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MIRABELL

MIRABELL INTERNATIONAL HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1179)

**PROPOSED DISTRIBUTION IN SPECIE OF
BELLE SHARES
CLOSURE OF REGISTER OF MEMBERS
AND
RESUMPTION OF TRADING**

The Board proposed to recommend for approval by the Shareholders, conditional upon receipt of 375,000,000 Belle Shares by the Group from Best Quality and the receipt of the same by the Company from its subsidiaries, the Proposed Distribution of 71 Belle Shares for every 50 Shares in each holding of Shares of the Record Date Shareholders on the Record Date.

For the purpose of determination of entitlements to the Proposed Distribution, the register of members of the Company will be closed from Tuesday, 24 July 2007 to Friday, 27 July 2007 (both days inclusive) during which no transfer of Shares will be registered.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 20 June 2007 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 22 June 2007.

PROPOSED DISTRIBUTION

Best Quality, an associated company of the Company, is indirectly owned by the Company as to 30%. Best Quality has declared a distribution in specie of all the 1,250,000,000 Belle Shares held by it to its shareholders, pursuant to which the Group is expected to receive 375,000,000 Belle Shares (representing approximately 4.4% of the issued share capital of Belle International as at the date of this announcement). The Board proposed to recommend for approval by the Shareholders in accordance with the articles of association of the Company, conditional upon receipt of 375,000,000 Belle Shares by the Group from Best Quality and the receipt of the same by the Company from its subsidiaries, the Proposed Distribution of 71 Belle Shares for every 50 Shares in each holding of Shares of the Record Date Shareholders on the Record Date. Any Belle Shares attributable to fractional entitlements of the Qualifying Shareholders and entitlements of the Non-qualifying Shareholders under the Proposed Distribution will be sold by the Group and the proceeds thereof will be paid in cash to such Shareholders by cheques to be despatched by ordinary mail to their respective registered addresses at their own risks. Based on the 261,056,000 Shares in issue as at the date of this announcement and assuming that there is no change in the issued share capital of the Company up to the Record Date, a maximum of 370,699,520 Belle Shares would be distributed under the Proposed Distribution. As at the date of this announcement, out of the outstanding share options of the Company, there are options of the Company which are currently exercisable and entitle the grantees to subscribe for a total of 1,264,000 Shares. Assuming that all such outstanding share options are exercised and Shares are issued pursuant thereto on or before the Record Date and that there is no other change in the issued share capital of the Company up to the Record Date, a maximum of 372,494,400 Belle Shares would be distributed under the Proposed Distribution.

REASONS FOR THE PROPOSED DISTRIBUTION

The Group is principally engaged in the retailing, wholesaling and manufacturing of footwear. As the Group's principal business activities do not include trading in listed securities and the Group has cash and other liquid assets in excess of its current needs and the needs of its current development plans, the Board is of the opinion that it would be in the interests of the Shareholders to distribute the Belle Shares to the Shareholders. Further, the Board considers that the current share price of the Company does not fully reflect the market value of the Belle Shares in which the Company is interested, and accordingly the Proposed Distribution will unlock value for the Shareholders. The Company currently intends to dispose of any Belle Shares held by the Group remaining after the Proposed Distribution in an orderly manner.

FINANCIAL EFFECTS

Comparing the Group's interest in an associate as at 28 February 2007 and the date of declaration of distribution in specie by Best Quality, such interest increased by approximately HK\$2,346 million. Upon such declaration of distribution in specie by Best Quality, the Group has derived a profit of approximately HK\$3,093 million therefrom, representing the realisation of the cumulative gain on the increase in fair value of available-for-sale financial assets held by an associate.

The making of the Proposed Distribution will result in the consolidated net asset value of the Group decreasing by an amount which is equal to the then fair value of the Belle Shares distributed or sold pursuant thereto (plus related expenses).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determination of entitlements to the Proposed Distribution, the register of members of the Company will be closed from Tuesday, 24 July 2007 to Friday, 27 July 2007 (both days inclusive) during which no transfer of Shares will be registered. In order to qualify for the Proposed Distribution, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Abacus Share Registrars Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on Monday, 23 July 2007. Subject to receipt of the Belle Shares by the Group from Best Quality, share certificates for the Belle Shares to be distributed under the Proposed Distribution are currently expected to be despatched by ordinary mail to the respective registered addresses of the Qualifying Shareholders, at their own risks, within three weeks after the date on which the Proposed Distribution is approved by the Shareholders.

GENERAL

A circular containing, among other things, further details of the Proposed Distribution and the notice of the general meeting convened to approve, among other matters (if any), the Proposed Distribution will be despatched to the Shareholders as soon as practicable.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 20 June 2007 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 22 June 2007.

DEFINITIONS

“Belle International”	Belle International Holdings Limited, a company incorporated in the Cayman Islands which shares are listed on the Stock Exchange
“Belle Share(s)”	share(s) of HK\$0.01 each in the share capital of Belle International
“Best Quality”	Best Quality Investments Limited, a company incorporated in Samoa
“Board”	the board of directors of the Company
“Company”	Mirabell International Holdings Limited
“Group”	the Company and its subsidiaries
“Non-qualifying Shareholders”	Record Date Shareholders whose addresses on the register of members of the Company are, on the Record Date, in a place outside Hong Kong and who the Board, after making enquiries regarding the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place where practical, consider the exclusion of which from the definition of “Qualifying Shareholders” is necessary or expedient
“Proposed Distribution”	the proposed distribution in specie by the Company, conditional upon receipt of 375,000,000 Belle Shares by the Group from Best Quality and the receipt of the same by the Company from its subsidiaries, of 71 Belle Shares for every 50 Shares in each holding of Shares of the Record Date Shareholders on the Record Date, provided that any Belle Shares attributable to fractional entitlements of the Qualifying Shareholders and entitlements of the Non-qualifying Shareholders under the proposed distribution will be sold by the Group and the proceeds thereof will be paid in cash to such Shareholders

“Qualifying Shareholders”	Record Date Shareholders, other than Non-qualifying Shareholders
“Record Date”	27 July 2007, or such other date as may be determined by the Board
“Record Date Shareholders”	holders of Shares whose names appear on the register of members of the Company as holding Shares on the Record Date
“Share(s)”	share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Mirabell International Holdings Limited
Tang Wai Lam
Chairman

Hong Kong, 21 June 2007

As at the date of this announcement, the directors of the Company are:

Executive directors:
Mr. Tang Wai Lam
Mr. Ng Man Kit, Lawrence
Mr. Chung Chun Wah
Mr. Leung Kelvin Yiu Fai

Independent non-executive directors:
Mr. Lee Kin Sang
Mr. Chan Ka Sing, Tommy
Mr. Ng Chun Chuen, David

Non-executive director:
Mr. Lee Kwan Hung

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