

[For Immediate Release]



**Lifestyle International
Provides HK\$300 Million Bridging Loan to Egana
With the Intention to Participate in Egana's
Financial Restructuring**

(Hong Kong, October 2, 2007) - Lifestyle International Holdings Limited ("Lifestyle" or the "Company", together with its subsidiaries, collectively as the "Group"; stock code: 1212) today announced on September 23rd 2007, the Group entered into an arrangement to provide Egana Goldpfeil (Holdings) Limited ("Egana", stock code: 48) with a Bridging Loan ("Bridging Loan") in the amount of HK\$300 million with the intention to participate as a white knight in Egana's financial restructuring (the "Proposed Transaction").

The Bridging Loan was secured by: 1) all equity interests in PC International Marketing Limited, a wholly owned subsidiary of Egana, which holds and operates the brand Pierre Cardin, 2) certain office premises owned by Egana and its subsidiaries in Hong Kong, and, 3) a total of 434,345,736 shares of HK\$1.00 each owned by a major shareholder of Egana and represent 29.67% of Egana's issued share capital.

The Proposed Transaction will be subject to certain conditions, including satisfactory financial, legal and operational due diligence, and necessary approval from shareholders. According to the non-legally binding terms of the Proposed Transaction, Lifestyle will acquire an aggregate of 434,345,736 shares held by the major shareholder of Egana. The proceeds will be applied to purchase from Egana a portfolio of accounts receivable at terms to be agreed. Lifestyle will also subscribe for approximately HK\$880 million of convertible bonds to be issued by Egana. The management and major shareholder of Egana have shown their support to Lifestyle's Proposed Transaction and negotiations with creditor banks will proceed as quickly as possible.

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Commenting on the Bridging Loan and the Proposed Transaction, Mr. Thomas Lau, Managing Director of the Group said, "the Bridging Loan was critically necessary to maintain normal operations of Egana and the Proposed Transaction, when completed, will allow the Group access to Egana's existing brand portfolio, experienced management team in the field and its branded goods business platform which would result in creating synergies in terms of pursuing the affordable luxury goods business in the fast growing PRC market where the Group and its major shareholder have extensive retail network."

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About Lifestyle International

Lifestyle International Holdings Limited is a successful department store operator which owns and operates two SOGO Department Stores in Hong Kong and the Jiuguang Department Store in Shanghai.

As the market leader in Hong Kong, SOGO stores account for 2.1% of the total retail sales in the territory. In view of the robust growth of the Chinese retail market, the Group introduced SOGO Hong Kong's successful business model to mainland China by establishing the Jiuguang Department Store in September 2004. The store has become a major shopping destination in Shanghai.

The Group announced, in December 2006, the acquisition of two new sites for the development of fully-fledged retail complexes in Suzhou and Shengyang, which are due to be completed by 2008 to 2010 respectively. In April 2007, the Group announced the acquisition of four retail properties respectively in Dalian, Tianjin, Harbin and, Qingdao and the Dalian and Tianjin stores will be ready for business in 2008. These new projects will provide future growth drivers for the Group on top of its solid foundation that embodies its impressive track record.

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