

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Elegance International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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ELEGANCE INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

RENEWAL OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of Elegance International Holdings Limited to be held at 3:00 p.m. on Friday, 28 August 2009 at Salons I & II, Grand Hyatt Hotel, 1 Harbour Road, Wanchai, Hong Kong is set out on pages 13 to 17 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at B2 & B4, 8th Floor, Block B, Mai Hing Industrial Building, 16-18 Hing Yip Street, Kwun Tong, Kowloon, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. 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.

29 July 2009

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 3:00 p.m. on Friday, 28 August 2009 at Salons I & II, Grand Hyatt Hotel, 1 Harbour Road, Wanchai, Hong Kong, notice of which is set out on pages 13 to 17 of this circular;
“associate”	shall have the same meaning as ascribed thereto under the Listing Rules;
“Board”	the board of Directors;
“Bye-law(s)”	The bye-law(s) of the Company;
“Company”	Elegance International Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange;
“connected person”	shall have the same meaning as ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“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”	23 July 2009, 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

“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares as set out in resolution no. 6 in the notice convening the Annual General Meeting;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“Share(s)”	ordinary shares of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	the holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollars.



ELEGANCE INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

Executive Directors:

Hui Leung Wah
Poon Sui Hong
Leung Shu Sum

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-Executive Directors:

Lissi Barbara
Marchisio Paola

Principal office:

B2 & B4, 8th Floor, Block B
Mai Hing Industrial Building
16-18 Hing Yip Street
Kwun Tong
Kowloon
Hong Kong

Independent Non-Executive Directors:

Poon Kwok Fai, Ronald
Tam Hok Lam, Tommy, *PhD, JP*
Wong Chung Mat, Ben, *JP*

29 July 2009

To the Shareholders

Dear Sir or Madam,

**RENEWAL OF GENERAL MANDATES
TO ISSUE SHARES AND TO REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The Directors wish to seek the approval of the Shareholders at the Annual General Meeting for: (i) the renewal of Issue Mandate and the Repurchase Mandate and (ii) the re-election of Directors.

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

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

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

- (i) to allot, issue and otherwise deal with new 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 proposed resolution at the Annual General Meeting; and
- (ii) to repurchase 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 proposed resolution at the Annual General Meeting.

As at the Latest Practicable Date, the issued share capital of the Company comprised 323,649,123 Shares. Subject to the passing of the ordinary resolutions approving the Issue Mandates to issue Shares and assuming that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Issue Mandate to issue a maximum of 32,364,912 Shares (representing 10% of the issued share capital of the Company as at the Latest Practicable Date).

In addition, a separate ordinary resolution will also be proposed at the Annual General Meeting to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate granted to the Directors at the Annual General Meeting.

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

3. RE-ELECTION OF DIRECTORS

In accordance with Bye-law 110(A) of the Bye-laws, Mr. Hui Leung Wah, Mr. Leung Shu Sum and Mr. Poon Kwok Fai, Ronald will retire from office by rotation at the Annual General Meeting and, being eligible, will offer themselves for re-election.

Further to the above, as the Code of Corporate Governance Practices set out in the Appendix 14 to the Listing Rules took effect on 1 January 2005 requires that every Non-Executive Director should be appointed for a specific term, subject to re-election. The term of appointment for each Non-Executive Director and Independent Non-Executive Director offering himself for re-election at the Annual General Meeting will be a specific term of not more than three years. Each of the Directors retiring at the Annual General Meeting will hold office until the close or adjournment of the Annual General Meeting.

LETTER FROM THE BOARD

The following are the details of the Directors to be retired and proposed for re-election at the Annual General Meeting:

(1) Mr. Hui Leung Wah

Mr. Hui Leung Wah, aged 56, is an Executive Director and the founder of the Company. Mr. Hui is also the Chairman of the Board and the Managing Director of the Group. Mr. Hui has over 43 years of experience in optical frames production.

The proposed term of office for Mr. Hui shall not be more than three years from the date of the Annual General Meeting and is subject to retirement by rotation and re-election in accordance with the provision of the Listing Rules and the Company's Bye-laws. Under his service contract, Mr. Hui is currently entitled to an annual salary of HK\$1,200,000. Mr. Hui also occupies a Group's property rent-free, the estimated value of the accommodation provided for Mr. Hui was HK\$900,000 for year ended 31 March 2009. Save as disclosed in this paragraph, Mr. Hui does not receive any remuneration from the Company. The emoluments of Mr. Hui are determined by the Remuneration Committee with reference to market terms and his duties and responsibilities in the Company.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Mr. Hui was interested or deemed to be interested in 149,624,000 Shares representing approximately 46.23% of the issued share capital of the Company. Mr. Hui is the father of Ms. Hui Sze Man, Doris, a senior management of the Group. Mr. Hui is also the brother-in-law of Mr. Poon Sui Hong, Mr. Cheng Wai Keung, Edmond and Ms. Poon Kam Yee, an executive director and a senior management of the Group respectively.

Save as disclosed above, Mr. Hui did not hold any other directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

(2) Mr. Leung Shu Sum

Mr. Leung Shu Sum, aged 54, is an Executive Director of the Company. Mr. Leung has over 33 years of experience in optical frames production.

The proposed term of office for Mr. Leung shall not be more than three years from the date of the Annual General Meeting and is subject to retirement by rotation and re-election in accordance with the provision of the Listing Rules and the Company's Bye-laws. Under his service contract, Mr. Leung was entitled to an annual salary of HK\$534,100 and pension scheme contribution of HK\$23,100 from the Company for the year ended 31 March 2009. Mr. Leung also occupies a Group's property rent-free, the estimated value of the accommodation provided for Mr. Leung was HK\$162,000 for the year ended 31 March 2009. Save as disclosed in this paragraph, Mr. Leung does not receive any remuneration from the Company. The emoluments of Mr. Leung are determined by the Remuneration Committee with reference to market terms and his duties and responsibilities in the Company.

LETTER FROM THE BOARD

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Mr. Leung was interested in 6,000,000 Shares representing approximately 1.85% of the issued share capital of the Company.

Save as disclosed above, Mr. Leung did not hold any other directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. He does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company.

(3) Mr. Poon Kwok Fai, Ronald

Mr. Poon Kwok Fai, Ronald, aged 60, joined the Company as an Independent Non-Executive Director in 1996. Mr. Poon is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr. Poon is a solicitor and notary public practising in Hong Kong and has over 28 years of experience in the legal profession.

Mr. Poon does not have any service contract with the Company. The proposed term of office for Mr. Poon shall not be more than three years from the date of the Annual General Meeting and is subject to retirement by rotation and re-election in accordance with the provision of the Listing Rules and the Company's Bye-laws. Under the current arrangement, Mr. Poon received a director's fee of HK\$100,000 from the Company for the year ended 31 March 2009. The director's fee of Mr. Poon was approved by the Board with reference to the remuneration of independent non-executive directors of other listed companies in Hong Kong.

As at the Latest Practicable Date, Mr. Poon was not interested in any Shares of the Company within the meaning of Part XV of the SFO.

Prior to 10 July 2009, Mr. Poon was an independent non-executive director of abc Multiactive Limited, a company listed on the Stock Exchange. Save as disclosed in this paragraph, Mr. Poon did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. He does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company.

Saved as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders regarding the re-election of the above directors. There is no information to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

LETTER FROM THE BOARD

4. PROCEDURE FOR DEMANDING A POLL

Pursuant to bye-law 78 of the bye-laws of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:-

- (i) by the chairman of the meeting; or
- (ii) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person (or, in the case of a member 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 the members having the right to vote at the meeting; or
- (iv) by a member or members present in person (or, in the case of a member 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 the shares conferring that right.

In accordance with the relevant requirements under the Listing Rules and consistent with good corporate governance practice, the chairman of the meeting will demand that all resolutions shall be decided by way of poll at the Annual General Meeting. The results of the proposed resolutions by poll at the Annual General Meeting will be announced and published on the websites of the Stock Exchange and the Company on the next business day following the Annual General Meeting.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, none of the Shareholders will be required to abstain from voting in the Annual General Meeting under the Listing Rules.

5. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at 3:00 p.m. on Friday, 28 August 2009 at Salons I & II, Grand Hyatt Hotel, 1 Harbour Road, Wanchai, Hong Kong is set out on pages 13 to 17 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at B2 & B4, 8th Floor, Block B, Mai Hing Industrial Building, 16-18 Hing Yip Street, Kwun Tong, Kowloon, Hong Kong as

LETTER FROM THE BOARD

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.

6. RECOMMENDATION

The Directors consider that the renewal of the Issue Mandate and the Repurchase Mandate and the re-election of directors are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders of the Company should vote in favour of the relevant resolutions as set out in the notice of the Annual General Meeting.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board
Elegance International Holdings Limited
Hui Leung Wah
Chairman

This is the explanatory statement required to be sent to Shareholder under the Listing Rules to enable the Shareholder to make an informed decision on whether to vote for or against the ordinary resolution in relation to the Repurchase Mandate to be proposed at the Annual General Meeting.

1. LISTING RULES FOR PURCHASES OF SHARES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase 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. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 323,649,123 Shares.

Subject to the passing of the relevant ordinary resolutions at the Annual General Meeting to approve the general mandates to repurchase Shares under the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to purchase a maximum of 32,364,912 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

3. REASONS FOR REPURCHASES

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 repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earning per Share of the Company and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES

Any repurchase of Shares by the Company will be made out of the Company's funds which will otherwise be available for dividends or distributions, or proceeds of a new issue of Shares made for such purposes. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the bye-laws of the Company, the laws of Bermuda and other applicable laws. As compared with the financial position of the Company as at 31 March 2009 (being the date of its latest audited accounts), the Directors consider that there might be a material adverse impact on the working capital and on the gearing position of the Company in the event the proposed repurchases under the Repurchase Mandate were to be carried out in full during the proposed repurchase period.

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

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda and the Bye-laws of the Company.

6. EFFECT OF THE TAKEOVERS CODE

If, as a result of a repurchase 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, to the best of the knowledge and belief of the Directors, the number of ordinary Shares held by the substantial shareholders of the Company are as follows:

Name	Number of Share held	Approximate percentage of the issued share capital of the Company as at the Latest Practicable Date
Hui Leung Wah (<i>Note</i>)	149,624,000	46.23%
Wahyee Limited (<i>Note</i>)	141,316,000	43.66%
Safilo Far East Limited ("Safilo")	74,599,123	23.05%

Note: Wahyee Limited ("Wahyee") held the entire issued share capital of Best Quality Limited and Deluxe Concept Limited which in turn held in aggregate approximately 43.66% of the entire issued share capital of the Company. Wahyee is the trustee of the Wahyee Unit Trust, which was in turn beneficially owned by a discretionary trust, the Docator Trust. The beneficiaries of the Docator Trust were the spouse and children of Mr. Hui Leung Wah, the Chairman of the Company and a director of Wahyee. As at the Latest Practicable Date, Mr. Hui Leung Wah held directly approximately 2.57% of the issued share capital of the Company, which together with the 43.66% held by Wahyee, held in aggregate approximately 46.23% of the entire issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution at the forthcoming Annual General Meeting and assuming that there are no alteration to the existing shareholding of Wahyee and Mr. Hui Leung Wah and Safilo before the Annual General Meeting, the aggregate shareholdings of Wahyee and Mr. Hui Leung Wah will increase to approximately 51.37% and the shareholding of Safilo will increase to approximately 25.61%. Such increase will give rise to an obligation on the part of Wahyee and Mr. Hui Leung Wah to make a mandatory offer under Rule 26 of the Takeovers Code. In addition, the public float requirement under Rule 8.08 of the Listing Rules may be breached. However, the Directors have no intention to exercise the power to repurchase the Shares to the extent that will trigger a mandatory offer under Rule 26 of the Takeovers Code or will result in the public float of the Company falling below 25%.

7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates, has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he or she has a present intention to sell Shares to the Company or has undertaken not to sell any of the Shares held by him or her 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 its 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 in each of the previous twelve months immediately prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
July 2008	0.94	0.88
August 2008	0.90	0.76
September 2008	0.82	0.76
October 2008	0.71	0.69
November 2008	0.62	0.60
December 2008	0.60	0.55
January 2009	0.52	0.52
February 2009	–	–
March 2009	–	–
April 2009	–	–
May 2009	1.08	0.53
June 2009	0.80	0.70
July 2009 (up to the Latest Practicable Date)	0.96	0.60

NOTICE OF ANNUAL GENERAL MEETING



ELEGANCE INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

NOTICE IS HEREBY GIVEN that the annual general meeting of Elegance International Holdings Limited (the "Company") will be held at 3:00 p.m. on Friday, 28 August 2009 at Salons I & II, Grand Hyatt Hotel, 1 Harbour Road, Wanchai, Hong Kong for the following purposes:-

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31 March 2009.
2. To consider and declare a final dividend for the year ended 31 March 2009.
3. To re-appoint Messrs. Ernst & Young as auditors and authorise the board of directors of the Company to fix their remuneration.
4. As ordinary business, to consider, and if thought fit, pass each of the following resolutions as Ordinary Resolutions
 - (A) THAT Mr. Hui Leung Wah be and is hereby re-elected as an Executive Director of the Company.
 - (B) THAT Mr. Leung Shu Sum be and is hereby re-elected as a Executive Director of the Company.
 - (C) THAT Mr. Poon Kwok Fai, Ronald be and is hereby re-elected as an Independent Non-Executive Director of the Company for a specific term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company's annual general meeting to be held in year 2012 or (2) 28 August 2012 or (3) the date on which Mr. Poon Kwok Fai, Ronald retires by rotation pursuant to the Bye-laws.

As special business, to consider and, if thought fit, pass the following resolutions, which will be proposed with or without amendments, as ordinary resolutions and special resolution of the Company:-

ORDINARY RESOLUTIONS

5. "THAT:
 - (A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (the "Directors") during the Relevant Period

NOTICE OF ANNUAL GENERAL MEETING

(as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures 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 and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;
- (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 bye-laws of the Company, shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the close of business on the date on which this resolution is passed; 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 bye-laws of the Company or the applicable laws of Bermuda 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 in the Company 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

NOTICE OF ANNUAL GENERAL MEETING

or expedient in relation to 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).”

6. “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 repurchase its own issued shares 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 repurchase its shares at a price determined by the Directors;
- (C) the aggregate nominal amount of share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10% 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 bye-laws of the Company or the applicable laws of Bermuda 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. “**THAT** conditional upon the passing of ordinary resolution nos. 5 and 6 set out above, the aggregate nominal amount of the share capital of the Company which are repurchased by the Company pursuant to and in accordance with the said ordinary 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 the said ordinary resolution no. 5.”
8. “**THAT** a remuneration of HK\$100,000 be paid to each of the independent non- executive directors of the Company for the period from the conclusion of this meeting to the conclusion of the next annual general meeting of the Company.”

By Order of the Board
Elegance International Holdings Limited
Tsui Choi Yee, Connie
Company Secretary

Hong Kong, 29 July 2009

Notes:

1. Any member entitled to attend and vote at the meeting is 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 meeting of the Company.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorized to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
4. 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 such power or authority, shall be delivered to B2 & B4, 8th Floor, Block B, Mai Hing Industrial Building, 16-18 Hing Yip Street, Kwun Tong, Kowloon, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
5. The register of members of the Company will be closed from Monday, 24 August 2009 to Friday, 28 August 2009, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, and be eligible to attend and vote at the meeting, all transfer of Shares accompanied by the relevant share certificates must be lodged for registration with the Company's Registrar in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 21 August 2009.
6. Delivery of a form of proxy will not preclude a member from attending and voting in person at the meeting or any adjournment thereof should you so wish.

NOTICE OF ANNUAL GENERAL MEETING

7. Where there are joint holders of any share, any one of such joint holder may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of the bye-laws of the Company be deemed joint holders thereof.
8. A form of proxy for use at the Annual General Meeting is enclosed herewith.