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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2009

FINANCIAL HIGHLIGHTS

- Revenue in 2009 increased by 24.5% to HK$1,071.0 million compared with HK$860.5 million in 2008.
- Gross profit margin increased from 23.5% to 25.5% and the operating profit margin increased from 14.9% (excluding the non-operating gain of HK$12.2 million from disposal of a residential property in last year) to 17.3% when compared with previous year.
- Profit attributable to equity holders of the Company reached HK$163.8 million, representing 31.4% growth compared to HK$124.7 million in previous year.
- The Board proposes to declare a final dividend of HK12 cents per share so that total dividend per share for the year ended 31 March 2009 is HK24 cents (2008: HK17 cents per share).

* *For identification purposes only*

The board of directors (the "Board") of Eagle Nice (International) Holdings Limited (the "Company") is pleased to announce the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 March 2009 together with the comparative figures for the corresponding year in 2008 and the relevant explanatory notes as set out below.

CONSOLIDATED INCOME STATEMENT

Year ended 31 March 2009

	Notes	**2009** *HK$'000*	2008 *HK$'000*
REVENUE	*3*	**1,070,975**	860,487
Cost of sales		**(797,899)**	(658,131)
Gross profit		**273,076**	202,356
Other income and gains		**5,437**	18,678
Selling and distribution costs		**(15,303)**	(15,231)
Administrative expenses		**(78,147)**	(65,144)
PROFIT BEFORE TAX	*4*	**185,063**	140,659
Tax	*5*	**(21,237)**	(16,001)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**163,826**	124,658
DIVIDENDS	*6*	**119,924**	89,307
		HK cents	*HK cents*
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*7*		
Basic		**32.8**	26.6
Diluted		**N/A**	N/A

CONSOLIDATED BALANCE SHEET

31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**293,268**	268,353
Prepaid land lease payments		**75,080**	72,971
Prepayments and deposits for property, plant and equipment		**2,177**	6,237
Goodwill		**26,112**	26,112
Total non-current assets		**396,637**	373,673
CURRENT ASSETS			
Inventories		**133,916**	123,508
Accounts and bills receivable	*8*	**190,978**	146,582
Prepayments, deposits and other receivables		**10,370**	8,469
Cash and cash equivalents		**297,423**	274,585
Total current assets		**632,687**	553,144
CURRENT LIABILITIES			
Accounts and bills payable	*9*	**55,071**	55,599
Accrued liabilities and other payables		**59,667**	61,295
Tax payable		**25,168**	16,851
Total current liabilities		**139,906**	133,745
NET CURRENT ASSETS		**492,781**	419,399
TOTAL ASSETS LESS CURRENT LIABILITIES		**889,418**	793,072
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**16,928**	12,903
Net assets		**872,490**	780,169
EQUITY			
Issued capital		**4,997**	4,997
Reserves		**807,531**	725,204
Proposed final dividend		**59,962**	49,968
Total equity		**872,490**	780,169

NOTES

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for buildings, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand, except when otherwise indicated.

2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) Amendments and interpretations effective during the year

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements. The adoption of these new interpretations and amendments has had no significant effect on these financial statements.

HKAS 39 and HKFRS 7 Amendments	Amendments to HKAS 39 Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosures – Reclassification of Financial Assets
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

(b) New/revised standards, amendments and interpretations not yet effective for the year ended 31 March 2009

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[1]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs[2]
HKFRS 2 Amendments	Amendments to HKFRS 2 Share-based Payment – Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[2]
HKFRS 7 Amendments	Amendments to HKFRS 7 Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments[1]
HKFRS 8	Operating Segments[1]
HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]

HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HKAS 39 Amendment	Amendment to HKAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items[2]
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives[1]
HK(IFRIC)-Int 13	Customer Loyalty Programmes[1]
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate[1]
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation[1]
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners[2]
HK(IFRIC)-Int 18	Transfers of Assets from Customers[3]

Apart from the above, the HKICPA has issued Improvements to HKFRSs* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. Except for the amendment to HKFRS 5 which is effective for accounting period beginning on or after 1 April 2010, other amendments are effective for accounting period beginning on or after 1 April 2009 although there are separate transitional provisions for each standard.

1 Effective for accounting period beginning on 1 April 2009
2 Effective for accounting period beginning on 1 April 2010
3 Effective for transfers of assets from customers received on or after 1 July 2009

* *Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.*

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKAS 27 (Revised) may result in changes in accounting policies and HKFRS 8 and HKAS 1 (Revised) may result in new or amended disclosures, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

3. SEGMENT INFORMATION

An analysis of the Group's revenue and segment results by geographical segments is as follows:

	Segment revenue		Segment results	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Mainland China	**579,357**	474,553	**154,044**	105,589
Japan	**136,748**	147,331	**37,521**	33,425
Europe	**108,332**	57,668	**24,836**	16,646
USA	**99,960**	24,664	**20,641**	5,190
South Korea	**65,135**	58,891	**17,951**	14,812
Hong Kong	**21,072**	25,380	**5,338**	6,779
Others	**60,371**	72,000	**12,745**	19,915
	1,070,975	860,487	**273,076**	202,356
Interest and other unallocated income			**5,437**	18,678
Unallocated expenses			**(93,450)**	(80,375)
Profit before tax			**185,063**	140,659
Tax			**(21,237)**	(16,001)
Profit for the year attributable to equity holders of the Company			**163,826**	124,658

No information was disclosed in respect of the Group's business segments as the Group is solely engaged in the manufacture and trading of sportswear and garments.

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2009	2008
	HK$'000	*HK$'000*
Cost of inventories sold	**797,899**	658,131
Auditors' remuneration	**1,500**	1,450
Depreciation	**33,818**	31,316
Amortisation of prepaid land lease payments	**2,138**	2,015
Employee benefits expenses (including directors' remuneration):		
Wages and salaries	**177,615**	153,018
Pension scheme contributions (defined contribution schemes)	**10,183**	7,436
Less: Forfeited contributions	**(47)**	(128)
Net pension scheme contributions	**10,136**	7,308
Total employee benefits expenses	**187,751**	160,326
Minimum lease payments under operating leases in respect of land and buildings	**2,937**	3,585
Gain on disposal of items of property, plant and equipment and prepaid land lease payments	**(159)**	(12,244)
Loss on revaluation of items of property, plant and equipment	**470**	–
Foreign exchange differences, net	**2,327**	1,325
Write-off of items of property, plant and equipment	**182**	–

5. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. The lower Hong Kong profits tax rate is effective from the year of assessment 2008/2009, and so is applicable to the assessable profits arising in Hong Kong for the whole year ended 31 March 2009. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	Group	
	2009	2008
	HK$'000	*HK$'000*
Current tax charge for the year:		
Hong Kong	**8,591**	6,348
Elsewhere	**13,290**	7,796
Overprovision of current tax in respect of prior years	**(1,384)**	–
Deferred	**740**	1,857
Total tax charge for the year	**21,237**	16,001

6. DIVIDENDS

	2009	2008
	HK$'000	*HK$'000*
Interim – HK12 cents (2008: HK7 cents) per ordinary share based on 499,680,000 shares in issue	**59,962**	34,978
Proposed final – HK12 cents (2008: HK10 cents) per ordinary share based on 499,680,000 shares in issue	**59,962**	49,968
Additional 2007 final dividend	**-**	4,361
	119,924	89,307

The proposed final dividend for the year is based on the number of share in issue as at the reporting date, and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

The additional 2007 final dividend represents final dividend payable to shares issued subsequent to the approval of the consolidated financial statements for the year ended 31 March 2007 by the directors.

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company for the year of HK$163,826,000 (2008: HK$124,658,000), and the weighted average number of 499,680,000 (2008: 469,297,000) ordinary shares in issue during the year.

No diluted earnings per share is presented for both current and last years as there are no dilutive potential ordinary shares in existence during these years.

8. ACCOUNTS AND BILLS RECEIVABLE

The Group's accounts receivable mainly relate to a few recognised and creditworthy customers. The credit period is generally for a period of 30 to 45 days. The Group seeks to maintain strict control over its outstanding receivables to minimise the credit risk. Overdue balances are regularly reviewed by the management of the Group. The accounts and bills receivable are non-interest-bearing.

An aged analysis of the accounts and bills receivable as at the balance sheet date, based on the invoice date, is as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Within 30 days	**80,076**	102,361
31 to 60 days	**53,758**	29,351
61 to 90 days	**28,237**	8,412
Over 90 days	**28,907**	6,458
	190,978	146,582

The above balance is neither past due nor impaired. The financial assets included in the above balance relate to receivable for which there was no recent history of default.

Included in the Group's accounts and bills receivable as at 31 March 2008 was the amount due from 裕程（昆山）體育用品有限公司, a subsidiary of Yue Yuen Industrial (Holdings) Limited, a substantial shareholder of the Company, of HK$2,907,000, which was repayable on similar credit terms to those offered to the major non-related customers of the Group.

9. ACCOUNTS AND BILLS PAYABLE

An aged analysis of the accounts and bills payable as at the balance sheet date, based on the invoice date, is as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Within 90 days	**51,796**	52,577
91 to 180 days	**1,033**	1,331
181 to 365 days	**481**	1,312
Over 365 days	**1,761**	379
	55,071	55,599

Included in the accounts and bills payable as at 31 March 2008 was accounts payable of HK$1,282,000 due to 汕頭市先達服裝輔料廠有限公司, a related company controlled by a relative of Mr. Chung Yuk Sing, a director of the Company, which was repayable on similar credit terms to those offered by other major non-related suppliers of the Group.

The accounts and bills payable are non-interest-bearing and are normally settled on 45-day terms.

MANAGEMENT DISCUSSION AND ANALYSIS

Review on financial performance

Following the success in last year, the Group achieved another year of record high revenue and net profit during the year. The Group achieved 24.5% surge in revenue to HK$1,071.0 million for the year ended 31 March 2009 from HK$860.5 million for the previous year. The increase in revenue was mainly attributable to the growth in demand for sportswear products from existing customers and our successful diversification policy. During the year, we accomplished to diversify our sources of revenue by broadening the customer base, penetrating into new markets in the US and Europe and widening the product range.

The Group's gross profit for 2009 was HK$273.1 million as compared to HK$202.4 million for 2008, representing an increase of 34.9%. The gross profit margin increased from 23.5% in last year to 25.5%. The operating profit margin and net profit margin increased from 14.9% and 13.1% (excluding the non-operating gain of HK$12.2 million from disposal of a residential property in last year) to 17.3% and 15.3% respectively when compared with previous year. Profit attributable to equity holders of the Company reached HK$163.8 million, representing 31.4% growth compared to HK$124.7 million in previous year.

The improvement in both gross profit margin and operating profit margin was the result of our management's devotion to industrial expertise and effective cost control. During the year, we strove to strengthen our internal operation and management by improving supply chain management, implementing lean manufacturing to an advanced level and advancing information technology system. In addition to adoption of energy saving measures, we succeeded in shortening the production cycle and minimizing the wastage, which in turn enabled the Group to reduce the production and operating costs.

To remunerate our employees for their great efforts, the management adopted a new incentive bonus system during the year so that the total provision for bonus and double pay for the year under review amounted to HK$17.1 million (2008: HK$6.9 million) which was included in the cost of sales and administrative expenses. This brought about increases of HK$5.3 million and HK$4.9 million in the cost of sales and administrative expenses during the year respectively.

Market Review and Prospect

Geographically, the People's Republic of China (the "PRC") and Japan continued to be the largest and the second largest markets of the Group respectively during the year. Following the PRC and Japan, the European and US markets replaced other Asian countries as the third and fourth largest markets of the Group respectively during the year. In the past years, most of the sales were derived from a few branded sportswear customers and were confined mainly to the Asian markets. To minimize the risk of narrow customer base, since 2007, the Group has adopted a diversification policy by opening up new markets and expanding the customer base. The diversification policy started to bear fruit during the year. Not only were we able to successfully widen the customer base by soliciting orders from new customers, we were also able to penetrate into the new markets in the US and Europe. The total sales derived from the US and European markets amounted to 19.4% (2008: 9.6%) of the Group's total sales during the year. Following the cancellation of textile quotas by the European Union in early 2008, the US also cancelled such quotas since 1 January 2009. With lower production costs for sales to the US and European markets, the competitive power of the PRC apparel manufacturers has strengthened and the Group would seize this opportunity to maintain its position in the US and European markets.

Despite our success in penetrating into the US and European markets, we will concentrate on the development of the Asian markets especially the PRC in the coming year given the economic downturn of the US and Europe. Amid the volatile global economy, the PRC government adopted decisive measures in the second half of 2008 by easing the monetary policy, increasing the investment in infrastructure and encouraging domestic demand so as to support stable economic development. Being affected by the declining economies of the US and Europe, the economic growth of the PRC has inevitably slowed down. Nevertheless, it is expected that the PRC would still enjoy moderate growth in the gross domestic product in the coming year. The PRC has become one of the world's largest sportswear markets which provides fast-growing high spending consumers and population with increasing income. Owing to the Group's expertise in developing the PRC market, the Group has become one of the prominent players among the sportswear manufacturers in the PRC market. We believe the Group could benefit from the growth of the PRC market to maintain stable business.

Business Review and Prospect

Despite the difficult operating environment in the second half of the financial year, we were still able to achieve brilliant performance and outperform the competitors during the year under review. This was mainly attributable to our achievement of gaining trust and support from the major customers through establishment of long and close relationship, our effort on heightening customers' satisfaction, and continuous provision of innovative design, quality products and tailor-made services. The Group won the prize of 2008 Nike Supplier Summit organized by Nike, which is a recognition to the Group's endeavour.

Right business strategy, distinguished management team and personnel of high caliber explain the outstanding performance of the Group in 2009. Not only are emphases put on recruitment of experts in manufacturing, existing staff are also provided with continuous training or new job and promotion opportunities to widen and enrich their horizon and knowledge. The Group continuously stresses on reinforcing its internal operation and management in order to lay a solid foundation for healthy and steady development in the future. To achieve this, we put effort on improvement of supply chain management, implementation of lean manufacturing to an advanced level and advancement of information technology system.

In recent years, supply chain management has played an important role in the production process. A sound and comprehensive supply chain system can assist to reduce the purchase lead time, which in turn shortens the production cycle. During the year, we implemented a new purchase system of EDI (Electronic Data Interchange) with our major vendors in order to boost the efficiency of material sourcing and order placing and hence lower the operating costs.

Lean manufacturing is a way of production management to accomplish efficient usage of resources, stable quality of products and shortening of production cycle. During the year, we invited an expert in lean manufacturing to join the Group. With his assistance, we continuously expand the scope of lean manufacturing and promote the sophistication and function of lean manufacturing to a perfect level.

A new ERP III (Enterprise Resources Planning) System was installed during the year. As a result, sales, purchasing and production planning systems can be integrated and optimized to raise the production efficiency in respect of material purchase scheduling, production flexibility and inventory control.

Indeed, supply chain management, lean manufacturing and information technology system are integrated and complementary to each other. With the support of advanced information technology system, supply chain management and lean manufacturing would generate greater benefit to the Group. Because of improved production efficiency and shortened production time after the implementation of the above measures, our customers could have greater flexibility in placing orders and modifying their business strategies in response to the rapidly changing consumer markets and economic condition. They could arrange the launch of new products in more efficient and flexible way, and hence keep the products close to the market trend. Besides, the Group could also benefit from reduction in production costs and acceleration in cash flow.

Business Development

In the competitive business environment, to reinforce the competitive edge, we believe that provision of value-added services and wider product range to our customers is the best way to enhance the customer satisfaction and better the profit margin.

To thoroughly understand the need of the customers and promptly respond to any changes requested by them, we furnish our customers with tailored-made services through various sales teams. Professional sales teams are responsible for different product series. Besides, since certain major customers have geographically restructured their operation, we are also planning to set up liaison offices in the locations near to them to closely follow the development of our major customers and provide them with more comprehensive services.

In the rapidly changing consumer market, our customers have to launch new products with innovative design and materials from time to time. Therefore, more and more emphases would be put on design and research and development in order to cater for their need. The Group would direct more resources to the research and development centre established in 2006 known as “Product Commercialisation Centre” which has been well-equipped with advanced computer and production equipment like 3D Pattern Design System, Tensile Test Machine and Laser Cutting Machine. With advanced production technology available, the Group is capable of producing high-valued or technical products with innovative technologies such as seam seal, welded waterproof, laminations and ventilation. The Group also closely follows the trend of the latest garment development by not only producing products with functional materials like breathable windbreaker, anti-UV and anti-bacteria but also using such eco-materials as recycled and biodegradable materials. The Group is also able to expand the product range by engaging in manufacturing of knitted products which at present only constitutes a small proportion of our sales.

Future Plan and Prospects

Amid the challenging global economy, it is anticipated that industry peers lacking in financial strength would be ousted from the market. However, as a well-prepared market player with solid foundation, the Group is competent enough to convert the challenges into opportunity. We are a growing listed company and we continuously attain distinguished performance not only in financial results but also investors relations. During the year, the Group was awarded by Economic Digest, a reputable financial magazine in Hong Kong, as one of the outstanding enterprises in Hong Kong.

Our solid financial strength, evidenced by having nearly HK$300 million cash without any bank borrowings as well as healthy cash flow, adequately equips the Group to overcoming the credit crunch and the global financial crisis. The Group is poised to capture opportunities for expansion of its market share as well as potential merger and acquisition at reasonable price.

In the coming year, capital investment will be focused on expansion of existing production facilities. This would facilitate the Group to capture the business opportunities arising from the growing PRC market and have sufficient production capacity when the global economy begins to improve and recover.

Given the uncertainty of the global economy in the coming year, the Group continues to adopt prudent but proactive business strategy in order to foster our strengths for future growth. We believe prudence is the conscientious attitude we handle our shareholders' investments. It remains our long term goal to establish a multinational production base to serve our customers' need so that the Group would be able to be a top tier business partner of the international sportswear brands. The management understands the importance of making the right investment decision at the right time. Therefore, capital and resources are reserved for potential excellent business opportunities in order to generate maximum return to our shareholders.

Liquidity and Financial Resources

During the year under review, the Group continued to maintain a healthy liquidity position. The Group generally finances its operations with internally generated resources and banking facilities provided by its bankers. As at 31 March 2009, the Group had cash and cash equivalents amounted to HK$297.4 million mainly denominated in Hong Kong dollars, Renminbi ("RMB") and US dollars (31 March 2008: HK$274.6 million). As at 31 March 2009, the Group had aggregate banking facilities of HK$106.0 million (31 March 2008: HK$106.0 million) which were secured by (i) corporate guarantees executed by the Company; and (ii) unlimited corporate guarantees executed by subsidiaries of the Company. No banking facilities were utilised by the Group as at 31 March 2009 and 31 March 2008.

The management believes that the existing financial resources will be sufficient to meet existing and future expansion plans and, if necessary, the Group will be able to obtain additional financing with favourable terms. There is no material effect of seasonality on the Group's borrowing requirements.

As at 31 March 2009, the Group's gearing ratios represented by total liabilities as a percentage of the Group's total assets amounted to 15.2% (31 March 2008: 15.8%).

Foreign Exchange Risk Management

The Group has transactional currency exposures. Such exposures arise from substantial portion of sales or purchases by operating units in US dollars and RMB. The Group is exposed to foreign exchange risk arising from the exposure of RMB and US dollars. As the foreign currency risks generated from the sales and purchases can be set off with each other, the Group believes its exposure to exchange rate risk is minimal. It is the policy of the Group to continue maintaining the balance of its sales and purchases in the same currency.

The Group currently does not have a foreign currency hedging policy. However, the management monitors the foreign exchange exposures and will consider hedging the significant foreign currency exposures should the need arise.

Significant Investments

As at 31 March 2009, there was no significant investment held by the Group (31 March 2008: nil).

Material Acquisitions and Disposals

There was no material acquisition or disposal of subsidiaries and associated companies during the year ended 31 March 2009. Details of the acquisition of subsidiaries for the year ended 31 March 2008 are set out in note 28 to the financial statements for the year ended 31 March 2008.

Contingent Liabilities and Capital Commitments

As at 31 March 2009, the Group did not have any significant contingent liabilities (31 March 2008: nil).

The Group had the following capital commitments at the balance sheet date:

	As at 31 March 2009	As at 31 March 2008
	HK$'000	*HK$'000*
Contracted, but not provided for:		
Construction of a factory	**7,279**	9,403
Purchases of computer equipment	**799**	1,496
Purchases of machinery	**77**	-
	8,155	10,899

As at 31 March 2009, the Company has given corporate guarantees to banks to the extent of HK$106.0 million (31 March 2008: HK$106.0 million) for banking facilities granted to certain subsidiaries of the Company.

Employees and Remuneration Policies

As at 31 March 2009, the Group employed a total of approximately 6,400 employees including directors (31 March 2008: approximately 6,900). Total employee benefits expenses including directors' emoluments were HK$187.8 million for the year under review (31 March 2008: HK$160.3 million).

The employees including directors are remunerated based on their working performance, professional experiences and the prevailing industry practice. The Group also makes contributions to the statutory mandatory provident fund scheme and defined contribution retirement benefits scheme for the employees of the Group in Hong Kong and to the central pension scheme for the employees of the Group in the PRC.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

FINAL DIVIDEND

The Board has resolved to recommend a final dividend of HK12 cents per share (2008: HK10 cents) payable on 26 August 2009 to persons who are registered shareholders of the Company on 17 August 2009 subject to the approval of shareholders at the forthcoming annual general meeting. Together with the interim dividend of HK12 cents per share (2008: HK7 cents), the total dividend for the year ended 31 March 2009 is HK24 cents per share (2008: HK17 cents).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 12 August 2009 to 17 August 2009, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 11 August 2009.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2009, the Company had complied with the code provisions of the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), except for A.4.1 of the CG Code which stipulates that non-executive directors should be appointed for a specific term and subject to re-election. All the independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the articles of association of the Company. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those set out in the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of the Company's directors, the directors confirmed that they had complied with the required standard set out in the Model Code during the year.

AUDIT COMMITTEE

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 March 2009, including the accounting principles adopted by the Group.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (http://www.hkex.com.hk) and the Company (http://www.eaglenice.com.hk). The annual report for the year ended 31 March 2009 will be despatched to the shareholders and will be available on the aforesaid websites in due course.

On Behalf of the Board
Chung Yuk Sing
Chairman

Hong Kong, 2 July 2009

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Chung Yuk Sing (Chairman), Mr. Chen Hsiao Ying (Chief Executive Officer), Mr. Kuo Tai Yu and Ms. Chen Fang Mei, Christina and three independent non-executive directors, namely, Mr. Chan Cheuk Ho, Mr. Li Chi Chung and Mr. Cheng Yung Hui, Tony.