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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, 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 together with the accompanying form of proxy to the purchaser or the 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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**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, 27 August 2010 at Salons I & II, Grand Hyatt Hotel, 1 Harbour Road, Wanchai, Hong Kong is set out on pages 12 to 15 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 the holding of such 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.

28 July 2010

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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, 27 August 2010 at Salons I & II, Grand Hyatt Hotel, 1 Harbour Road, Wanchai, Hong Kong, notice of which is set out on pages 12 to 15 of this circular;
“associate”	has the meaning ascribed thereto in 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, the shares of which are listed on the Stock Exchange;
“connected person”	has the meaning ascribed thereto in 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 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“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”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);

DEFINITIONS

“Share(s)”	ordinary shares of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollars.

LETTER FROM THE BOARD



ELEGANCE INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 907

Executive Directors:

Mr. Hui Leung Wah (*Chairman*)

Mr. Poon Sui Hong

Mr. Leung Shu Sum

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Non-Executive Directors:

Ms. Barbara Lissi

Ms. Paola Marchisio

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:

Mr. Poon Kwok Fai, Ronald

Dr. Tam Hok Lam, Tommy, PhD, JP

Mr. Wong Chung Mat, Ben, JP

28 July 2010

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. Poon Sui Hong, Dr. Tam Hok Lam, Tommy and Mr. Wong Chung Mat, Ben 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 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/herself 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.

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

LETTER FROM THE BOARD

(1) Mr. Poon Sui Hong

Mr. Poon Sui Hong, aged 51, is an Executive Director and a general manager of the Group. He joined the Group in 1984 and has over 24 years of experience in the marketing and production of optical frames. He is presently responsible for the strategic planning and supervision of the Group's marketing activities. He is a director of certain subsidiaries of the Group.

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 his service contract, Mr. Poon is currently entitled to an annual salary of HK\$777,000. The Company contributed HK\$31,000 to pension scheme for Mr. Poon for the year ended 31 March 2010. Mr. Poon also occupies a Group's rented property rent free and the annual rental for that property was HK\$444,000 for the year ended 31 March 2010. Save as disclosed above, Mr. Poon did not receive any remuneration from the Company. The emoluments of Mr. Poon are determined by the Remuneration Committee of the Company with reference to market terms and his duties and responsibilities in the Company.

As at the Latest Practicable Date, Mr. Poon held 7,000,000 shares of the Company within the meaning of Part XV of the SFO. Mr. Poon is the brother-in-law of Mr. Hui Leung Wah, the chairman and managing director of the Company, and Mr. Cheng Wai Keung, Edmond, a member of the senior management of the Group. He is also the brother of Ms. Poon Kam Yee, a member of the senior management of the Group.

Save as disclosed above, 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.

(2) Dr. Tam Hok Lam, Tommy, PhD, JP

Dr. Tam Hok Lam, Tommy, PhD, JP, aged 61, joined the Company as an independent non-executive director in 2005. He is currently the chairman of the nomination committee and member of the audit committee and remuneration committee of the Company. Dr. Tam is a fellow member of the Association of International Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. He is also an honorary director of Hong Kong Watch Manufacturer's Association Limited and a council member of the Hong Kong Institute of Directors. Dr. Tam currently is the managing director of Tomson Holdings Limited, which is an investment holdings company, and is also the chairman of Artistic Precision Holdings Ltd, which is involved in watch design, production and trading. Dr. Tam is a Standing Committee member of Chinese People Political Consultative Conference in Shandong Province, the People's Republic of China.

LETTER FROM THE BOARD

Dr. Tam does not have any service contract with the Company. The proposed term of office for Dr. Tam 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, Dr. Tam is currently entitled to an annual remuneration of HK\$100,000. The remuneration of Dr. Tam is determined by the Board with reference to the remuneration of independent non-executive directors of other listed companies in Hong Kong and approved by Shareholders at annual general meeting of the Company.

As at the Latest Practicable Date, Dr. Tam did not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Dr. Tam currently is an independent non-executive director of Hao Tian Resources Group Limited, a listed company on the Main Board of the Stock Exchange, which is principally engaged in exploitation of coal, coal mining, coal sales and development of coking coal mine in the PRC. On 11 June 2010, Dr. Tam has been appointed as an independent non-executive director of Madex International (Holdings) Limited, a company listed on the Main Board of the Stock Exchange, its principal activity is investment holding, whilst its subsidiaries are mainly engaged in property investment and development in the PRC. Save as disclosed above, Dr. Tam 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.

(3) Mr. Wong Chung Mat, Ben, JP

Mr. Wong Chung Mat, Ben, JP, aged 58, joined the Company as an independent non-executive director in 2004. He is currently the chairman of the remuneration committee and member of the audit committee and nomination committee of the Company. Mr. Wong obtained a Master of Science Degree in Operations Research from Ohio State University and has over 35 years of experience in the electronics industry.

Mr. Wong does not have any service contract with the Company. The proposed term of office for Mr. Wong 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. Wong is currently entitled to an annual remuneration of HK\$100,000. The remuneration of Mr. Wong is determined by the Board with reference to the remuneration of independent non-executive directors of other listed companies in Hong Kong and approved by Shareholders at annual general meeting of the Company.

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

Mr. Wong is the chairman and chief executive officer of Wong's International (Holdings) Limited, a company listed on the Main Board of the Stock Exchange (Stock code: 099). Save as disclosed above, Mr. Wong 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.

LETTER FROM THE BOARD

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.

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, 27 August 2010 at Salons I & II, Grand Hyatt Hotel, 1 Harbour Road, Wanchai, Hong Kong is set out on pages 12 to 15 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

LETTER FROM THE BOARD

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 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 Shareholders under the Listing Rules to enable the Shareholders 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 Repurchase Mandate to repurchase Shares 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 repurchase 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, the laws of Bermuda and other applicable laws. As compared with the financial position of the Company as at 31 March 2010 (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 its gearing level.

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 Rules 26 and 32 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 Shares 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 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 and managing director 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, accounted for 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

The Company has not repurchased any of its Shares (on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

9. SHARE PRICES

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:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
July 2009	0.96	0.60
August 2009	0.97	0.55
September 2009	1.00	0.60
October 2009	0.75	0.52
November 2009	0.79	0.69
December 2009	0.76	0.65
January 2010	0.93	0.79
February 2010	0.92	0.81
March 2010	0.82	0.76
April 2010	1.08	0.80
May 2010	0.90	0.83
June 2010	–	–
July 2010 (up to the Latest Practicable Date)	0.85	0.70

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, 27 August 2010 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 for the year ended 31 March 2010.
2. To consider and declare a final dividend for the year ended 31 March 2010.
3. To re-appoint Messrs. Ernst & Young as auditors and authorise the Board to fix their remuneration.
4. (A) To re-elect Mr. Poon Sui Hong as an Executive Director.
(B) To re-elect Dr. Tam Hok Lam, Tommy as an Independent Non-Executive Director.
(C) To re-elect Mr. Wong Chung Mat, Ben as an Independent Non-Executive Director.

As special business, to consider and, if thought fit, pass the following resolutions, which will be proposed with or without amendments, as ordinary resolutions 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 (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;

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 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 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;

NOTICE OF ANNUAL GENERAL MEETING

- (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.”
7. “**THAT** conditional upon the passing of ordinary resolution nos. 5 and 6 set out above, the aggregate nominal amount of the shares in the 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, 28 July 2010

NOTICE OF ANNUAL GENERAL MEETING

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, 23 August 2010 to Friday, 27 August 2010, 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 Annual General Meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrars 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, 20 August 2010.
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.
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.
9. As at the date hereof, the executive directors of the Company are Mr. Hui Leung Wah, Mr. Poon Sui Hong and Mr. Leung Shu Sum, the non-executive directors are Ms. Barbara Lissi and Ms. Paola Marchisio and the independent non-executive directors are Mr. Poon Kwok Fai, Ronald, Dr. Tam Hok Lam, Tommy, PhD, JP and Mr. Wong Chung Mat, Ben, JP.