BLU SPA HOLDINGS LIMITED
富麗花 • 譜控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8176)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "EGM") of the shareholders of Blu Spa Holdings Limited (the "Company") will be held at The Dynasty Club Limited, at Board Room, South West Tower, Convention Plaza, Wanchai, Hong Kong at 9:00 a.m. on 5 June 2008 for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution which will be proposed as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. "**THAT**

   (i) the proposed consolidation of every ten existing issued and unissued ordinary shares of nominal value of HK$0.01 each (the "**Shares**") into one new ordinary share of nominal value of HK$0.10 each (the "**Consolidated Shares**") in the share capital of the Company (the "**Share Consolidation**") be and is hereby approved;

   (ii) all fractional Consolidated Shares be aggregated and, if practicable, sold for the benefits of the Company; and

   (iii) the directors of the Company (the "**Directors**"), acting together, individually or by committee, be and are hereby authorized to take such actions, do such things and execute such further documents or deeds for and on behalf of the Company as such Directors may, in their opinion, consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation and completion of the Share Consolidation and any transaction contemplated thereunder."

2. "**THAT**

   (i) the conditional subscription agreement dated 1 February 2007 (as supplemented by the supplemental agreements dated 3 January 2008 and 31 March 2008 respectively) (together as the "Subscription Agreement", copies of the subscription agreement and supplemental agreements have been produced to this meeting, marked "**A**" and signed by the Chairman of this meeting for the purpose of identification and the details of which are set out in the

* *For identification purpose only*

circular of the Company dated 19 May 2008 (the "**Circular**", a copy of which has been produced to this meeting, marked "**B**" and signed by the Chairman of this meeting for the purpose of identification)) entered into between the Company, Queensbury Global Limited, Rocket High Investments Limited, XO-Holdings Limited and Chan King-Yee, Ivy relating to the subscription of an aggregate 2,450,000,000 new Shares at the subscription price of HK$0.02 per Share (or, subject to the approval of the Share Consolidation under Resolution No. 1 above, 245,000,000 new Consolidated Shares at the subscription price of HK$0.20 per Consolidated Share), and the transaction contemplated under the Subscription Agreement, be and are hereby approved, confirmed and ratified; and

(ii) the Directors, acting together, individually or by committee, be and are hereby authorized to take such actions, do such things and execute such further documents or deeds for and on behalf of the Company as such Directors may, in their opinion, consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation and completion of the Subscription Agreement and any transaction contemplated thereunder."

3. "**THAT**

(i) the conditional capitalisation agreement dated 3 January 2008 (the "**Capitalisation Agreement**", a copy of which has been produced to this meeting, marked "**C**" and signed by the Chairman of this meeting for the purpose of identification and the details of which are set out in the Circular) entered into between the Company and Chan Choi Har, Ivy (the "**Subscriber**") relating to (a) the subscription of an aggregate of 880,000,000 new Shares at the capitalisation price of HK$0.02 per Share (or, subject to the approval of the Share Consolidation under Resolution No. 1 above, 88,000,000 new Consolidated Shares at the capitalisation price of HK$0.20 per Consolidated Share), which capitalisation price will be satisfied by way of capitalising entirely and will be an absolute discharge and full and final settlement of, the sum of HK$17,600,000 out of the Related Party Loans (as defined in the Circular), (b) the repayment by cash from the Company to the Subscriber, in absolute discharge and full and final settlement of the remaining balance of the Related Party Loans, and (c) the transaction contemplated under the Capitalisation Agreement, be and are hereby approved, confirmed and ratified; and

(ii) the Directors, acting together, individually or by committee, be and are hereby authorized to take such actions, do such things and execute such further documents or deeds for and on behalf of the Company as such Directors may, in their opinion, consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation and completion of the Capitalisation Agreement and any transaction contemplated thereunder."

4. “**THAT**

(i) the franchise agreement dated 1 February 2007 (the “**Franchise Agreement**”, a copy of which has been produced to this meeting, marked “**D**” and signed by the Chairman of this meeting for the purpose of identification and the details of which are set out in the Circular) entered into between the Garrick International Limited (the “**Franchisor**”) and Blu Spa (Hong Kong) Limited, a wholly owned subsidiary of the Company, (the “Franchisee”) relating to the appointment of the Franchisee as the sole and exclusive distributor of products from the Franchisor in accordance with the Franchise Agreement, and the transaction contemplated under the Franchise Agreement, be and they are hereby approved, confirmed and ratified;

(ii) the Franchise Agreement Annual Caps (as defined in the Circular), be and is hereby approved; and

(iii) the Directors, acting together, individually or by committee, be and are hereby authorized to take such actions, do such things and execute such further documents or deeds for and on behalf of the Company as such Directors may, in their opinion, consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation and completion of the Franchise Agreement and any transaction contemplated thereunder.”

By order of the Board
Blu Spa Holdings Limited
Ivy Chan
Chairman

Hong Kong, 19 May 2008

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

Principal place of business in Hong Kong:
Room 2303, 23/F. World-Wide House
19 Des Voeux Road Central
Central
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the EGM by the above notice is entitled to appoint one or more proxies to attend and vote instead of such member. A proxy need not be a member of the Company.

2. A form of proxy in respect of the EGM is enclosed herewith. Whether or not you intend to attend the EGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon.

3. In order to be valid, the form of proxy when duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of authority must be delivered to the Company's shares registrar in Hong Kong, Secretaries Limited at Level 25, Three Pacific Place, 1 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 EGM or any adjournment thereof.

4. Where there are joint registered holders of any shares of the Company ("Shares"), any one of such holders may vote at the EGM, either personally or by proxy. in respect of such Shares as if he were solely entitled thereto, but if more than one of such joint holders be present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any Share stands shall for this purpose be deemed joint holders thereof.

As at the date hereof, the Board comprises two executive directors, namely, Ms. Chan Choi Har, Ivy and Mr. Chan Shun Kuen, Eric; and three independent non-executive directors, namely, Mr. Chan Sze Hon, Mr. Lam Wai Pong and Mr. Yeung Mario Bercasio.

This announcement, for which the directors of the Company 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 of Hong Kong Limited. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the "Latest Company Announcements" page for at least 7 days from the date of its posting.