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EAGLE NICE (INTERNATIONAL) HOLDINGS LIMITED

鷹美(國際)控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2368)

DISCLOSEABLE TRANSACTION

The Board wishes to announce that since December 2007, the Company, through its wholly-owned subsidiaries, has entered into the Existing Contracts with various independent third parties for the expansion of the Maitex Facilities. As at the date of this announcement, the Existing Contracts totalled 27 in number and the total amounts paid or payable by the Group under the Existing Contracts amounted to RMB27,770,481 (or HK\$30,539,260).

Although the consideration payable by the Group under each of the Existing Contracts does not exceed 5% of the applicable percentage ratios, given that Existing Contracts relate to the same subject matter, they will be aggregated as if they were one single transaction. Since the consideration payable by the Group under the Existing Contracts, when aggregated with each other, exceeds 5% and less than 25% of the applicable percentage ratios, the transactions contemplated under the Existing Contracts constitute a discloseable transaction for the Company under the Listing Rules.

** For identification purposes only*

Expansion of the Maitex Facilities

The Board wishes to announce that since December 2007, the Company, through its wholly-owned subsidiaries, has entered into the Existing Contracts with various independent third parties for the expansion of the Maitex Facilities. The Existing Contracts relate to, inter alia, design and construction of the factory, storage and dormitory, the purchase and installation of the plant and machinery, production equipment and other ancillary contracts in connection to expansion of the Maitex Facilities. As at the date of this announcement, the Existing Contracts totalled 27 in number and the total amounts paid or payable by the Group under the Existing Contracts amounted to RMB27,770,481 (or HK\$30,539,260).

The consideration payable under the Existing Contracts have been arrived at after negotiations between the relevant parties on an arm's length basis and was or will be satisfied by way of cash, on a one-off or instalment basis. The Group has undertaken a price comparison process for some contracts with competing suppliers and/or contractors in the proximity of the Maitex Facilities.

Since the expansion of the Maitex Facilities is still in progress, it is anticipated that the Future Contracts will be entered into by Maitex and/or other members of the Group in this connection.

Reasons for and financial effects of the expansion of the Maitex Facilities

Since the completion of the acquisition of Maitex by the Company took place on 1 September 2007, Maitex has become a major manufacturing arm of the Group's business. To capture the business opportunities arising from the growing PRC market and in line with the Group's business expansion plans, it is vital to the Group's future growth that the existing production capacity of the Group be expanded to cope with the possible increasing demand of the Group's customers. Compared to constructing a new factory in a different location, it would be more cost effective to expand the Maitex Facilities which at present still has sufficient space for development. Accordingly, the Board considers it to be in the interests of the Company to engage in the expansion of the Maitex Facilities and that the terms of the Existing Contracts are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

During the expansion of the Maitex Facilities, the carrying amount of the Existing Contracts of RMB27,770,481 (or HK\$30,539,260), as well as the Future Contracts will be classified as construction in progress, plant and machinery and other categories (as appropriate) under "Property, plant and equipment" in the consolidated balance sheet of the Group. Since the Maitex Facilities under expansion has not become operational and commenced business, it will not have any immediate effect on the consolidated income statement of the Group.

After the expanded Maitex Facilities becomes operational and commences business, the carrying amount of the Existing Contracts and the Future Contracts will be transferred to and classified as, inter alia, buildings, plant and machinery and other categories (as appropriate) under "Property, plant and equipment" in the consolidated balance sheet of the Group, and depreciation of the non-current assets therein calculated on a straight-line basis in accordance with their respective estimated useful lives will be charged to the consolidated income statement of the Group.

Information on the Group

The Group is principally engaged in the manufacture of sportswear for men, women and children on an OEM (an acronym for "original equipment manufacturer" which produces or customizes products according to the design supplied by the customers) basis. The sportswear manufactured and sold by the Group can broadly be divided into tracksuits, sport pants, jackets, sweaters and T-shirts.

Listing Rules implications

Although the consideration payable by the Group under each of the Existing Contracts does not exceed 5% of the applicable percentage ratios, given that the Existing Contracts relate to the same subject matter, they will be aggregated as if they were one single transaction. Since the consideration payable by the Group under the Existing Contracts, when aggregated with each other, exceeds 5% and less than 25% of the applicable percentage ratios, the transactions contemplated under the Existing Contracts constitute a discloseable transaction for the Company under the Listing Rules.

In the event that the consideration payable by Maitex and/or other members of the Group under the Existing Contracts and the Future Contracts together exceed 25% of any of the applicable percentage ratios under Chapter 14 of the Listing Rules, the Company will comply with the relevant disclosure, notification and shareholders' approval requirements of the Listing Rules.

Definitions

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Company"	Eagle Nice (International) Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange
"Director(s)"	director(s) of the Company
"Existing Contracts"	existing contracts totalled 27 in number entered into by the Company through its wholly-owned subsidiaries between December 2007 and the date of this announcement in relation to the expansion of the Maitex Facilities
"Future Contracts"	contracts which may be entered into by Maitex and/or other members of the Group in relation to the expansion of the Maitex Facilities subsequent to the date of this announcement

"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Maitex"	惠來縣源瀚制衣有限公司 (Huilai Maitex Garment Manufacturing Co., Ltd.), a wholly foreign-owned enterprise established in the PRC and a wholly-owned subsidiary of the Company
"Maitex Facilities"	the existing production facilities of Maitex located at 廣東省揭陽市惠來縣華湖鎮寨仔山 (Zhai Zi Shan Section, Hua Hu Town, Huilai County, Jieyang, Guangdong Province), the PRC
"PRC"	the People's Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary shares of HK\$0.01 each of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent.

For reference purposes only and unless otherwise specified, RMB amounts have been translated into HK\$ using the rates of RMB0.93 and RMB0.87 to HK\$1.00 for the years ended 31st March 2008 and ending 31st March 2009 respectively.

For reference purposes only, the Chinese names of the PRC entities have been translated into English in this announcement. In the event of any discrepancies between the Chinese names of these PRC entities and their respective English translations, the Chinese version shall prevail.

As at the date of this announcement, the Board comprised nine executive Directors, namely, Mr. Chung Yuk Sing, Mr. Chen Hsiao Ying, Mr. Ku Yu Sun, Edward, Ms. Chen Li Ying, Mr. Kuo Tai Yu, Mr. Chang Wen Hsiang, Ms. Tsang Sau Fan, Mr. Chen Zhen Hao and Mr. Tsai Nai Kun and three independent non-executive Directors, namely, Mr. Chan Cheuk Ho, Mr. Li Chi Chung and Mr. Cheng Yung Hui, Tony.

By Order of the Board
Eagle Nice (International) Holdings Limited
Chung Yuk Sing
Chairman

Hong Kong, 2 March 2009