GLORIOUS SUN ENTERPRISES LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

Announcement of Results
For the year ended 31 December 2008

ANNUAL RESULTS

The Directors of Glorious Sun Enterprises Limited (the "Company") are pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2008 together with the comparative figures as follows:

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2008

	Notes	**2008** *HK$'000*	2007 *HK$'000*
REVENUE	*(4)*	**5,573,751**	4,783,880
Cost of sales		**(3,201,205)**	(2,716,523)
GROSS PROFIT		**2,372,546**	2,067,357
Other income and gains		**206,855**	212,187
Selling and distribution costs		**(1,492,676)**	(1,234,587)
Administrative expenses		**(643,202)**	(622,211)
Other expenses		**(30,792)**	(50,140)
Finance costs		**(15,916)**	(16,595)
		396,815	356,011
Gains on disposal and liquidation of investments, net		**6,231**	273,391
Impairment loss on an available-for-sale investment		**(214,396)**	-
OPERATING PROFIT		**188,650**	629,402
Share of profits and losses of:			
Jointly-controlled entities		**(5,139)**	(720)
Associates		**8,897**	9,707
PROFIT BEFORE TAX	*(5)*	**192,408**	638,389
Tax	*(6)*	**(94,386)**	(85,114)
PROFIT FOR THE YEAR		**98,022**	553,275
Attributable to:			
Ordinary equity holders of the Company		**84,718**	515,749
Minority interests		**13,304**	37,526
		98,022	553,275
DIVIDENDS	*(7)*	**181,266**	274,220
		HK cents	*HK cents*
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*(8)*		
Basic		**8.00**	48.72
Diluted		**8.00**	48.51

CONSOLIDATED BALANCE SHEET

At 31 December 2008

	Notes	2008 HK$'000	2007 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**917,081**	777,291
Investment properties		**51,111**	40,367
Prepaid land lease payments		**18,937**	17,863
Goodwill		**30,388**	38,612
Interests in jointly-controlled entities		**2,997**	18,706
Interests in associates		**124,922**	127,498
Available-for-sale investment		**49,871**	298,200
Financial asset at fair value through profit or loss		**-**	24,511
Deposit paid for purchase of a property		**11,430**	-
Deferred tax assets		**14,369**	18,434
Total non-current assets		**1,221,106**	1,361,482
CURRENT ASSETS			
Inventories		**844,223**	657,681
Trade and bills receivables	*(9)*	**522,602**	437,372
Prepayments, deposits and other receivables		**368,106**	278,868
Derivative financial instruments		**6,004**	6,736
Due from related companies		**3,609**	1,567
Financial asset at fair value through profit or loss		**23,337**	-
Equity investments at fair value through profit or loss		**-**	81,475
Pledged deposits		**3,388**	4,337
Cash and cash equivalents		**1,233,538**	1,280,776
Total current assets		**3,004,807**	2,748,812
CURRENT LIABILITIES			
Trade and bills payables	*(10)*	**706,293**	556,302
Other payables and accruals		**803,707**	757,821
Interest-bearing bank and other borrowings		**333,499**	267,447
Tax payable		**371,460**	311,091
Total current liabilities		**2,214,959**	1,892,661
NET CURRENT ASSETS		**789,848**	856,151
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,010,954**	2,217,633
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**953**	1,102
Long term loans from minority shareholders		**9,400**	9,400
Deferred tax liabilities		**19,512**	374
Total non-current liabilities		**29,865**	10,876
Net assets		**1,981,089**	2,206,757

CONSOLIDATED BALANCE SHEET (CONTINUED)

At 31 December 2008

	Note	**2008** *HK$'000*	2007 *HK$'000*
EQUITY			
Equity attributable to ordinary equity holders of the Company			
Issued capital		**105,941**	105,941
Reserves		**1,597,762**	1,716,279
Proposed dividends	*(7)*	**138,889**	235,613
		1,842,592	2,057,833
Minority interests		**138,497**	148,924
Total equity		**1,981,089**	2,206,757

NOTES

(1) Principal accounting policies and basis of preparation

These 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 (the "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 investment properties, certain buildings and certain financial assets, which have been measured at fair value. These financial statements are presented in Hong Kong dollars (HK$) and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

These financial statements have been reviewed by the Audit Committee of the Company.

The accounting policies and basis of preparation used in the preparation of the financial statements are the same as those adopted in preparing the audited financial statements for the year ended 31 December 2007 except for the new adoption of HKFRSs as disclosed in note 2 below.

(2) Impact of new and revised Hong Kong Financial Reporting Standards

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's 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 11	*HKFRS 2 - Group and Treasury Share Transactions*
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*

The adoption of these new interpretations and amendments has had no financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

(3) Impact of issued but not yet effective Hong Kong Financial Reporting Standards

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 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]

(3) Impact of issued but not yet effective Hong Kong Financial Reporting Standards (continued)

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* [5]
HK(IFRIC)-Int 13	*Customer Loyalty Programmes* [3]
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* [4]
HK(IFRIC)-Int 17	*Distribution of Non-cash Assets to Owners* [2]
HK(IFRIC)-Int 18	*Transfers of Assets from Customers* [6]

Apart from the above, the HKICPA has also 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 annual periods beginning on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

[1] *Effective for annual periods beginning on or after 1 January 2009*
[2] *Effective for annual periods beginning on or after 1 July 2009*
[3] *Effective for annual periods beginning on or after 1 July 2008*
[4] *Effective for annual periods beginning on or after 1 October 2008*
[5] *Effective for annual periods ending on or after 30 June 2009*
[6] *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.*

(4) Segment information

(a) Business segments

	Year ended 31 December 2008			
	Retail operations	**Export operations**	**Others**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Segment revenue:				
Sales to external customers	**4,449,461**	**876,690**	**247,600**	**5,573,751**
Other income and gains	**41,554**	**61,280**	**25,075**	**127,909**
Total	**4,491,015**	**937,970**	**272,675**	**5,701,660**
Segment results	**346,493**	**40,858**	**5,107**	**392,458**
Interest income and unallocated revenue				**78,946**
Unallocated expenses				**(58,673)**
Finance costs				**(15,916)**
Gains on disposal and liquidation of investments, net				**6,231**
Impairment loss on an available-for-sale investment				**(214,396)**
Share of profits and losses of:				
Jointly-controlled entities	**-**	**(139)**	**(5,000)**	**(5,139)**
Associates	**-**	**8,897**	**-**	**8,897**
Profit before tax				**192,408**
Tax				**(94,386)**
Profit for the year				**98,022**

	Year ended 31 December 2007			
	Retail operations	Export operations	Others	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:				
Sales to external customers	3,627,826	938,193	217,861	4,783,880
Other income and gains	44,776	67,522	20,208	132,506
Total	3,672,602	1,005,715	238,069	4,916,386
Segment results	279,479	61,981	8,960	350,420
Interest income and unallocated revenue				79,681
Unallocated expenses				(57,495)
Finance costs				(16,595)
Gains on disposal of investments, net				273,391
Impairment loss on an available-for-sale investment				-
Share of profits and losses of:				
Jointly-controlled entities	-	(739)	19	(720)
Associates	(5,743)	15,450	-	9,707
Profit before tax				638,389
Tax				(85,114)
Profit for the year				553,275

(4) Segment information (Continued)

(b) Geographical segments

	Year ended 31 December 2008						
	Mainland China	**Hong Kong**	**United States of America**	**Australia and New Zealand**	**Canada**	**Others**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Segment revenue:							
Sales to external customers	**3,427,721**	**126,680**	**628,234**	**1,119,656**	**69,568**	**201,892**	**5,573,751**

	Year ended 31 December 2007						
	Mainland China	Hong Kong	United States of America	Australia and New Zealand	Canada	Others	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:							
Sales to external customers	2,642,498	108,477	782,102	1,069,371	60,974	120,458	4,783,880

(5) Profit before tax

Profit before tax is arrived at after charging/(crediting) :

	2008	2007
	HK$'000	*HK$'000*
Depreciation	**184,370**	163,013
Recognition of prepaid land lease payments	**477**	403
Reversal of provision for loans to associates	**-**	(11,791)
Impairment/(reversal of impairment) of items of property, plant and equipment	**1,720**	(747)
Loss on disposal/write-off of items of property, plant and equipment	**12,544**	9,826
Reversal of revaluation deficit on buildings	**(3,844)**	-
Fair value (gains)/losses, net:		
Investment properties	**(4,824)**	(2,421)
Equity investments at fair value through profit or loss	**-**	8,240
Derivative financial instruments - transactions not qualifying as hedges	**(6,501)**	(12,038)
Financial asset at fair value through profit or loss	**1,174**	(1,171)
	(10,151)	(7,390)
(Gains)/losses on disposal and liquidation of investments, net:		
Gain on disposal of equity investments	**(13,383)**	(5,172)
Gain on disposal of a subsidiary	**-**	(2,533)
Gain on disposal of an associate	**-**	(265,686)
Loss on liquidation of an associate	**631**	-
Loss on disposal of jointly-controlled entities	**1,930**	-
Loss on liquidation of jointly-controlled entities	**4,591**	-
	(6,231)	(273,391)
Bank interest income	**(28,647)**	(35,376)

(6) Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 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 December 2008. 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.

	2008	2007
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**6,308**	14,288
Overprovision in prior years	**(914)**	(113)
Current – Elsewhere	**87,421**	70,383
Deferred	**1,571**	556
Total tax charge for the year	**94,386**	85,114

(7) Dividends

	2008	2007
	HK$'000	*HK$'000*
Interim – HK4.00 cents (2007: HK3.55 cents) per ordinary share	**42,377**	37,609
Underaccrual of final dividend of previous year	**-**	998
	42,377	38,607
Proposed final – HK13.11 cents (2007: HK12.24 cents) per ordinary share	**138,889**	129,672
Proposed special – Nil (2007: HK10.00 cents) per ordinary share	**-**	105,941
	138,889	235,613
	181,266	274,220

(8) Earnings per share attributable to ordinary equity holders of the Company

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company of HK$84,718,000 (2007: HK$515,749,000) and the weighted average number of 1,059,414,000 (2007: 1,058,530,000) ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company of HK$84,718,000 (2007: HK$515,749,000). The weighted average number of ordinary shares used in the calculation is the 1,059,414,000 (2007: 1,058,530,000) of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of 19,000 (2007: 4,680,000) ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

(9) Trade and bills receivables

The trade and bills receivables include trade receivables of HK$318,882,000 (2007: HK$283,857,000) and bills receivables of HK$ 203,720,000 (2007: HK$153,515,000). The bills receivables aged less than four months at the balance sheet date for the year. An aged analysis of the trade receivables as at the balance sheet date, based on the payment due date and net of impairment, is as follows:

	2008	2007
	HK$'000	*HK$'000*
Current	**226,770**	197,820
Less than 4 months	**79,068**	67,000
4 to 6 months	**10,077**	12,703
Over 6 months	**2,967**	6,334
	318,882	283,857

The Group allows an average credit period of 45 days to its trade customers.

(10) Trade and bills payables

The trade and bills payables include trade payables of HK$632,016,000 (2007: HK$519,751,000). An aged analysis of the trade payables is as follows:

	2008	2007
	HK$'000	*HK$'000*
Less than 4 months	**621,955**	507,449
4 to 6 months	**6,286**	6,029
Over 6 months	**3,775**	6,273
	632,016	519,751

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

(11) Comparative amounts

Certain comparative amounts have been reclassified to conform with the current year's presentation. The directors consider that such reclassifications will allow a more appropriate presentation of the Group's state of affairs and better reflect the nature of the transactions.

DIVIDEND

The Directors have resolved to recommend the payment of a final dividend of HK13.11cents (2007: HK12.24 cents) per share for the year ended 31 December 2008 at the forthcoming annual general meeting to be held on Friday, 5 June 2009. The final dividend amounting to HK$138,889,000, if approved by the shareholders, are expected to be paid on or around Monday, 15 June 2009 to those shareholders whose names appear on the register of members of the Company on Friday, 5 June 2009. No special dividend (2007: HK10.00 cents) for the year ended 31 December 2008 is proposed.

GROUP RESULTS

The intensification of US sub-prime crisis in 2007 triggered off the global financial tsunami in the year under review. In this financial catastrophe, financial systems in the Euro Region and US nearly slipped over the edge. "Credit Crunch" pulled down the stock markets and assets price drastically. Global economic development was thus trapped into recession. Under such tough environment, the Group still managed to grow its core business healthily. Operating profit from core business amounted to HK$396,815,000 (2007: HK$356,011,000) representing a year-on-year increase of 11.46%. It was attributed to the Management's strict adherence to the principle of prudent financial management and the strategy of focusing on retail business development. The current problems of soaring production costs and weakening of demand in export markets had been mitigated by the scaling down of the Group's production facilities in the past few years including the closure of those non-profitable overseas factories with no future prospect. In the period, "Credit Crunch" had not much of a direct impact to the Group and the adverse effect of the sluggish export markets was immaterial as it represented 15.73% of the Group's consolidated sales. In the period, retail operations, the Group's core business was still in the up-trend with turnover growth in double digits. As the Group has strategic holding of 9% equity in I.T Limited, a special provision of HK$214,396,000 had been made by reason of marking its I.T stock holding to its market price. Apart from this, the Group did not have any other financial asset investments and thus no provision had to be made.

In the year under review, the Group's overall financial position remained solid with inventory kept at healthy level. As at 31 December 2008, the Group's consolidated net cash was HK$902,474,000 (2007: HK$1,016,564,000). During the financial year, the Group's consolidated sales rose to HK$5,573,751,000 (2007: HK$4,783,880,000) and the profit before net gains on disposal and liquidation of investments and impairment loss on an available-for-sale investment amounted to HK$396,815,000 (2007: HK$356,011,000) representing an increase of 16.51% and 11.46% respectively. The net profit attributable to shareholders after those special items for this financial year was HK$84,718,000 (2007: HK$515,749,000) representing a drop of 83.57%

REVIEW OF BUSINESSES

Retailing

In the financial year, the retail market in the Mainland was quite complicated. In the first part of the year, retail sentiment was still resilient despite the major natural disasters and the surge of operational costs. In the second half of the year, the financial tsunami dismayed the market and intensified the pressure as competitors dumped their inventory in the market with aggressive markdowns. In Australia and New Zealand, the weakening of the local currencies pushed up the cost of goods sold. Notwithstanding the above, the Group managed to maintain its margin and increase its market share, which was reflected in its double-digit growth of its turnover. In the period, the days of inventory turnover was maintained at healthy level.

The Group's retail network has stretched out from Mainland China and Australia to New Zealand, Hong Kong, Macau, the Middle East as well as Vietnam. There were a total of 2,321 retail shops at year end 2008 (2007: 1,940), of which 1,126 (2007: 920) were operated under franchise arrangements. For the financial year under review, the Group's aggregate sales from its retail operations amounted to HK$4,449,461,000 (2007: HK$3,627,826,000), representing a year-on-year increase of 22.65%. Contribution from its retail operations to the Group's consolidated sales had increased to 79.83% from 75.83% recorded in the corresponding period in the previous year.

1. The PRC

i. Jeanswest

The brand name "Jeanswest" remained the Group's flagship business in Mainland China. Although the snowstorm severely hit the southern part of the Mainland at the beginning of the year under review and the disastrous earthquake devastated the Wenchuan county of Sichuan province on 12 May, the Group did not suffer much from the direct impacts of these natural disasters. The overall retail sentiment though was affected to a certain extent. In the later part of the year, especially in the fourth quarter, the retail market was hit by the global financial tsunami and became sluggish. Competitors wanted to lower their inventory levels and dumped their products in the market by substantial mark-downs. Thanks to the effort and resources deployed by the Management in recent years in up-lifting the front store services and up-grading the co-ordination system in operations especially in the supply chain management, Jeanswest could adjust its marketing strategy to cope with the challenges in such a tough market situation. Attributed also to Jeanswest brand image and its product design which were well received by the market, the Group's retail business could still perform satisfactorily. In the period, Jeanswest was awarded various prizes including "The Most Competitive Brand in Casual Wears", "2007 Top 10 Innovative Apparel Brands in Marketing", "The Most Valuable Top 500 Asian Brands" and "2007/2008 The Most Popular Apparel Brand in The PRC".

In the year under review, turnover of PRC retails lifted by 28.94% to HK$3,335,253,000 (2007: HK$2,586,630,000), representing 59.84% of the Group's consolidated sales. As at 31 December 2008, Jeanswest operated 2,008 stores (2007: 1,667) covering 250 cities in the Mainland, among which 1,069 (2007: 899) were under franchise arrangements.

ii. *Quiksilver Glorious Sun*

In the period under review, Quiksilver Glorious Sun continued to grow after it turned profitable in the previous year. The total number of directly managed stores increased to 36 from the previous 33. Stores under franchise arrangements also expanded to 25 from 15 in this year. The shop layouts of all the new stores were in line with the latest design concept of Quiksilver shops in Europe and US. Quiksilver Glorious Sun retail network in the Mainland extended from Shanghai and Beijing to Suzhou, Hangzhou, Wenzhou, Wuxi and Ningbo. Total turnover in the year under review surpassed the level of HK$200 millions representing an increase of more than 30% when compared with the previous year.

2. Australia and New Zealand

In the year under review, the retail markets in New Zealand and Australia were not buoyant. The depreciation of the local currencies further pushed up the product costs. Retailers were confronted with a tough environment. Attributed to the popular Jeanswest brand name and the agile marketing strategy adopted by the front line management, Jeanswest was able to keep the growth momentum in local dollar terms and out-performed its peers.

For the financial year, sales in Australia and New Zealand markets amounted to HK$1,114,209,000 (2007: HK$1,041,195,000) translating into a 7.01% year-on-year increase. As at the end of 2008, Jeanswest operated a network of 226 stores (2007: 225) in Australia and New Zealand, among which 6 (2007: 6) were under franchise arrangements.

3. Overseas Franchise Operations

In the period, Jeanswest extended 26 chain-stores to the Middle East and Vietnam, all of which were under franchise arrangements. Although its operation scale at the present stage was insignificant, the market responses were nonetheless encouraging.

Export

For all exporters, the year under review was a very difficult one. In the first half of the year, the Group's export to US market was waning while production costs were ever increasing. Margin was thus under enormous pressure. The global financial tsunami in the second half of the year made the situation even worse. In the period, sales from export operations contributed only 15.73% of the Group's consolidated sales. Thus the negative impact on the Group's overall results was still controllable.

For the financial year, the Group's sales from exports amounted to HK$876,690,000 (2007: HK$938,193,000), slipped 6.56% from last year.

Other Businesses

Trading of fabric remained the principal activity of the Group's other businesses, which contributed aggregate sales of HK$247,600,000 (2007: HK$217,861,000), representing a growth of 13.65% year-on-year.

FINANCIAL POSITION

The Group's financial position remained solid. As mentioned earlier, the Group's net cash and inventory level were kept at healthy level in the year under review. In 2008, the Group had entered into foreign currency forward contracts to hedge its exposure to foreign currency risks in respect of the Australian dollars.

HUMAN RESOURCES

As at 31 December 2008, the Group employed about 30,000 employees (2007: 30,000). The Group offered competitive remuneration packages to them. In addition, bonus and share options may be granted based on the Group's results and individual performance from time to time.

SOCIAL RESPONSIBILITY

The Group is a firm believer that a business organization should take up social responsibilities while pursuing profit enhancement. Adhering to stringent environmental protection policies and regulations, the Group also made direct contributions to the society. During the financial year, a series of charity sales were held in Jeanswest stores as our participation in the relief activities to help those affected by the earthquake in Sichuan province. Jeanswest University Students Sponsorship in the year under review had financed 1,488 university students to complete their college education. The Group also enthusiastically participated the activities of Race to Feed 2008 organized by Heifer International, and Jeanswest Hope Teachers Program to provide teaching staff to those under developed area in the PRC. In the period, Jeanswest was named "The 2008 Pioneer of Promotion of Livelihood in China" and granted with the "2008 Chinese Charity Award".

PROSPECTS

Under the influence of the current financial tsunami, most of the governments endeavor in launching out multifarious stimulus packages to mitigate losses and to jump-start their respective economies. Looking forward to the ensuing year, the management expects a difficult year ahead. The development strategy for the year of 2009 reflects the cautious and prudent attitude of the Management with the objective of steering the Group away from high risks by focusing on its core business. In the Mainland, the economic developments being bolstered by the four trillion RMB stimulus package by the PRC Government may be not so bumpy in the ensuing year. The "Credit Crunch" has already been eased. However, uncertainty still prevails, retail sentiment inevitably cannot be expected as good as last year. Therefore, the Management commits to achieving the same target as the previous year.

The Australian and New Zealand operations will focus on brand building and further improvement in inventory management and in marketing versatility hoping to out-perform the peers. Regarding the export businesses, the Management will endeavor in cost control and efficiency up-lift to enhance the competitiveness. The Group is looking for better performance once the market begins to recover from the present tough environment.

Barring unforeseen circumstances, the Management has confidence that the Group will continue to bring reasonable returns to its shareholders in 2009.

ANNUAL GENERAL MEETING

The annual general meeting of the Company for the year 2009 will be held on Friday, 5 June 2009. For details of the annual general meeting, please refer to the notice of annual general meeting of the Company which is expected to be published on the websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (www.hkexnews.hk) and the Company (www.glorisun.com) on or around Tuesday, 28 April 2009.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 2 June 2009 to Friday, 5 June 2009, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 1 June 2009.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange throughout the year ended 31 December 2008, with deviation from code provision A.4.2 of the Code in respect of rotation of directors.

Under the code provision A.4.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

In accordance with bye-law 110(A) of the Bye-laws of the Company, Dr. Charles Yeung, SBS, JP, the executive Chairman of the Board of Directors of the Company (the "Board"), shall not be subject to retirement by rotation. The Board considers that this deviation is well-founded as Dr. Charles Yeung, SBS, JP, being the founder of the Group, has a wealth of experience which is essential to the Board and helps the continued stability of the Company's business. Hence, he is eligible for being the Chairman of the Board during his lifetime and need not be subject to retirement by rotation. However, in view of good corporate governance practices, at the forthcoming annual general meeting of the Company, Dr. Charles Yeung, SBS, JP, will voluntarily retire from his office and will offer himself for re-election notwithstanding that he is not required to do so by the Company's Bye-laws. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

APPRECIATION

The Board would like to take this opportunity to express its sincere appreciation to the shareholders for their support, and to the Management and staff for their dedicated efforts.

By Order of the Board
Dr. Charles Yeung, SBS, JP
Chairman

Hong Kong, 22 April 2009

As at the date of this announcement, the directors of the Company are as follows:

Executive Directors:
Dr. Charles Yeung, SBS, JP, Mr. Yeung Chun Fan, Mr. Yeung Chun Ho, Mr. Pau Sze Kee, Jackson, Mr. Hui Chung Shing, Herman, JP, Ms. Cheung Wai Yee and Mr. Chan Wing Kan, Archie

Independent Non-Executive Directors:
Mr. Wong Man Kong, Peter, BBS, JP, Mr. Lau Hon Chuen, Ambrose, GBS, JP and Mr. Chung Shui Ming, Timpson, GBS, JP

Non-Executive Director:
Dr. Lam Lee G.