

IMPORTANT

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MIRABELL

MIRABELL INTERNATIONAL HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1179)

Executive Directors:

Tang Wai Lam
Ng Man Kit, Lawrence
Chung Chun Wah
Leung Kelvin Yiu Fai

Non-executive Directors:

Lee Kwan Hung
Lee Kin Sang[#]
Chan Ka Sing, Tommy[#]
Ng Chun Chuen, David[#]

[#] *Independent Non-executive Director*

Registered Office:

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Principal Office:

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Hong Kong

28 June 2007

To Shareholders

Dear Sir or Madam

**PROPOSALS FOR GENERAL MANDATE TO REPURCHASE SHARES AND
TO ISSUE SHARES
REFRESHMENT OF THE 10% GENERAL LIMIT
ON GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME
PROPOSED DISTRIBUTION IN SPECIE OF BELLE SHARES
AND
RE-ELECTION OF DIRECTORS**

DEFINITIONS

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

“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
“Latest Practicable Date”	22 June 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“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

DEFINITIONS

“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

GENERAL MANDATE TO REPURCHASE SHARES

The Directors propose to seek your approval of the ordinary resolution to be proposed at the Annual General Meeting (the "AGM") of the Company to be held at The Royal Pacific Hotel and Towers, 33 Canton Road, China Hong Kong City, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 27 July 2007 at 10:30 a.m. to give a general mandate to the Directors to exercise the powers of the Company to repurchase at any time until the next Annual General Meeting or such earlier period as stated in the ordinary resolution ordinary shares of the Company up to a maximum of 10% of the issued share capital of the Company at the date of the ordinary resolution (the "Repurchase Proposal").

An explanatory statement as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") to provide the requisite information of the Repurchase Proposal is set out in Appendix I hereto.

The ordinary resolution is set out in full in item 4(B) in the notice of the AGM set out on pages 16 to 17 of the annual report accompanied this circular.

GENERAL MANDATE TO ISSUE SHARES

It will also be proposed at the AGM two ordinary resolutions respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the resolution and adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase up to 10% of the issued share capital of the Company as at the date of the resolution in relation to repurchase.

The two ordinary resolutions are set out in full in items 4(A) and 4(C) in the notice of the AGM set out on pages 14 to 17 of the annual report accompanied this circular.

REFRESHMENT OF THE 10% GENERAL LIMIT ON GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME

The purpose of the share option scheme of the Company adopted on 29 December 2004 (the "Share Option Scheme") is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the participants for their contributions and/or potential contributions to the Group and for such other purposes as the Board may approve from time to time.

The participants of the Share Option Scheme are:

- (i) any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of the Group;
- (ii) any discretionary objects of a discretionary trust established by any employees, executive or non-executive directors of the Group;

- (iii) any consultants, professional and other advisers to the Group (or persons, firms or companies proposed to be appointed for providing such services);
- (iv) any chief executives of the Company; and
- (v) any associates of director or chief executive of the Company,

provided that the Board may have absolute discretion to determine whether or not one falls within the above categories.

The total number of Shares which may be issued upon exercise of all options under the Share Option Scheme and any other share option schemes of the Company (excluding, for this purpose, options lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes) must not in aggregate exceed 10% of Shares in issue at 29 December 2004, the date of adoption of the Share Option Scheme, unless a fresh approval of the Shareholders is obtained. The total number of Shares available for issue under the Share Option Scheme as approved by the Shareholders on the date of adoption of the Share Option Scheme was 25,453,000, which represented approximately 9.7% of the issued share capital of the Company as at the Latest Practicable Date.

Share options of 24,370,000 underlying Shares (excluding share options lapsed in accordance with the Share Option Scheme) were granted subsequent to the date of adoption. As at the Latest Practicable Date, there were share options of 17,436,000 underlying Shares outstanding under the Share Option Scheme.

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the Shares in issue from time to time. No share options shall be granted under any share option schemes of the Company if this will result in the limit being exceeded.

Unless the 10% general limit on grant of share options under the Share Option Scheme is "refreshed" at the AGM, up to 1,083,000 Shares may be issued pursuant to the grant of further share options under the existing scheme limit of the Share Option Scheme.

The Directors consider that "refreshing" the 10% limit is in the interests of the Group and the Shareholders as a whole as it will give the Company flexibility to grant further share options to eligible participants who will contribute or has contributed to the Group as incentives or rewards.

Proposal

It is therefore proposed that subject to the approval of the Shareholders at the AGM and such other requirements as may be prescribed under the Listing Rules being fulfilled, the general limit on the grant of share options under the Share Option Scheme and all other share option schemes of the Company will be refreshed to 10% of the Shares in issue as at the date of the approval by the Shareholders at the AGM (the "Refreshment"). Share options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised share options) will not be counted for the purpose of calculating the limit as refreshed.

As at the Latest Practicable Date, there were 261,464,000 Shares in issue. Assuming that no Shares will be repurchased and no further Shares will be issued prior to the AGM, the maximum number of underlying Shares of share options that can be granted by the Company under the proposed refreshed limit would be 26,146,400.

An ordinary resolution as set out in full in item 5(A) in the notice of the AGM set out on pages 17 to 18 of the annual report accompanied this circular, as special business, will be proposed at the AGM to approve the Refreshment.

Conditions

The Refreshment is conditional upon:

- (i) the Shareholders passing an ordinary resolution to approve the Refreshment at the AGM; and
- (ii) The Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any share options granted under the Share Option Scheme.

Application for listing

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued upon exercise of any share options that may be granted under the Share Option Scheme.

PROPOSED DISTRIBUTION

Proposal

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 Latest Practicable Date). 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 261,464,000 Shares in issue as at the Latest Practicable Date and assuming that there is no change in the issued share capital of the Company up to the Record Date, a maximum of 371,278,880 Belle Shares would be distributed under the Proposed Distribution. As at the Latest Practicable Date, 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 856,000 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.

An ordinary resolution as set out in full in item 5(B) in the notice of the AGM set out on pages 18 to 19 of the annual report accompanied this circular, as special business, will be proposed at the AGM to approve 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, on or before 17 August 2007.

RE-ELECTION OF DIRECTORS

The board of directors currently consists of 8 directors, namely Mr Tang Wai Lam, Mr Ng Man Kit, Lawrence, Mr Chung Chun Wah, Mr Leung Kelvin Yiu Fai, Mr Lee Kwan Hung, Mr Lee Kin Sang, Mr Chan Ka Sing, Tommy and Mr Ng Chun Chuen, David.

In accordance with the Articles of Association, Mr Tang Wai Lam, Mr Leung Kelvin Yiu Fai, Mr Lee Kwan Hung and Mr Chan Ka Sing, Tommy will retire from office at the AGM and, being eligible, offer themselves for re-election. Details of the retiring directors who are proposed to be re-elected at the AGM required to be disclosed by the Listing Rules are set out in Appendix II hereto.

The four ordinary resolutions are set out in full in items 2(A), 2(B), 2(C) and 2(D) in the notice of the AGM set out on page 14 of the annual report accompanied this circular.

PROCEDURES FOR AND RIGHTS OF SHAREHOLDERS TO DEMAND A POLL

In accordance with the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. A poll may be demanded by:

- (a) the Chairman of the meeting; or
- (b) at least five members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and entitled to vote; or
- (c) any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (d) any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

Unless a poll is so required or so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Company's book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

RESPONSIBILITY

This document includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the Repurchase Proposal, the general mandate for Directors to issue new Shares, the proposed refreshment of the 10% general limit on grant of share options under the Share Option Scheme, the Proposed Distribution and the proposed re-election of directors are all in the best interest of the Company and its shareholders. Accordingly, the Directors recommend that all shareholders should vote in favour of the ordinary resolutions.

Yours faithfully
Tang Wai Lam
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Proposal.

1. Share Capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 261,464,000 Shares of HK\$0.10 each.

Subject to the passing of the ordinary resolution and on the basis that no Shares will be repurchased and no further Shares are issued after the Latest Practicable Date and prior to the AGM, the Company would be allowed under the repurchase mandate to repurchase a maximum of 26,146,400 Shares.

2. Reasons for Repurchase

Although the Directors have no present intention of repurchasing any existing Shares, the Directors believe that the Repurchase Proposal is in the best interests of the Company and its shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

3. Funding of Repurchase

Repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available for the purpose as well as in accordance with its Memorandum of Association and Articles of Association and the laws of the Cayman Islands. It is envisaged that the funds required for any repurchase would be derived from those funds of the Company legally permitted to be utilised in this connection, including (where so permitted) capital paid up on the Shares to be repurchased, profits otherwise available for distribution and sums standing to either the share premium account or contributed surplus account of the Company.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated accounts contained in the annual report for the year ended 28 February 2007) in the event that the proposed Share repurchases were to be carried out in full at any time during the proposed repurchase period. However, 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 levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. Share

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the printing of this circular were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006 June	2.800	2.200
July	2.700	2.550
August	2.600	2.500
September	2.590	2.200
October	3.200	2.530
November	4.100	3.060
December	4.000	3.600
2007 January	5.650	3.690
February	6.600	5.180
March	8.250	5.200
April	9.830	6.700
May	12.880	7.700

5. Undertaking

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the ordinary resolution and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

6. Disclosure of Interests

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company under the Repurchase Proposal if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the Shareholders.

7. Code on Takeovers and Mergers

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights in accordance with Rule 32 of the Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a Shareholder or group of Shareholders acting in concert (within the meaning of the Takeovers Code), 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, Mr Tang Wai Lam and persons acting in concert with him together hold more than 63% of the total issued share capital of the Company.

In the event that the Directors exercise the repurchase mandate in full, then (if the present shareholdings otherwise remained the same) the shareholdings of Mr Tang Wai Lam and persons acting in concert with him would be increased to more than 70% of the then total issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase made under the Repurchase Proposal.

8. Share Purchase made by the Company

The Company had not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

The brief biographical particulars of Mr Tang Wai Lam, Mr Leung Kelvin Yiu Fai, Mr Lee Kwan Hung and Mr Chan Ka Sing, Tommy, who will retire from office at the AGM and will, being eligible, offer themselves for re-election, are as follows:

Mr Tang Wai Lam, aged 53, is one of the two co-founders of the Group and the Chairman and Managing Director of the Company. Appointed as a director of the Company in 1996, Mr Tang has over 33 years of experience in the footwear retailing business and has established strong and extensive connections with footwear suppliers in Europe, USA, Hong Kong and Mainland China. He is primarily responsible for the overall direction of the business and formulation of corporate policies of the Group. Mr Tang serves as the Permanent Honorary Chairman of The Federation of Hong Kong Footwear Limited. He did not act as director of other listed public companies in the last three years.

Mr Tang is a brother of Mr Tang Keung Lam and a brother-in-law of Madam Tso Lai Kuen who founded a discretionary trust which holds 100% interest in Mosman Associates Limited. He is also a director of Tang's Enterprises Limited, Kinglinton Agents Limited and Rich Land Property Limited which is wholly-owned by a discretionary trust founded by him. Save for the relationships with these substantial shareholders, Mr Tang is not connected with any other directors, senior management or substantial or controlling shareholders of the Company.

As at 22 June 2007, as recorded in the register required to be kept by the Company under Section 352 of the Securities and Future Ordinance (the "SFO"), save as the beneficial interest in 136,575,000 Shares, and the beneficial interest in 6,561 non-voting deferred shares of HK\$100.00 each of a wholly-owned subsidiary of the Company, Mirabell Footwear Limited, Mr Tang did not have any other interests in shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr Tang has entered into a service contract with the Company appointing him as an executive director and there is no specified length of service in respect of his appointment, except that he is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. The emoluments specified in the service contract appointing Mr Tang as Chairman and Managing Director of the Company consist of a salary, provident fund contributed by the Group and a discretionary bonus. The salary is determined with reference to his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions. The discretionary bonus is calculated with reference to the Company's performance and profitability as well as his performance determined by the board of directors. For the year ended 28 February 2007, the emoluments of Mr Tang were HK\$3,216,000.

Save as disclosed above, there are no other matters concerning Mr Tang that need to be brought to the attention of the shareholders nor any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Mr Leung Kelvin Yiu Fai, aged 40, was appointed as a director of the Company on 1 August 2006 and is concurrently serving as the Qualified Accountant and Company Secretary of the Company. Mr Leung joined the Group as the Financial Controller and Company Secretary of the Company in 2002. He holds a Master degree in Finance and Commercial Law from the University of Sydney, Australia, a Master degree in Business Administration from Monash University, Australia and a Bachelor degree in Law from University of Wolverhampton, UK. Besides, he is a Fellow of the Hong Kong Institute of Certified Public Accountants, a Fellow of the Association of Chartered Certified Accountants, UK, a Certified Management Accountant of the Institute of Certified Management Accountants, USA, a Certified Practising Accountant of CPA Australia and a Solicitor of the High Court of Australia. Mr Leung has over 16 years of experience in accounting, finance, taxation, company and commercial law. He did not act as director of other listed public companies in the last three years.

Mr Leung is not connected with any other directors, senior management or substantial or controlling shareholders of the Company.

As at 22 June 2007, as recorded in the register required to be kept by the Company under Section 352 of the SFO, save as a share option to subscribe for 980,000 underlying shares granted pursuant to the share option scheme of the Company, Mr Leung did not have any other interests in shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr Leung has entered into a service contract with the Company appointing him as an executive director and there is no specified length of service in respect of his appointment, except that he is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. The emoluments specified in the service contract consist of a director's fee, a salary, provident fund contributed by the Group and a discretionary bonus. The director's fee and salary are determined from time to time with reference to his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions. The discretionary bonus is calculated with reference to the Company's performance and profitability as well as his performance determined by the board of directors. The emoluments including share option of Mr Leung, during his term of directorship commencing from 1 August 2006, for the year ended 28 February 2007 were HK\$1,278,000.

Save as disclosed above, there are no other matters concerning Mr Leung that need to be brought to the attention of the shareholders nor any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Mr Lee Kwan Hung, aged 41, was appointed as a non-executive director of the Company in 2000. Mr Lee graduated from the University of Hong Kong in 1988 and obtained a Postgraduate Certificate in Laws in 1989. He was qualified as a solicitor in Hong Kong in 1991 and in England and Wales in 1997. Mr Lee was a senior manager of The Stock Exchange of Hong Kong Limited, and is a partner of Woo, Kwan, Lee & Lo and the chief representative of Woo, Kwan, Lee & Lo's Beijing office. He is currently a non-executive director of GST Holdings Limited and an independent non-executive director of each of Embry Holdings Limited and GZI REIT Asset Management Limited, the shares of these companies are listed on the Stock Exchange. Besides, Mr. Lee had been an independent non-executive director of each of China Mining Resources Group Limited (formerly known as Innomaxx Biotechnology Group Limited), Magician Industries (Holdings) Limited and Seapower Resources International Limited, the shares of these companies are listed on the Stock Exchange, in the last three years.

Mr Lee is not connected with any other directors, senior management or substantial or controlling shareholders of the Company.

As at 22 June 2007, as recorded in the register required to be kept by the Company under Section 352 of the SFO, save as a share option to subscribe for 340,000 underlying shares granted pursuant to the share option scheme of the Company, Mr Lee did not have any other interests in shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

There is no specific term of service with the Company but Mr Lee is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. The emoluments including share option of Mr Lee for the year ended 28 February 2007 were HK\$284,000. Having authorized by the shareholders of the Company at the AGM, the board of directors will determine the director's fee of Mr Lee with reference to the Company's performance and profitability, his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr Lee that need to be brought to the attention of the shareholders nor any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr Chan Ka Sing, Tommy, aged 46, is an independent non-executive director of the Company and joined the board in 1996. Mr Chan is a practising solicitor admitted by the Supreme Court of Hong Kong and the Supreme Court of England and Wales. He is currently a consultant of the solicitors' firm Jimmie K S Wong & Partners. Mr Chan has extensive experience in law practising and accountancy. He holds a Bachelor degree in Law from Wolverhampton Polytechnic, England and a Diploma of accountancy from Hong Kong Polytechnic. Mr Chan has worked in the legal profession for more than 15 years and held accounting positions in an international accounting firm and an international trading company. He did not act as director of other listed public companies in the last three years.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Mr Chan is not connected with any other directors, senior management or substantial or controlling shareholders of the Company.

As at 22 June 2007, as recorded in the register required to be kept by the Company under Section 352 of the SFO, save as a share option to subscribe for 340,000 underlying shares granted pursuant to the share option scheme of the Company, Mr Chan did not have any other interests in shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

There is no specific term of service with the Company but Mr Chan is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. The emoluments including share option of Mr Chan for the year ended 28 February 2007 were HK\$284,000. Having authorised by the shareholders of the Company at the AGM, the board of directors will determine the director's fee of Mr Chan with reference to the Company's performance and profitability, his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr Chan that need to be brought to the attention of the shareholders nor any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.