
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 you should take, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in **ULTRA GROUP HOLDINGS LIMITED**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited 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.

This circular, for which the board of directors of **ULTRA GROUP HOLDINGS LIMITED** collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to **ULTRA GROUP HOLDINGS LIMITED**. The board of directors, 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.



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 INVOLVING
CHANGE OF NAME OF THE COMPANY
AND
ADOPTION OF NEW CHINESE NAME OF THE COMPANY
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting of Ultra Group Holdings Limited to be held at The China Club, 12/F, The Old Bank of China Building, Bank Street, Central, Hong Kong on Monday, 7th January, 2008, at 12:00 noon is set out on pages 6 and 7 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited the branch Share Registrars of the Company in Hong Kong at Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcement" page for at least seven days from its date of its posting.

Hong Kong, 14th December, 2007

CHARACTERISTICS OF GEM

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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities trading on GEM.

The principal means of information dissemination of GEM is publication on the Internet website operated by the Stock Exchange, Listed companies are not generally required to issue paid announcement 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.

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DEFINITIONS

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

“Board”	the board of Directors
“Companies Law”	the Companies Law of the Cayman Islands for the time being in force
“Company”	Ultra Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, with its Shares listed on the GEM Board of the Stock Exchange
“Directors”	the directors of the Company
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at The China Club, 12/F, The Old Bank of China Building, Bank Street, Central, Hong Kong on Monday, 7th January, 2008 at 12:00 noon notice of which is set out on pages 6 and 7 of this circular
“GEM”	the Growth of Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China.
“Shareholder(s)”	holder(s) of Share(s)
“Shares”	share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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:

TSE Chun Sing (*Chairman*)
WU Kam Hung

Independent Non-Executive Director:

LIEW Swee Yean
SIU Siu Ling, Robert
WONG Yun Kuen

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

***Head office and principal place
of business:***

Unit 203, 2nd Floor, Block B
Sea View Estate
2-8 Watson Road
North Point, Hong Kong

Hong Kong, 14th December, 2007

To shareholders,

Dear Sir or Madam,

**PROPOSALS INVOLVING
CHANGE OF NAME OF THE COMPANY
AND
ADOPTION OF NEW CHINESE NAME OF THE COMPANY
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. CHANGE OF NAME OF THE COMPANY

Reference is made to the announcement made by the Company dated 14th September, 2007 relating to disposal of the entire issued shares of Ultra Group Company Limited (“UGCL”).

The principal activities of the Group are sale of office furniture primarily in Hong Kong and the PRC and auto service business. Following the completion of disposal of the entire issued shares of UGCL on 31st October, 2007 (“the Closing Date”), the Group only engaged in auto service business.

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According to the sale and purchase agreement dated 20th August, 2007 (as supplemented by the amendment agreement dated 14th September, 2007), the Company agreed and undertook to procure as soon as practicable after Closing Date and in any event within ninety (90) days thereof that neither the Company nor any members of the Group of companies shall (whether alone, jointly with another, directly or indirectly), use or display any trademark, corporate or business name or mark, domain name or any website containing (i) the word(s) “Ultra” and/or “歐美” or (ii) any business or trade name used exclusively by the members of the UGCL Group at the Closing Date or (iii) any other word(s) closely resembling any such word(s) or business or trade name(s).

To better describe the nature of business of the Group and implement the undertakings, the Directors propose that the name of the Company be changed from “ULTRA GROUP HOLDINGS LIMITED 歐美集團控股有限公司” to “CHALLENGER GROUP HOLDINGS LIMITED”. The Special Resolution no.1 will be proposed at the Extraordinary General Meeting for the Shareholders to consider and, if thought fit, approve such change of name.

The proposed change of name of the Company will be subject to the approval of the Shareholders. After the Special Resolution no.1 is passed at the Extraordinary General Meeting, the Company will carry out the necessary filing procedures with the Registrar of Companies in the Cayman Islands and with the Registrar of Companies in Hong Kong.

2. ADOPTION OF NEW CHINESE NAME OF THE COMPANY

The Directors also propose to adopt “挑戰者集團控股有限公司” for identification purpose only, as the new Chinese name of the Company.

The proposed adoption of new Chinese name of the Company will be subject to the passing of the Special Resolution nos. 1 and 2 by the Shareholders at the Extraordinary General Meeting. Upon the registration of the new Chinese name with the Registrar of Companies in Hong Kong, the adoption of the new Chinese name will become effective. The Company will apply for registration of the Chinese company name with the Registrar of Companies in Hong Kong under Part XI of the Companies Ordinance once the Special Resolution no.2 is passed at the Extraordinary General Meeting.

3. EFFECT ON CHANGE OF COMPANY NAME AND ADOPTION OF NEW CHINESE NAME OF THE COMPANY

The effective date of the proposed change of name will be the date on which the Special Resolution no.1 is passed by the Shareholders and the effective date of the adoption of new Chinese name will be the date on which the new Chinese name is registered on the Registrar of Companies in Hong Kong under Part XI of the Hong Kong Companies Ordinance. The English and Chinese stock short name of the Company will also be changed as soon as practicable.

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Upon the proposed change of name and adoption of the new Chinese name becoming effective, all existing share certificates in issue bearing the existing name of the Company will continue to be evidence of title and will continue to be valid for trading, settlement and delivery for the same number of Shares in the new proposed name of the Company and the rights of any Shareholders will not be affected. Once the proposed change of name becomes effective, any issues of share certificates of the Company thereafter will be in the new name of the Company and the securities of the Company will be traded on the Stock Exchange in the new name. However, there will be no special arrangement for free exchange of the existing share certificates of the Company for new share certificates printed in the Company's new name. Should any Shareholders desire to exchange their existing share certificates for share certificates in the new name of the Company, they may do so on payment of a fee of HK\$2.50 for each new certificate (or such higher amount as may from time to time be allowed by the Stock Exchange).

A further announcement regarding the change of name and stock short name will be made when the proposed change of company name and adoption of the new Chinese name of the Company become effective.

4. EXTRAORDINARY GENERAL MEETING

The notice of the Extraordinary General Meeting, which contains special resolutions to approve the change of name of the Company and to adopt the new Chinese name of the Company is set out on pages 6 and 7 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited, the branch share registrars of the Company in Hong Kong at Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof.

5. RIGHT TO DEMANDING A POLL

Pursuant to Article 66 of the articles of association of the Company, at any general meeting a 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 any 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

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- (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; or
- (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.

A poll which is duly demanded shall then be held in such manner prescribed by the articles of association of the Company.

6. RECOMMENDATION

The Directors believe that the proposals referred to in this circular are in the best interest of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of all the special resolutions to be proposed at the Extraordinary General Meeting.

Yours faithfully,
TSE Chun Sing
Chairman

NOTICE OF EXTRAORDINARY 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 extraordinary general meeting of the Company will be held at The China Club, 12/F, The Old Bank of China Building, Bank Street, Central, Hong Kong on Monday, 7th January, 2008, at 12:00 noon for the purpose of considering and, if thought fit, passing the following resolutions as special resolutions:

SPECIAL RESOLUTIONS

1. **“THAT** the name of the Company be changed to:

CHALLENGER GROUP HOLDINGS LIMITED

and **THAT** the directors of the Company be and are hereby authorised to do all such acts, deeds and things as they may, in their absolute discretion, deem fit, to effect and implement the change of name of the Company.”

2. **“THAT** conditional upon passing of the resolution no. 1 above, “挑戰者集團控股有限公司” be adopted, for identification purpose only, as the new Chinese name of the Company and **THAT** such Chinese name be filed and/or registered with the Registrar of Companies in Hong Kong under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) and the directors of the Company be and are hereby authorised to do all such acts, deeds and things as they may, in their absolute discretion, deem fit, to effect and implement such adoption of Chinese name of the Company.”

By Order of the Board
Leung Ngar Yee
Secretary

Dated the 14th day of December, 2007.

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company but must attend the meeting in person to represent the member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. Completion and delivery of the proxy form will not preclude a member of the Company from attending and voting in person at the meeting convened or any adjournment thereof and in such event, the authority of the proxy shall be deemed to be revoked.
4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. As at the date of this notice, the Board comprises two executive directors, namely, Mr. TSE Chun Sing and Mr. WU Kam Hung and three independent non-executive directors, namely, Mr. LIEW Swee Yean, Mr. SIU Siu Ling, Robert and Dr. Wong Yun Kuen.