
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Ultra Group Holdings Limited (the “Company”), you should at once hand this Circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



Ultra Group Holdings Limited **歐美集團控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8203)

PROPOSALS FOR GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES, RE-ELECTION OF DIRECTOR, PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND NOTICE OF ANNUAL GENERAL MEETING

A letter from the board of directors (the “Board”) of the Company is set out on pages 2 to 6 of this circular (the “Circular”). A notice convening the annual general meeting (the “2006 Annual General Meeting”) of the Company to be held at 3rd Floor, Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong on 2 August 2006 (Wednesday) at 11:00 a.m. is enclosed with this Circular.

A form of proxy for the 2006 Annual General Meeting is also enclosed with this Circular. Whether or not you desire to attend the 2006 Annual General Meeting in person, please complete, sign and return the form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the 2006 Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the 2006 Annual General Meeting or any adjourned meeting thereof (as the case may be) should you so wish.

This Circular, for which the Board collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of the Stock Exchange (“GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Board, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this Circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this Circular misleading; and (iii) all opinions expressed in this Circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This Circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at www.ultrafurniture.net.

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

LETTER FROM THE BOARD



Ultra Group Holdings Limited 歐美集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8203)

Executive Directors:

Ms. Cho Yuen Yi, Wendy (*Chairman*)
Ms. Wong Ching Ngor

Independent Non-executive Directors:

Mr. Kong Tze Wing
Mr. Siu Siu Ling, Robert
Dr. Wong Yun Kuen

Registered Office:

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681 GT
George Town
British West Indies

Principal Place of Business:

3rd Floor, Sunning Plaza
10 Hysan Avenue
Causeway Bay
Hong Kong

29 June 2006

Dear Shareholder(s),

**PROPOSALS FOR GENERAL MANDATES TO ISSUE NEW SHARES AND
REPURCHASE SHARES, RE-ELECTION OF DIRECTOR,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The Company's existing general mandates to issue shares of HK\$0.01 each in the capital of the Company (the "Shares") and to repurchase Shares were approved by the Company's shareholders in the Annual General Meeting held on 29 July 2005. Unless otherwise renewed, the existing general mandates to issue Shares and to repurchase Shares will lapse at the conclusion of the 2006 Annual General Meeting.

In order to ensure flexibility when it is desirable to allot additional Shares or to repurchase Shares, directors of the Company (the "Directors") will seek the approval of the shareholders to grant new general mandates to issue Shares and to repurchase Shares at the 2006 Annual General Meeting.

LETTER FROM THE BOARD

For the purpose of complying with the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules, amendments to certain provisions of the articles of association of the Company (the “Articles”) will be proposed at the 2006 Annual General Meeting.

The purpose of this Circular is to, inter alia, provide you with information regarding resolutions to be proposed at the 2006 Annual General Meeting. These include (i) the ordinary resolutions granting the Directors general mandates to issue new Shares and to repurchase Shares; (ii) the ordinary resolutions proposing re-election of Director who are due to retire at the 2006 Annual General Meeting and (iii) the Special resolution proposing amendments to the Articles.

2. GENERAL MANDATE TO ISSUE NEW SHARES (THE “ISSUE MANDATE”)

Two ordinary resolutions, as set out in the notice of the 2006 Annual General Meeting, will be proposed for the following purposes:

Ordinary resolution no. 4 – to grant to the Directors a general mandate to allot, issue and otherwise deal with new Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution; and

Ordinary resolution no. 6 – subject to the passing of the ordinary resolutions no. 4 and no. 5, to increase the aggregate nominal amount of share capital of the Company which the Directors may issue under the Issue Mandate by the aggregate nominal amount of share capital of the Company repurchased under the Repurchase Mandate (as defined below).

The Company has in issue an aggregate of 540,000,000 Shares as at 23 June 2006 (the “Latest Practicable Date”), being the latest practicable date before the printing of this Circular for ascertaining certain information to be included herein. Subject to the passing of the aforesaid ordinary resolution no. 4 and in accordance with the terms therein, the Company would be allowed to issue additional Shares up to 108,000,000 Shares on the basis that no further Shares will be issued or repurchased prior to the 2006 Annual General Meeting.

The Issue Mandate shall expire upon the earliest of: (i) the date of the next annual general meeting of the Company, (ii) the date by which the next annual general meeting of the Company is required to be held by the applicable laws or the Articles and (iii) the date upon which the authority given under the Issue Mandate is revoked or varied by an ordinary resolution of the shareholders of the Company.

3. GENERAL MANDATE TO REPURCHASE SHARES (THE “REPURCHASE MANDATE”)

The ordinary resolution no. 5 as set out in the notice of the 2006 Annual General Meeting will be proposed to grant to the Directors a general mandate to exercise the powers of the Company to repurchase the Company’s fully paid up Shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution.

The GEM Listing Rules contain provisions to regulate the repurchase by companies of their own securities with primary listings on GEM of the Stock Exchange.

LETTER FROM THE BOARD

In accordance with the GEM Listing Rules, the Appendix I to this Circular has set out the explanatory statement, which contains the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution for granting of the Repurchase Mandate.

The Repurchase Mandate shall expire upon the earliest of: (i) the date of the next annual general meeting of the Company, (ii) the date by which the next annual general meeting of the Company is required to be held by the applicable laws or the Articles and (iii) the date upon which the authority given under the Repurchase Mandate is revoked or varied by an ordinary resolution of the shareholders of the Company.

4. RE-ELECTION OF DIRECTOR

In accordance with Articles 86(3) and 87 of the Articles, the Director who will retire at the 2006 Annual General Meeting is Mr. Kong Tze Wing who, being eligible, would offer himself for re-election. Details of the above Director which are required to be disclosed by the GEM Listing Rules are set out in the Appendix II to this Circular.

5. PROPOSED AMENDMENTS TO THE ARTICLES

The Stock Exchange has recently amended the GEM Listing Rules by replacing Rules 5.35 to 5.45 by a new Code on Corporate Governance Practices (the "CG Code") in Appendix 15 and adding a new Appendix 16 requiring for a Corporate Governance Report to be included in the annual reports of listed issuers. Subject to certain transitional arrangements, the amendments took effect on 1 January 2005. In addition, pursuant to the announcement made by the Stock Exchange on 17 February 2006, certain minor and housekeeping amendments to the GEM Listing Rules have become effective from 1 March 2006. The Directors propose to amend the Articles to ensure full compliance with the CG Code and the amendments to the GEM Listing Rules as follows:

- (a) to specify that every Director shall be subject to retirement by rotation at least once every three years;
- (b) to require that any Director appointed by the board of Directors shall hold office only until the next general meeting of the Company (in the case of filling a casual vacancy) or until the following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at that meeting;
- (c) to specify that the Company shall only be required to disclose by way of announcement the voting figures on a poll if such disclosure is required by the GEM Listing Rules;
- (d) to specify that voting by poll can be required by Director(s) attending the meeting holding proxies of Shares representing five per cent (5%) or more of the total voting rights at the meeting; and
- (e) to specify that Directors can be removed by ordinary resolutions.

Details of the proposed amendments to the Articles are set out in the notice of 2006 Annual General Meeting on pages 15 to 16 of this Circular.

LETTER FROM THE BOARD

6. ACTION TO BE TAKEN

The notice convening the 2006 Annual General Meeting to be held at 3rd Floor, Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong on 2 August 2006 at 11:00 a.m. is set out on pages 12 to 17 of this circular.

A form of proxy for the 2006 Annual General Meeting is also enclosed with this Circular. Whether or not you desire to attend the 2006 Annual General Meeting, you are requested to complete and return the form of proxy to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2006 Annual General Meeting or any adjournment thereof (as the case may be). The completion and return of the form of proxy will not preclude you from attending and voting at the 2006 Annual General Meeting or any adjourned meeting thereof (as the case may be) should you so wish.

7. PROCEDURES FOR DEMANDING A POLL

For your further information and as required by the GEM Listing Rules, set forth below are the procedures for demanding a poll at general meeting of the Company. Pursuant to Article 66 of the Articles, every resolution put to the vote of a general meeting shall be decided on a show of hands 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) by the chairman of such meeting; or
- (b) by at least three members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy and holding Shares 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 Shares conferring that right.

A poll which is duly demanded shall then be held in such manner prescribed by the Articles.

LETTER FROM THE BOARD

8. RECOMMENDATION

The Directors believe that the granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate are in the best interests of the Company and its shareholders as a whole. Moreover, the necessary information regarding the re-election of the retiring directors at the 2006 Annual General Meeting is set out herein for your consideration. Accordingly, the Directors recommend that all shareholders should vote in favour of the ordinary resolutions and special resolution to be proposed at the 2006 Annual General Meeting.

Yours faithfully,
By order of the Board
Ultra Group Holdings Limited
Cho Yuen Yi, Wendy
Chairman

This is an explanatory statement given to all shareholders of the Company for their consideration as to whether to vote for or against the ordinary resolutions to be proposed at the 2006 Annual General Meeting for granting the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to Rule 13.08 of the GEM Listing Rules.

1. Share Capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 540,000,000 shares of HK\$0.01 each which are fully paid.

Subject to the passing of ordinary resolution no. 5 as set out in the notice of the 2006 Annual General Meeting and in accordance with the terms therein, the Company would be allowed under the Repurchase Mandate to repurchase fully paid Shares up to the aggregate nominal amount of a maximum of 54,000,000 Shares on the basis that no further Shares will be issued or repurchased prior to the 2006 Annual General Meeting.

2. Reasons for Repurchase

Although the Directors have no present intention of repurchasing any securities of the Company, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its shareholders. Trading conditions on GEM have sometimes been volatile. At any time in the future when securities are trading at a discount to their underlying value, the ability of the Company to repurchase Shares will be beneficial to those shareholders who retain their investment in the Company since their interests in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company and thereby resulting in an increase in net asset value and/or earnings per Share. Such repurchases will only be made when the Directors believe that the repurchases will benefit the Company and its shareholders as a whole.

3. Funding of Repurchase

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with Memorandum and Articles of Association of the Company and the applicable laws and regulations of the Cayman Islands. Securities may only be repurchased out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of repurchase. The premium, if any, payable on repurchases must be provided for out of the profits of the Company or out of the Company's share premium account before or at the time the securities are repurchased. The Company may not purchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

4. Possible Material Adverse Impact

In the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period, there might be a material adverse impact on the working capital but not on the gearing position of the Company as compared with the position disclosed in the audited consolidated

financial statements for the year ended 31 March 2006. However, the Directors do not propose to exercise the repurchase proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. Share Prices

The Company has not purchased any of its securities (whether on the Stock Exchange or otherwise) in the six months preceding 23 June 2006 (the "Latest Practicable Date").

During each of the twelve months from July 2005 up to and including the Latest Practicable Date, the highest and lowest traded prices at which Shares were as follows:-

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
July	0.040	0.032
August	0.049	0.036
September	0.058	0.045
October	0.070	0.044
November	0.116	0.045
December	0.111	0.085
2006		
January	0.126	0.087
February	0.146	0.112
March	0.136	0.114
April	0.143	0.122
May	0.139	0.115
June (up to the Latest Practicable Date)	0.180	0.128

6. Repurchase made by the Company

The Company or any of its subsidiaries has not purchased any of the Shares (whether on GEM or otherwise) in the six months preceding the date of this Circular.

7. Directors' 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 under the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws and regulations of the Cayman Islands.

8. Directors' Dealings

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, their associates, has any present intention to sell any Shares to the Company under the Repurchase Mandate in the event that such mandate as proposed in the ordinary resolution no. 5 is approved by the shareholders of the Company.

9. Connected Persons

No connected person (as defined in the GEM Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the shareholders of the Company.

10. Effect of Hong Kong Code on Takeovers and Mergers

If due to the repurchase of Share by the Company and a substantial shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, 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 may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code and the provision may apply as a result of any such increase.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the following person(s) were directly or indirectly interested in 5% or more of the nominal value of the issued ordinary shares that carry a right to vote in all circumstances at general meetings of the Company:

Name	Number of Shares held/interested	Approximate percentage of shareholding as at Latest Practicable Date
Ms. CHO Yuen Yi, Wendy ("Ms. CHO")	199,057,500 (notes 1, 2, 3 & 4) Long Position	36.86%
Mr. CHO Chun Man ("Mr. CHO")	176,175,000 (notes 3 & 4) Long Position	32.63%
Excel Formation Limited ("Excel Formation")	176,175,000 (note 4) Long Position	32.63%
Gold Master Business Limited ("Gold Master")	81,000,000 (note 5) Long Position	15%
Mr. CHAN Pak Hung ("Mr. PH Chan")	81,000,000 (note 5) Long Position	15%

Name	Number of Shares held/interested	Approximate percentage of shareholding as at Latest Practicable Date
Mr. CHAN Pat Leung ("Mr. PL Chan")	81,000,000 (note 5) Long Position	15%

Notes:

1. These Shares are held as to 22,882,500 Shares by Huge Mars International Limited ("Huge Mars") and 176,175,000 Shares by Excel Formation.
2. Huge Mars is wholly owned by Ms. CHO.
3. These Shares are held as to 176,175,000 Shares by Excel Formation.
4. Excel Formation is owned as to 50% by Ms. CHO and 50% by Mr. CHO. Each of Ms. CHO and Mr. CHO is deemed to be interested in all the Shares held by Excel Formation under the Securities and Futures Ordinance.
5. Gold Master is owned as to 50% by Mr. PH CHAN and 50% by Mr. PL CHAN. Each of Mr. PH CHAN and Mr. PL CHAN is deemed to be interested in all the Shares held by Gold Master under the Securities and Futures Ordinance.

In the event that the Directors exercised in full the power to repurchase Shares in accordance with the terms of the ordinary resolution no. 5 to be proposed at the 2006 Annual General Meeting, the aforesaid interests of Ms. CHO, Mr. CHO and Excel Formation would be proportionally increased to approximately 40.96%, 36.25% and 36.25% respectively. As such, Ms. CHO, Mr. CHO and Excel Formation would be obliged to make a mandatory offer under the Takeovers Code. However, the Directors have no present intention to exercise the Repurchase Mandate to such extent as would give rise to such obligation. Save as aforesaid, the Directors are not aware of any consequences as a result of full exercise of the Repurchase Mandate that would give rise to an obligation to make a mandatory offer under the Takeovers Code.

The following are the particulars of the Director proposed to be re-elected at the 2006 Annual General Meeting to be held on 2 August 2006.

Independent Non-executive Director

Mr. Kong Tze Wing, aged 54, joined the Group in December 2002 and is now the independent non-executive director of the Company.

Mr. Kong is a fellow member of the Association of Chartered Certified Accountants since 1985 and became a fellow member of Hong Kong Institute of Certified Public Accountants in 1995. Mr. Kong was admitted as an Associate of The Institute of Chartered Accountants in England and Wales on 1 October 2004. He is the Vice President and Chairman of the Mainland Affairs Committee of Hong Kong Institute of Accredited Accounting Technicians as well as the Hon. President of the Institute of Financial Accountants in Hong Kong. Mr. Kong has been a Certified Public Accountant (Practising) since 1981. Mr. Kong holds a first bachelor degree in Accounting and a second bachelor degree in Business Administration. He is a sole practitioner of the firm Messrs. James T. W. Kong & Co., Certified Public Accountants. Mr. Kong is an active participant in community services and is currently an elected District Council member. Mr. Kong was awarded the medal of honour in July 2002 by the Hong Kong SAR Government. Mr. Kong is also the independent non-executive director of Incutech Investments Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 0356). To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, Incutech Investments Limited is a third party independent of the Company and its connected persons (as defined under the GEM Listing Rules). Save as disclosed herein, Mr. Kong did not hold any directorship in any other listed companies in the past three years.

Mr. Kong is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles. Mr. Kong's remuneration is fixed at HK\$20,000 per annum, which is commensurate with his duties and responsibilities as independent non-executive director of the Company. Save as disclosed above, Mr. Kong had not previously held and is not holding any position with the Company and its subsidiaries. Mr. Kong does not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders and controlling shareholders of the Company for the purpose of the GEM Listing Rules. As at the Latest Practicable Date, Mr. Kong does not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed herein, there is no other information necessary to be disclosed by the Director proposed to be re-elected at the 2006 Annual General Meeting pursuant to Rules 17.50(2)(h) – (v) of the GEM Listing Rules and there are no other matters relating to the re-election that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



Ultra Group Holdings Limited 歐美集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8203)

NOTICE IS HEREBY GIVEN that an annual general meeting of the shareholders of Ultra Group Holdings Limited (the “Company”) will be held at 3rd Floor, Sunning Plaza, 10 Hysan Avenue, Causeway Bay, Hong Kong on 2 August 2006, Wednesday at 11:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the reports of the directors and of the auditors for the year ended 31 March 2006, which were set out in the Annual Report 2006 of the Company.
2. To re-elect directors and to authorise the board of directors to fix directors’ remuneration.
3. To re-appoint auditors and to authorize the board of directors to fix their remuneration.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and otherwise deal with additional shares (“Shares”) in the capital of the Company or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares or such convertible securities, and to make, grant, sign or execute offers, agreements or options, deeds and other documents which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and it is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make, grant, sign or execute offers, agreements or options, deeds and other documents which would or might require the exercise of such powers 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) and issued by the Directors pursuant to the approval in this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below); or
 - (ii) any issue of Shares upon the exercise of rights of subscription or conversion attaching to any warrants of the Company or any securities which are convertible into Shares; or
 - (iii) the exercise of any option under the share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries or any other person of Shares or rights to acquire Shares of the Company; or
 - (iv) any issue of Shares as scrip dividends or under similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company in force from time to time; or
 - (v) a specific authority granted by the shareholders of the Company;

shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly;

- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 Articles of Association of the Company or the applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an allotment, issue or grant of Shares pursuant to an offer of shares open for a period fixed by the Directors to the holders of Shares 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 as at that date (subject to such exclusions or

NOTICE OF ANNUAL GENERAL MEETING

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, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraphs (b) and (c) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase shares (“Shares”) in the capital of the Company or securities convertible into Shares on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose (“Recognised Stock Exchange”), subject to and in accordance with the applicable laws of the Cayman Islands and the requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange or those of any other Recognised Stock Exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares and securities convertible into Shares which may be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the approval pursuant to paragraph (a) of this resolution be limited accordingly;
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earlier 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 Articles of Association of the Company or the applicable laws of the Cayman Islands to be held; or
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to the passing of the resolutions numbered 4 and 5 as set out in the notice (the “Notice”) convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with shares (“Shares”) in the capital of the Company pursuant to the resolution numbered 4 as set out in the Notice be and the same is hereby extended by the addition to the aggregate nominal amount of share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company purchased by the Company under the authority granted pursuant to the resolution numbered 5 as set out in the Notice provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution.”

7. To consider and, if thought fit, pass the following resolution as a special resolution:

“**THAT** the Articles of Association of the Company be and are amended in the following manner:

- (a) (i) By replacing the full-stop at the end of the existing Article 66(d) with a semi-colon;
- (ii) By inserting the word ‘or’ at the end of Article 66(d); and
- (iii) By adding the following paragraph as new Article 66(e) immediately after Article 66(d);
- ‘(e) by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent (5%) or more of the total voting rights at such meeting.’.
- (b) By deleting the last sentence ‘There shall be no requirement for the chairman to disclose the voting figures on a poll.’ in the existing Article 68 and substituting therewith a new sentence ‘The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.’.
- (c) By deleting the first sentence of the existing Article 84(2) and substituting therewith a new sentence ‘If a clearing house (or its nominee), being a corporation, is a Member, it may authorize such person(s) as it thinks fit to act as its representative(s) at any meeting of the Company or at any meeting of any class of Members provided that if more than one person is so authorized, the authorization shall specify the number and class of shares in respect of which each such representative is so authorized.’.

NOTICE OF ANNUAL GENERAL MEETING

- (d) (i) By deleting the existing Article 86(3) in its entirety and substituting therewith the following:

‘The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, as an addition to the existing Board provided that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at that meeting.’

- (ii) By replacing the word ‘special’ by ‘ordinary’ immediately after the words ‘Subject to any provision to the contrary in these Articles the Members may, at any general meeting convened and held in accordance with these Articles, by’ in the existing Article 86(5).’.

- (e) (i) By deleting the existing Article 87(1) in its entirety and substituting therewith the following:

‘Notwithstanding any other provisions in the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not three (3) or a multiple of three (3), the number nearest to but not less than one-third), shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three (3) years.’; and

- (ii) By deleting the first sentence ‘A retiring Director shall be eligible for re-election.’ in the existing Article 87(2) and substituting therewith a new sentence: ‘A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires.’”

By order of the Board
Ultra Group Holdings Limited
Cho Yuen Yi, Wendy
Chairman

Hong Kong, 29 June 2006

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) A member of the Company entitled to attend and vote at the aforesaid meeting is entitled to appoint one or (if holding two or more shares) more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) To be valid, the form of proxy together with any power of attorney or other authority under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Hong Kong branch share registrars of the Company, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 48 hours before the time fixed for the holding the meeting or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude members from attending and voting at the aforesaid meeting.
- (4) The register of members will be closed from 31 July 2006 (Monday) and 2 August 2006 (Wednesday) (both dates inclusive), during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the annual general meeting of the Company to be held on 2 August 2006 (Wednesday), all transfers of shares accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrars of the Company, Computershare Hong Kong Investor Services Limited at 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on 28 July 2006 (Friday).
- (5) The Chinese translation of this notice (including the contents of the proposed resolutions set out therein) is for reference only. In case of inconsistency, the English version shall prevail.

As the date of this notice, the board of directors comprises two executive directors, namely Ms. Cho Yuen Yi, Wendy and Ms. Wong Ching Ngor, and three independent non-executive directors, namely Mr. Kong Tze Wing, Mr. Siu Siu Ling, Robert and Dr. Wong Yun Kuen.