accounting and finance. Other than his directorship with the Company, Mr. Chan does not hold any position in other members of the Company.

As at the Latest Practicable Date, Mr. Chan did not have any interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, each of Mr. Tsai, Mr. Lin, Ms. Tsang, Mr. Chen and Mr. Chan did not hold any directorship in any listed companies in the 3 years preceding the Latest Practicable Date. Each of Mr. Tsai, Mr. Lin, Ms. Tsang, Mr. Chen and Mr. Chan does not have any relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Other than Ms. Tsang, the Company has not entered into any service contracts with each of Mr. Tsai, Mr. Lin, Mr. Chen and Mr. Chan as at the Latest Practicable Date and no terms have been fixed or proposed for their length of service with the Company. Each of Mr. Tsai, Mr. Lin, Mr. Chen and Mr. Chan is subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association. The emoluments of each of Mr. Tsai, Mr. Lin, Mr. Chen and Mr. Chan will be determined by the Board with reference to their respective duties and responsibilities in the Company and further disclosure will be made once their emoluments have been fixed.

Save as disclosed above, there are no other information to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Tsai, Mr. Lin, Ms. Tsang, Mr. Chen and Mr. Chan.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to bring the Articles of Association in line with the CG Code and the amended Listing Rules, the Directors propose to amend the existing Articles of Association. In principle, the Articles of Association will be amended in the following respects:

- (a) in compliance with A.4.2 of the CG Code, all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment and every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years;

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- (b) in compliance with E.2 of the CG Code, the Company should ensure compliance with the requirements about voting by poll contained in the Listing Rules and the Articles of Association;
- (c) in compliance with paragraph 4(3) of appendix 3 to the Listing Rules, the Company in general meeting shall have power by ordinary resolution to remove any Director (including a managing or other executive Director, but without prejudice to any claim for damages under any contract) before the expiration of his/her term of office; and
- (d) other minor drafting improvements.

A special resolution will be proposed at the Annual General Meeting to seek the Shareholders' approval of the above amendments to the Articles of Association.

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, 22 August 2006 at 11:00 a.m. is set out on pages 12 to 18 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 in Hong Kong, Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, 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 reasonable 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 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

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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 authorized representative) or by proxy and holding Shares 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 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 to 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 Articles of Association and the laws of the Cayman Islands. As compared with the financial position of the Company as at 31 March 2006 (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 by the Company between the Latest Practicable Date and the Annual General Meeting, the Company would be allowed to purchase a maximum of 42,700,000 Shares under the Purchase Mandate.

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 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 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 28.81% 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 73.77% to approximately 81.97% 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 not have any present 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 up to and including the Latest Practicable Date were as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
2005		
July	3.925	3.575
August	3.700	3.375
September	3.600	3.150
October	3.100	2.600
November	3.000	2.600
December	2.900	2.450
2006		
January	2.875	2.550
February	2.750	2.575
March	2.750	2.200
April	2.600	2.050
May	2.200	1.950
June	2.025	1.400
July (up to and including the Latest Practicable Date)	1.890	1.610



Eagle Nice (International) Holdings Limited
鷹美(國際)控股有限公司*

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(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, 22 August 2006 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 2006.
2. To declare a final dividend of HK6 cents per share for the year ended 31 March 2006.
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, 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 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 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 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.”

8. To consider as special business, and if thought fit, pass with or without amendments, the following resolution as a Special Resolution:

“**THAT** the following amendments to the Articles of Association of the Company be and are hereby approved:

(a) **Article 66**

- (i) by inserting the words “voting by way of a poll is required by the rules of the Designated Stock Exchange or” after the words “on a show of hands unless” in the third sentence of Article 66;
- (ii) by deleting the full stop at the end of paragraph (d) of Article 66 and replacing it with a semicolon and the word “or”; and
- (iii) by adding the following new paragraph after paragraph (d) of Article 66:
 - “(e) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five (5) per cent. or more of the total voting rights at such meeting, and if on a show of hands a meeting votes in the opposite manner to that instructed in those proxies, provided that if it is apparent from the total proxies held that a vote taken on a poll shall not reverse the vote taken on a show of hands, then the Director or Directors shall not be required to demand a poll.”;

(b) **Article 67**

- (i) by inserting the words “so required or” before the words “duly demanded” in Article 67; and
- (ii) by inserting the words “, in the latter case,” before the words “the demand is not withdrawn” in Article 67;

NOTICE OF ANNUAL GENERAL MEETING

(c) **Article 68**

by deleting the last sentence of Article 68 in its entirety and replacing it with the following sentence:

“The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”;

(d) **Article 86**

(i) by deleting the last sentence of Article 86(3) in its entirety and replacing it with the following sentence:

“Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board) and shall then be eligible for re-election.”; and

(ii) by deleting the word “special” in Article 86(5) and replacing it with the word “ordinary”;

(e) **Article 87**

by deleting the existing Article 87(1) in its entirety and replacing it with the following sentence:

“Notwithstanding any other provisions in the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years or within such other period as the Designated Stock Exchange may from time to time prescribe or within such other period as the laws of such jurisdiction applicable to the Company.”; and

NOTICE OF ANNUAL GENERAL MEETING

(f) **Article 92**

by deleting the word “we” before the words “were a Director” in the third sentence of Article 92 and replacing with a word “he”.

By Order of the Board
Eagle Nice (International) Holdings Limited
Woo Man Chi
Company Secretary

Hong Kong, 28 July 2006

Registered Office:
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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

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 in Hong Kong, Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting (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 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.
5. The retiring directors standing for re-election under item 3 are Mr. Tsai Nai Kun, Mr. Lin Pin Huang, Otto, Ms. Tsang Sau Fan, Mr. Chen Zhen Hao and Mr. Chan Cheuk Ho.

NOTICE OF ANNUAL GENERAL MEETING

As at the date of this notice, the board of directors of the Company comprises eight executive directors, namely, Mr. Chung Yuk Sing, Mr. Tsai Nai Kun, Mr. Chung Tung Sau, Mr. Kuo Tai Yu, Mr. Lin Pin Huang, Otto, Ms. Tsang Sau Fan, Mr. Ku Yu Sun, Edward and Mr. Chen Zhen Hao and three independent non-executive directors, namely, Mr. Chan Cheuk Ho, Mr. Li Chi Chung and Mr. Cheng Yung Hui, Tony.