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聯洲國際集團有限公司
EGANAGOLDPFEIL

(HOLDINGS) LIMITED
(Incorporated in the Cayman Islands with limited liability)
(stock code: 048)

EGANA
JEWELLERY & PEARLS LIMITED
(聯洲珠寶有限公司)
(Incorporated in the Cayman Islands with limited liability)
(stock code: 926)

**(1) PROPOSAL TO CONSTITUTE
EGANA JEWELLERY & PEARLS LIMITED
AS A WHOLLY-OWNED SUBSIDIARY OF
EGANAGOLDPFEIL (HOLDINGS) LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 86 OF THE COMPANIES LAW
OF THE CAYMAN ISLANDS**

**(2) PROPOSED PRIVATISATION AND WITHDRAWAL OF LISTING OF
EGANA JEWELLERY & PEARLS LIMITED**

**(3) PROPOSED OPTION OFFER TO THE OPTIONHOLDERS
RESULTS OF COURT MEETING AND EGM**

CURRENT STATUS OF CONDITIONS OF THE PROPOSAL

**CLOSURE OF REGISTER OF MEMBERS OF
EGANA JEWELLERY & PEARLS LIMITED**

SUSPENSION AND RESUMPTION OF TRADING

**Financial adviser to
EganaGoldpfeil (Holdings) Limited**

BNP PARIBAS PEREGRINE

RESULTS OF COURT MEETING AND EGM

The Scheme of Arrangement and its implementation were approved at the Court Meeting and the EGM respectively.

CURRENT STATUS OF CONDITIONS OF THE PROPOSAL

Shareholders, EganaGoldpfeil Shareholders and potential investors should be aware that the implementation of the Proposal is still subject to certain conditions being fulfilled or waived (where appropriate), and thus the Proposal may or may not become effective. Subject to such conditions being fulfilled or waived by EganaGoldpfeil (where appropriate), the Scheme of Arrangement is currently expected to become effective on Monday, 23 October 2006.

THE OPTION OFFER

Conditional upon the Scheme of Arrangement becoming effective, EganaGoldpfeil will make the Option Offer to the Optionholders to cancel the Options granted under the Share Option Scheme. As at the date of this announcement, there remained outstanding and exercisable an aggregate of 9,075,000 Options with an exercise price of HK\$2.24 per Share granted to the Optionholders under the Share Option Scheme. All such Options are held by employees of the Company. As the exercise price is higher than the Cash Alternative, EganaGoldpfeil will pay the Option Payment as nominal consideration for the cancellation of the Options to each Optionholder, irrespective of the number of Options held by such Optionholder.

If the Scheme of Arrangement is not sanctioned by the Court and does not become effective, all unexercised Options will remain unaffected and will be exercisable during their relevant exercisable periods pursuant to the terms of the Share Option Scheme.

After the Scheme of Arrangement becomes effective, EganaGoldpfeil will pay the Option Payment to all Optionholders who have not exercised their Options and who have returned a duly completed and executed Option Offer Form in accordance with the instruction as stated in the Option Offer Form. If the Optionholders do not lodge the duly completed and executed Option Offer Form on or before 4:00 p.m. on 7 November 2006 or such later date and time as may be notified to the Optionholders by EganaGoldpfeil, they will not receive the Option Payment.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

In order to establish entitlements under the Scheme of Arrangement, the register of members of the Company will be closed on Tuesday, 17 October 2006 and the latest time for dealing in the Shares on the Stock Exchange will be 4:00 p.m. on Wednesday, 11 October 2006.

To qualify for entitlements under the Scheme of Arrangement, the Shareholders should ensure that the relevant transfer documentation for their Shares is lodged for registration by not later than 4:00 p.m. on Monday, 16 October 2006. The share registrar of the Company is Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Further announcement will be made if there is any change to the above arrangement regarding the closure of register of members of the Company.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 11 September 2006 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on 12 September 2006.

At the request of EganaGoldpfeil, trading in the EganaGoldpfeil Shares on the Stock Exchange was suspended from 9:30 a.m. on 11 September 2006 pending the release of this announcement. Application has been made by EganaGoldpfeil for the resumption of trading in the EganaGoldpfeil Shares with effect from 9:30 a.m. on 12 September 2006.

Shareholders, the EganaGoldpfeil Shareholders and potential investors should be aware that the implementation of the Proposal is subject to the conditions set out under the headings "Conditions of the Scheme of Arrangement" in the Composite Document being fulfilled or waived, as applicable, and consequently the Proposal may not become effective or may lapse. Accordingly, they are advised to exercise extreme caution when dealing in the Shares and the EganaGoldpfeil Shares.

Reference is made to the joint announcements of EganaGoldpfeil and the Company dated 10 July 2006 and 17 August 2006 and the composite document jointly issued by EganaGoldpfeil and the Company and despatched to the shareholders of the Company on 18 August 2006 (the "**Composite Document**"). Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those used in the Composite Document.

RESULTS OF COURT MEETING AND EGM

The Board and the EganaGoldpfeil Board wish to announce that the results of the Court Meeting and the EGM, both held on Monday, 11 September 2006, are as follows:

Court Meeting

Approval under Rule 2.10 of the Takeovers Code and Section 86 of the Companies Law:

	Number of Shares voted by Independent Shareholders either in person or by proxy		Number of Shares voted by Independent Shareholders either in person or by proxy for the Scheme of Arrangement		Number of Shares voted by Independent Shareholders either in person or by proxy against the Scheme of Arrangement	
	Number	Number of shares represented	Number	Number of shares represented	Number	Number of shares represented
In person	7	97,714,935	7	97,346,935	1	368,000
By Proxy	<u>10</u>	<u>29,000</u>	<u>10</u>	<u>29,000</u>	<u>0</u>	<u>0</u>
				97,375,935		368,000
Total	<u>17</u>	<u>97,743,935</u>	<u>17</u>	<u>(Note 1)</u>	<u>1</u>	<u>(Notes 2&3)</u>

Notes:

- Such number represents approximately 99.62% of the numbers of Shares held by all the Independent Shareholders present and voting either in person or by proxy at the Court Meeting.
- Such number represents approximately 0.38% of the number of Shares held by all the Independent Shareholders present and voting either in person or by proxy at the Court Meeting.
- Such number represents approximately 0.18% of the number of Shares held by all the Independent Shareholders.
- There was 1 shareholder present in person casting some of the votes "For" and some "Against" the Scheme of Arrangement.
- There was no shareholder present by proxy casting some of the votes "For" and some "Against" the Scheme of Arrangement.

As at the date of the Court Meeting, the total number of Shares in issue was 450,552,821 Shares, and the total number of Shares entitling the Independent Shareholders to attend and vote in respect of Scheme of Arrangement at the Court Meeting was 204,431,677 Shares, representing approximately 45.37% of the total number of Shares in issue.

At the Court Meeting, a total of 17 Independent Shareholders voted for the Scheme of Arrangement and a total of 1 Independent Shareholder voted against the Scheme of Arrangement. The Scheme of Arrangement was approved (by way of a poll) in compliance with Rule 2.10 of the Takeovers Code by the Independent Shareholders present and voting in person or by proxy at the Court Meeting representing not less than three-fourths in value of the Shares that were voted either in person or by proxy by the Independent Shareholders at the Court Meeting, and the Scheme of Arrangement was not disapproved at the Court Meeting by the Independent Shareholders holding more than 10% in value of all the Shares held by the Independent Shareholders.

No parties have stated their intention in the Composite Document to vote against the relevant resolution passed at the Court Meeting. The concert parties of EganaGoldpfeil have abstained from voting at the Court Meeting.

Approval under the Companies Law:

The Scheme of Arrangement was also approved (by way of a poll) in compliance with Section 86 of the Companies Law by a majority in number of the Scheme Shareholders (other than EganaGoldpfeil and parties acting in concert with it) present and voting either in person or by proxy at the Court Meeting representing not less than three-fourths in value of the Shares that were voted either in person or by proxy by the Scheme Shareholders (other than EganaGoldpfeil and parties acting in concert with it) at the Court Meeting.

HKSCC Nominees Limited, which holds a total of 97,693,325 Shares on behalf of beneficial owners of such Shares who voted for and against the Scheme of Arrangement, was counted as one Shareholder for the purpose of ascertaining whether or not a majority in number of the Scheme Shareholders approved the Scheme.

The share registrar of the Company, Secretaries Limited, acted as the scrutineer for the purpose of taking votes at the Court Meeting.

Shares held by EganaGoldpfeil and parties acting in concert with it were not represented nor voted at the Court Meeting and such votes were not known to have been cast at the Court Meeting. There were no Shares in respect of which their holders were entitled to attend and vote only against the Scheme of Arrangement at the Court Meeting.

EGM

At the EGM, a total of 450,552,821 Shares, representing the entire issued share capital of the Company, entitled the holders to attend and vote for or against the special resolution at the EGM. A total of 359,772,284 Shares were voted either in person or by proxy, of which 359,404,284 Shares (amounting to approximately 99.9% of the Shares voted) were voted in favour of the special resolution and 368,000 Shares (amounting to approximately 0.1% of the Shares voted) were voted against the special resolution. The special resolution to approve the implementation of the Scheme of Arrangement (including the cancellation of the Scheme Shares and the reduction of the issued share capital of the Company) was accordingly duly passed by a majority of at least three-fourths of the votes cast by the Shareholders present and voting, in person or by proxy (by way of a poll), at the EGM.

There were no Shares in respect of which their holders were entitled to attend and vote only against the resolution at the EGM.

No parties have stated their intention in the Composite Document to vote against the relevant resolution passed at the EGM or to abstain from voting at the EGM.

The share registrar of the Company, Secretaries Limited, acted as the scrutineer for the purpose of taking votes at the EGM.

CURRENT STATUS OF CONDITIONS OF THE PROPOSAL

Shareholders, EganaGoldpfeil Shareholders and potential investors should be aware that the implementation of the Proposal is still subject to the following conditions being fulfilled or waived (where appropriate):

- (a) the sanction of the Scheme of Arrangement by the Court (with or without modifications) and to the extent necessary, the Court's confirmation of the reduction of the issued share capital of the Company and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Court for registration;
- (b) compliance, to the extent necessary, with the procedural requirements of Section 15 of the Companies Law and compliance with any conditions imposed under Section 16 of the Companies Law in each case in relation to the reduction of the issued share capital of the Company;
- (c) all Authorisations having been obtained in connection with the Scheme of Arrangement from the Relevant Authorities in the Cayman Islands, Hong Kong, or any other relevant jurisdictions; and
- (d) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, in each aforesaid case up to and at the time when the Scheme of Arrangement becomes effective.

In the event that condition (c) and/or condition (d) are not fulfilled, EganaGoldpfeil reserves the right to assess the materiality of such non-fulfilment and to waive the fulfilment of any such condition to such extent as it considers appropriate. Conditions (a) and (b) cannot be waived in any event. All of the above conditions will have to be fulfilled or waived, as applicable, on or before 31 December 2006 (or such other date as EganaGoldpfeil and the Company may agree and the Court may allow), otherwise the Proposal will lapse. The listing of the Shares on the Stock Exchange will not be withdrawn and the Shareholders and the Optionholders will be notified accordingly by press announcement if the Proposal is not approved or lapses.

Subject to such conditions being fulfilled or waived by EganaGoldpfeil (where appropriate), the Scheme of Arrangement is currently expected to become effective on Monday, 23 October 2006.

The Directors intend that the listing of the Shares on the Stock Exchange will be withdrawn if the Scheme of Arrangement is approved and the Proposal is implemented and will be maintained in the event that the Scheme of Arrangement lapses and/or the Proposal is not implemented.

THE OPTION OFFER

Conditional upon the Scheme of Arrangement becoming effective, EganaGoldpfeil will make the Option Offer to the Optionholders to cancel the Options granted under the Share Option Scheme. As at the date of this announcement, there remained outstanding and exercisable an aggregate of 9,075,000 Options with an exercise price of HK\$2.24 per Share granted to the Optionholders under the Share Option Scheme. All such Options are held by employees of the Company. As the exercise price is higher than the Cash Alternative, EganaGoldpfeil will pay the Option Payment as nominal consideration for the cancellation of the Options to each Optionholder, irrespective of the number of Options held by such Optionholder.

If the Scheme of Arrangement is not sanctioned by the Court and does not become effective, all unexercised Options will remain unaffected and will be exercisable during their relevant exercisable periods pursuant to the terms of the Share Option Scheme.

After the Scheme of Arrangement becomes effective, EganaGoldpfeil will pay the Option Payment to all Optionholders who have not exercised their Options and who have returned a duly completed and executed Option Offer Form in accordance with the instruction as stated in the Option Offer Form. If the Optionholders do not lodge the duly completed and executed Option Offer Form on or before 4:00 p.m. on 7 November 2006 or such later date and time as may be notified to the Optionholders by EganaGoldpfeil, they will not receive the Option Payment.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

In order to establish entitlements under the Scheme of Arrangement, the register of members of the Company will be closed on Tuesday, 17 October 2006 and the latest time for dealing in the Shares on the Stock Exchange will be 4:00 p.m. on Wednesday, 11 October 2006.

To qualify for entitlements under the Scheme of Arrangement, the Shareholders should ensure that the relevant transfer documentation for their Shares is lodged for registration by not later than 4:00 p.m. on Monday, 16 October 2006. The share registrar of the Company is Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Further announcement will be made if there is any change to the above arrangement regarding the closure of register of members of the Company.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 11 September 2006 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on 12 September 2006.

At the request of EganaGoldpfeil, trading in the EganaGoldpfeil Shares on the Stock Exchange was suspended from 9:30 a.m. on 11 September 2006 pending the release of this announcement. Application has been made by EganaGoldpfeil for the resumption of trading in the EganaGoldpfeil Shares with effect from 9:30 a.m. on 12 September 2006.

EXPECTED TIMETABLE

Hong Kong time
(unless otherwise stated)

Board meeting to approve the results of the Group
for the year ended 31 May 2006 Thursday, 21 September 2006

Publication of the annual results announcement
of the Group Friday, 22 September 2006

Hearing of the Company's summons for directions
in respect of the share capital reduction (*Note 1*) Wednesday, 27 September 2006

Latest time for dealing in the Shares 4:00 p.m. on Wednesday,
11 October 2006

Suspension of dealing in the Shares pending withdrawal of
the listing of the Shares on the Stock Exchange 9:30 a.m. on Thursday,
12 October 2006

Latest time for lodging transfers of Shares to qualify for
entitlements under the Scheme of Arrangement 4:00 p.m. on Monday,
16 October 2006

Book close dates (*Note 2*) Tuesday, 17 October 2006
to Monday, 23 October 2006

Record Time 4:00 p.m. on Tuesday,
17 October 2006

Latest time for lodging the Election Form by Scheme Shareholders
who are qualified for entitlements under the Scheme of
Arrangement (*Note 3*) 4:00 p.m. on Thursday,
19 October 2006

Court hearing of the petition to sanction the Scheme of Arrangement and to confirm the share capital reduction (*Note 1 and Note 4*) Friday, 20 October 2006

Effective Date (*Note 4*) Monday, 23 October 2006

Withdrawal of the listing of the Shares on the Stock Exchange becomes effective 9:30 a.m. on Tuesday, 24 October 2006

Press announcement of, inter alia, (i) the results of the court hearing of the petition to sanction the Scheme of Arrangement and to confirm the share capital reduction, (ii) the results of the election for the Cash Alternative and Share Alternative, (iii) the Effective Date and (iv) the withdrawal of the listing of the Shares in Hong Kong Economic Times and The Standard Tuesday, 24 October 2006

Cheques to Scheme Shareholders for cash entitlements and/or share certificates to be despatched on or before (*Note 5*) Wednesday, 1 November 2006

Latest time for lodging the Option Offer Form by the Optionholders (*Note 6*) 4:00 p.m. on Tuesday, 7 November 2006

Payment for cash entitlements to the Optionholders on or before Friday, 17 November 2006

Shareholders should note that the above timetable is subject to change. Further announcement(s) will be made in the event that there is any change.

Notes:

1. All references in this announcement to times and dates are references to Hong Kong times and dates, other than references to the expected dates of the Court hearing of the petition to sanction the Scheme of Arrangement and to confirm the share capital reduction and the Court hearing of the Company's summons for directions in respect of the share capital reduction, which are the relevant times and dates in the Cayman Islands. Cayman Islands time is 13 hours behind Hong Kong time.
2. The register of members of the Company will be closed during such period for the purpose of determining Shareholders who are qualified for entitlements under the Scheme of Arrangement. Entitlements under the Scheme of Arrangement will be based on the actual number of Shares held by the Shareholders as at the Record Time i.e. 4:00 p.m. on the Record Date.
3. The Election Form, duly completed in accordance with the instructions thereon, together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be lodged with the share registrar of the Company, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong so as to reach them no later than 4:00 p.m. on 19 October 2006 or such later date and time as may be notified through press announcement, failing which the Scheme Shareholders (other than EganaGoldpfeil Group) will receive the Share Alternative in respect of their entire holding of

Scheme Shares if the Scheme of Arrangement becomes effective. If you have sold or transferred all of your Shares, you should at once hand the Composite Document and the Election Form to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee. Copies of the Election Form can also be obtained from the Company's share registrar, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong at any time before 4:00 p.m. on 19 October 2006.

4. The Scheme of Arrangement shall become effective upon all the conditions set out in the paragraph headed "Conditions of the Scheme of Arrangement" in the Explanatory Memorandum set out in the Composite Document having been fulfilled or (to the extent permitted) waived (as the case may be). Registration is expected to take place on the Effective Date.
5. A cheque for the amount in respect of cash entitlements or share certificates of EganaGoldpfeil under the Scheme of Arrangement will be despatched by post within 10 days from the Effective Date.
6. Option Offer Forms, duly completed in accordance with the instructions on them, must be lodged with the Company at its principal place of business in Hong Kong at Block C6, 12th Floor, Hong Kong Industrial Centre, 489-491 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong marked "EganaGoldpfeil Option Offer" on the envelope so as to reach them no later than 4:00 p.m. on 7 November 2006 or such later date and time as may be notified through press announcement, failing which the Optionholder will not receive any consideration.

The Shareholders, the EganaGoldpfeil Shareholders and potential investors should be aware that the implementation of the Proposal is subject to the conditions set out under the headings "Conditions of the Scheme of Arrangement" in the Composite Document being fulfilled or waived, as applicable, and consequently the Proposal may not become effective or may lapse. Accordingly, they are advised to exercise caution when dealing in the Shares and the EganaGoldpfeil Shares.

By order of the board of directors of
EGANAGOLDPFEIL (HOLDINGS) LIMITED
David Wai Kwong WONG
Company Secretary

By order of the board of directors of
EGANA JEWELLERY & PEARLS LIMITED
David Wai Kwong WONG
Company Secretary

Hong Kong, 11 September 2006

As at the date of this announcement, the board of directors of EganaGoldpfeil comprises Messrs. Hans-Joerg SEEBERGER, Peter Ka Yue LEE, Michael Richard POIX, Ho Yin CHIK and David Wai Kwong WONG as executive directors, and Professor Udo GLITTENBERG, Dr. Goetz Reiner WESTERMEYER and Mr. Andy Yick Man NG as independent non-executive directors.

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

As at the date of this announcement, the Board comprises Messrs. Hans-Joerg SEEBERGER, Peter Ka Yue LEE, Michael Richard POIX, Ho Yin CHIK, David Wai Kwong WONG, Shunji SAEKI and Michael BOMMERS as executive directors and Messrs. Charles Cho Chiu SIN, Eduardo Tang Lung LAU, Andy Yick Man NG and Professor Zhengfu WANG as independent non-executive directors.

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

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