MOISELLE

MOISELLE INTERNATIONAL HOLDINGS LIMITED

慕詩國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 130)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2012

ANNUAL RESULTS

The board of directors (the "Board") of Moiselle International Holdings Limited (the "Company") announces that the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2012 with comparative figures for the previous corresponding year are as follows:

CONSOLIDATED INCOME STATEMENT

	Note	**2012** *HK\$'000*	2011 *HK\$'000*
Turnover	3	**455,718**	486,088
Cost of sales		**(85,584)**	(90,220)
Gross profit		**370,134**	395,868
Other revenue	5	**5,644**	3,235
Other net income	5	**291**	873
Selling and distribution costs		**(254,059)**	(247,820)
Administrative and other operating expenses		**(72,564)**	(64,508)
Profit from operations		**49,446**	87,648
Finance costs		**(1)**	(1)
Valuation gains on investment properties		**3,790**	5,000
Share of profit/(loss) of a jointly controlled entity		**255**	(179)
Gain on disposal of property	6	**65,516**	–
Profit before taxation	7	**119,006**	92,468
Income tax	8	**(11,856)**	(13,910)
Profit for the year		**107,150**	78,558
Attributable to:			
Equity shareholders of the Company		**107,150**	78,558
Earnings per share	9		
Basic		**HK\$0.38**	HK\$0.28
Diluted		**HK\$0.38**	HK\$0.28

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2012	2011
	HK$'000	*HK$'000*
Profit for the year	**107,150**	78,558
Other comprehensive income for the year (after tax)		
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong	**7,134**	10,694
Surplus on revaluation of land and buildings held for own use	**28,719**	71,544
	35,853	82,238
Total comprehensive income for the year	**143,003**	160,796
Attributable to:		
Equity shareholders of the Company	**143,003**	160,796

CONSOLIDATED BALANCE SHEET

		31 March 2012		31 March 2011	
	Note	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*
Non-current assets					
Fixed assets					
– Investment properties			**29,010**		25,220
– Other fixed assets			**373,457**		343,506
			402,467		368,726
Interest in a jointly controlled entity			**–**		–
Other assets			**12,915**		50,096
Deferred tax assets			**8,972**		6,793
			424,354		425,615
Current assets					
Inventories		**49,499**		63,193	
Trade and other receivables	11	**54,451**		49,349	
Tax recoverable		**1,065**		334	
Cash and bank deposits		**267,908**		170,661	
		372,923		283,537	
Current liabilities					
Trade and other payables	12	**54,322**		57,121	
Tax payable		**12,112**		9,921	
		66,434		67,042	
Net current assets			**306,489**		216,495
Total assets less current liabilities			**730,843**		642,110
Non-current liabilities					
Deferred tax liabilities			**50,242**		43,471
NET ASSETS			**680,601**		598,639
Capital and reserves					
Share capital			**2,880**		2,822
Reserves			**677,721**		595,817
TOTAL EQUITY			**680,601**		598,639

Notes:

1. Basis of preparation

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual 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. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- HKAS 24 (revised 2009), *Related party disclosures*

- Improvements to HKFRSs (2010)

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The impacts of the above are discussed below:

- HKAS 24 (revised 2009) revises the definition of a related party. As a result, the Group has re-assessed the identification of related parties and concluded that the revised definition does not have any material impact on the Group's related party disclosures in the current and previous period. HKAS 24 (revised 2009) also introduces modified disclosure requirements for government-related entities. This does not impact the Group because the Group is not a government-related entity.

- *Improvements to HKFRSs (2010)* omnibus standard introduces a number of amendments to the disclosure requirements in HKFRS 7, *Financial instruments: Disclosures*. These amendments do not have any material impact on the classification, recognition and measurements of the amounts recognised in the financial statements in the current and previous periods.

3. Turnover

The principal activities of the Group are the design, manufacture, retail and wholesale of fashion apparel and accessories.

Turnover represents the invoiced value of goods sold, excluding value added tax and net of trade discounts.

4. Segment reporting

The Group manages its businesses by geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

– The Hong Kong operation represents the sales of house brands and imported brands in Hong Kong.

– The Outside Hong Kong operation represents the manufacture of house brands in Mainland China and sales of house brands and imported brands in Mainland China, Macau, Taiwan and Singapore.

(a) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, assistance provided by one segment to another, including sharing of assets, is not measured.

The measure used for reportable segment profit is profit from operations. Income tax is not allocated to reportable segments.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year ended 31 March 2012 is set out below:

	Hong Kong		**Outside Hong Kong**		**Total**	
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue from external customers	**223,592**	239,323	**232,126**	246,765	**455,718**	486,088
Inter-segment revenue	**30,189**	42,141	**32,271**	37,207	**62,460**	79,348
Reportable segment revenue	**253,781**	281,464	**264,397**	283,972	**518,178**	565,436
Reportable segment profit	**28,131**	43,843	**15,380**	39,697	**43,511**	83,540
Interest income from bank deposits	**704**	223	**2,911**	1,453	**3,615**	1,676
Finance costs	**(1)**	(1)	**–**	–	**(1)**	(1)
Depreciation for the year	**(9,265)**	(6,629)	**(14,665)**	(12,905)	**(23,930)**	(19,534)
Impairment of						
– trade receivables	**–**	–	**–**	(302)	**–**	(302)
– fixed assets	**(1,857)**	(169)	**(1,779)**	–	**(3,636)**	(169)

(b) Reconciliation of reportable segment profit or loss

	2012	2011
	HK$'000	*HK$'000*
Revenue		
Total revenue from reportable segments	**518,178**	565,436
Elimination of inter-segment revenue	**(62,460)**	(79,348)
Consolidated revenue	**455,718**	486,088
Profit		
Reportable segment profit	**43,511**	83,540
Other revenue and net income	**5,935**	4,108
Finance costs	**(1)**	(1)
Valuation gains on investment properties	**3,790**	5,000
Share of profit/(loss) of a jointly controlled entity	**255**	(179)
Gain on disposal of property	**65,516**	–
Consolidated profit before taxation	**119,006**	92,468

(c) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's fixed assets and a jointly controlled entity ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, and the location of operations, in the case of interest in a jointly controlled entity.

	Revenues from external customers		**Specified non-current assets**	
	2012	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong (place of domicile)	**223,592**	239,323	**293,007**	262,286
Mainland China	**158,826**	183,901	**104,858**	103,177
Taiwan	**40,684**	36,022	**764**	988
Other countries	**32,616**	26,842	**3,838**	2,275
	232,126	246,765	**109,460**	106,440
	455,718	486,088	**402,467**	368,726

5. Other revenue and net income

	2012	2011
	HK$'000	*HK$'000*
Other revenue		
Interest income from bank deposits	**3,615**	1,676
Gross rental income from investment properties	**689**	640
Service fee income	**803**	600
Sundry income	**537**	319
	5,644	3,235
Other net income		
Net gain on disposal of fixed assets	**320**	563
Net exchange (loss)/gain	**(29)**	310
	291	873

6. Gain on disposal of property

On 16 June 2011, the Group entered into a binding provisional agreement for sale and purchase for the disposal of a property in Hong Kong at a consideration of HK$253,708,000. Further details in relation to the disposal were set out in the Company's announcement dated 17 June 2011 and the Company's circular dated 25 August 2011. The disposal was completed on 29 June 2011 and the gain on disposal of approximately HK$65,516,000 was arrived at based on the difference of the original purchase price of HK$187,495,000 and the consideration of disposal after the deduction of expenses.

7. Profit before taxation is arrived at after charging:

	2012	2011
	HK$'000	*HK$'000*
Interest on bank advances	**1**	1
Depreciation	**23,930**	19,534
Staff costs (excluding directors' remuneration)	**95,526**	87,132
Operating lease charges in respect of land and buildings	**153,740**	150,112

8. Income tax

	2012	2011
	HK$'000	*HK$'000*
Current tax – Hong Kong Profits Tax		
Provision for the year	**9,065**	5,729
Under-provision in respect of prior years	**5**	25
	9,070	5,754
Current tax – Outside Hong Kong		
Provision for the year	**6,345**	9,550
Over-provision in respect of prior years	**(732)**	–
	5,613	9,550
Deferred tax		
Origination and reversal of temporary differences	**(2,827)**	(1,394)
	11,856	13,910

The provision for Hong Kong Profits Tax for 2012 is calculated at 16.5% (2011: 16.5%) of the estimated assessable profits for the year. Taxation for the People's Republic of China ("PRC") and overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

In accordance with the relevant PRC corporate income tax laws, regulations and implementation guidance notes, the statutory income tax rate applicable to the Group's subsidiaries in Shenzhen changes from 15% to 25% progressively within five years from 1 January 2008 (2008: 18%; 2009: 20%; 2010: 22%; 2011: 24%; 2012: 25%). In addition, a subsidiary located in Shenzhen is entitled to enjoy a tax relief of a full reduction in the income tax rate for two years from 1 January 2007 and thereafter a 50% reduction in the income tax rate for the following three years.

During the year ended 31 March 2012, the applicable tax rates for subsidiaries domiciled in Taiwan and Singapore are 17% (2011: 17%) and 17% (2011: 17%) respectively.

The Group is subject to withholding tax at a rate of 10% (unless reduced by treaty) on distribution of profits generated after 31 December 2007 from the Group's foreign-invested enterprises in the PRC. As all of the Group's foreign-invested enterprises are directly and wholly owned by Hong Kong incorporated subsidiaries, a reduced rate of 5% is applicable in the calculation of this withholding tax. Deferred tax liabilities of HK$10,087,000 (2011: HK$8,514,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits since these earnings are not intended to be distributed in the foreseeable future.

9. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK$107,150,000 (2011: HK$78,558,000) and the weighted average number of 282,209,000 (2011: 282,055,000) ordinary shares in issue during the year, calculated as follows:

Weighted average number of ordinary shares

	2012	2011
	'000	*'000*
Issued ordinary shares at beginning of the year	**282,130**	282,030
Effect of share options exercised	**79**	25
Weighted average number of ordinary shares at end of the year	**282,209**	282,055

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK$107,150,000 (2011: HK$78,558,000) and the weighted average number of 284,857,000 (2011: 284,423,000) ordinary shares calculated as follows:

Weighted average number of ordinary shares (diluted)

	2012	2011
	'000	*'000*
Weighted average number of ordinary shares at 31 March	**282,209**	282,055
Effect of deemed issue of ordinary shares under the Company's share option scheme for nil consideration	**2,648**	2,368
Weighted average number of ordinary shares (diluted) as at 31 March	**284,857**	284,423

10. Dividends

The Board recommended the payment of a final dividend of 12 Hong Kong cents (2011: 13 Hong Kong cents) per ordinary share in respect of the year, payable on or before 30 August 2012 in cash to all shareholders whose names appear on the register of members of the Company at the close of business on 23 August 2012.

(a) Dividends payable to equity shareholders of the Company attributable to the year

	2012	2011
	HK$'000	*HK$'000*
Interim dividend declared and paid of 5 Hong Kong cents per ordinary share (2011: 4 Hong Kong cents per ordinary share)	**14,107**	11,285
Special dividend declared and paid of 6 Hong Kong cents per ordinary share (2011: Nil)	**16,927**	–
Final dividend proposed after the balance sheet date of 12 Hong Kong cents per ordinary share (2011: 13 Hong Kong cents per ordinary share)	**34,552**	36,677
	65,586	47,962

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2012	2011
	HK$'000	*HK$'000*
Final dividend in respect of the previous financial year, approved and paid during the year, of 13 Hong Kong cents per share (2011: 10 Hong Kong cents per share)	**36,677**	28,203

11. Trade and other receivables

	2012	2011
	HK$'000	*HK$'000*
Trade debtors	**19,234**	22,066
Deposits, prepayments and other receivables	**35,217**	27,283
	54,451	49,349

Included in trade and other receivables are trade debtors (net of allowance for doubtful debts) with the following ageing analysis as of the balance sheet date:

	2012	2011
	HK$'000	*HK$'000*
Outstanding balances aged:		
Within 30 days	**14,736**	13,843
Between 31 to 90 days	**3,979**	7,631
Between 91 to 180 days	**511**	410
Between 181 to 365 days	**8**	182
	19,234	22,066

Trade debtors are due within 30 to 90 days from the date of billing.

12. Trade and other payables

	2012	2011
	HK$'000	*HK$'000*
Trade payables	**4,138**	5,178
Other creditors and accrued charges	**50,184**	51,943
	54,322	57,121

Included in trade and other payables are trade creditors with the following ageing analysis as of the balance sheet date:

	2012	2011
	HK$'000	*HK$'000*
Outstanding balances aged:		
Within 30 days	**3,353**	3,598
Between 31 to 90 days	**531**	1,072
Over 90 days	**254**	508
	4,138	5,178

REVIEW OF OPERATIONS

In Hong Kong, the Group operated 15 *MOISELLE*, 4 *mademoiselle* and 2 *imaroon* (2011: 15 *MOISELLE*, 3 *mademoiselle* and 2 *imaroon*) retail stores as at 31 March 2012. The Group also maintained one retail store for the newly launched brand, *GERMAIN*, at Matheson Street, Causeway Bay during the year. The four brands were separately managed with each having its own distinctive target customers. The design teams for each brands worked out their own collections and image stories from different creative sources of fashion trends. The Group's retail operations, however, were managed to pursuit for objectives in the most effective and efficient manner.

Two (2011: two) stores of *MOISELLE* were maintained during the year in Macau. One *mademoiselle* and one *COCCINELLE* stores were newly opened during the year. With the increased tourists traveling to and expatriates staying in Macau, the demand of prestigious fashion apparel and accessories products was expected to grow and the Group had continued to introduce more attractive and valuable fashionable products into the market.

At 31 March 2012, the Group operated in Taiwan market 14 *MOISELLE* stores (2011: 11) and 3 *mademoiselle* stores (2011: 5) in Taipei, Taoyuan, Hsinchu, Taichung, New Taipei, Chiayi and Tainan. With the expanded sales network in Taiwan, the Group had managed to continue to penetrate the Group's brands into various districts in Taiwan during the year.

In mainland China, the Group maintained its sales network under three house brands, *MOISELLE*, *mademoiselle* and *imaroon*, during the year. There were 57 *MOISELLE* stores (2011: 61) operating in the mainland China as at 31 March 2012. 38 (2011: 41) out of the 57 (2011: 61) stores were operated as consignment counters in the department stores and 14 (2011: 15) were retail shops. The remaining ones were operated by the franchisees. The sales network of *mademoiselle* was maintained in the mainland China region during the year. There were 9 (2011: 9) *mademoiselle* stores operating as at 31 March 2012. The continued adjustment in sales network aimed at capturing the most suitable locations in the competitive market and diverse cities in China. The multi-brand strategies had kept bringing competitive edge and synergy effects on the brand building and increase potential in the China fashion retail market.

The restructured network in the market of the mainland China region was expected to provide future growth opportunities to the Group and to increase the brand exposure in the major and second-tiers cities. Under the implementation of integrated marketing and visual merchandising strategies, activities in both Hong Kong and China regions had delivered and strengthened refreshed brand image and new look design concepts for products of *MOISELLE* during the year.

As at 31 March 2012, the Group operated one (2011: one) retail store of *COCCINELLE*, an Italian fashion accessories brand, at New Town Plaza, Shatin in Hong Kong. The retail store of *SEQUOIA*, a French fashion accessories brand, was maintained at the K11 shopping mall during the year which was operated by the jointly controlled entity of the Group. In mainland China, two (2011: one) *COCCINELLE* and one (2011: one) *SEQUOIA* stores were operated in the MIXC shopping mall, Hangzhou and Taikoo Hui, Guangzhou by the Group during the year.

As at 31 March 2012, the Group maintained one (2011: two) *REISS* store of the UK high street fashion brand in the mainland China in the MIXC shopping mall, Hangzhou. Besides, the Group maintained one (2011: one) retail store of *REISS* at the Elements shopping mall, Hong Kong.

By establishing retail stores in the shopping districts with high pedestrian flows, in addition to strategically launched marketing campaigns, the Group successfully expanded the brand mix and increased the brand equity of the brands under the Group. The broadened customer base also contributed to the increase in the brand awareness of both the house brands and the European brands operated by the Group.

FINANCIAL REVIEW

Overview

The Group's turnover decreased by approximately 6% to approximately HK$455,718,000 (2011: HK$486,088,000) during the year ended 31 March 2012 as compared with 2011. As the expansion of sales network in the mainland China had been limited by high competition of prime retail locations in major cities, overall performance of the region outside Hong Kong had decreased during the year under review. The revenue of the region outside Hong Kong decreased by approximately 6% to approximately HK$232,126,000 (2011: HK$246,765,000) during the year as a result. Despite this, the relatively stable markets outside Hong Kong had maintained the segment turnover ratio at approximately 51% which was the same as the year ended 31 March 2011.

The revenue earned from Hong Kong segment decreased by approximately 7% to approximately HK$223,592,000 (2011: HK$239,323,000) which was mainly due to the impact on the retail market by the global economic uncertainties during the second half of the financial year under review. Besides, the Group had decreased the development of retail business of certain European brand during the year which accounted for approximately 75% of such decrease in revenue from Hong Kong segment.

During the year under review, the Group's gross profit margin was approximately 81%, as compared to the same approximately 81% of the previous year. The gross profit margin was maintained due to the sustained brand image which could demand higher premium on the products sold during the year. Operating expenses for the year ended 31 March 2012 totaled approximately HK$326,623,000, compared to approximately HK$312,328,000 for 2011, increased by approximately 5%. The decrease in turnover and increase in operating expenses, mainly staff costs and rental expenses, had doubly resulted in decrease in overall operational efficiency and the operating margin became 11% (2011: 18%).

The profit for the year ended 31 March 2012 was approximately HK$107,150,000 (2011: HK$78,558,000), increased by approximately HK$28,592,000, 36%. Excluding the gain on disposal of property and related income tax, the profit for the year would be approximately HK$52,444,000, approximately 33% lower than last year. The decrease was in line with the decrease in operating margin.

Liquidity and financial resources

During the year, the Group financed its operations with internal generated cash flows. The Group adopts a prudent financial policy such that it can meet the financial obligations when they fall due and maintain a sufficient operating fund for the development of the Group's business. At the end of the year, the Group's aggregate fixed deposits and cash balances amounted to approximately HK$268 million (2011: HK$171 million). As at 31 March 2012, the Group maintained aggregate composite banking facilities of approximately HK$51 million (2011: HK$48 million) with various banks, of which approximately HK$5 million (2011: HK$15 million) were utilised.

The Group continues to enjoy healthy financial position. As at 31 March 2012, the current ratio (current assets divided by current liabilities) was approximately 5.6 times (2011: 4.2 times) and the gearing ratio (aggregate of bank borrowings and finance lease payables divided by shareholders' equity) was zero (2011: zero).

Contingent liabilities

As at 31 March 2012, the Company had contingent liabilities in relation to guarantees given to banks against facilities extended to certain wholly owned subsidiaries amounting to approximately HK$5 million (2011: HK$15 million).

During the year ended 31 March 2012, the Company has also issued a single guarantee to a supplier against obligations or sums payable for goods and services supplied to a wholly owned subsidiary. At 31 March 2012, such obligations amounted to HK$1 million (2011: HK$3 million).

OUTLOOK

The Group will continue to formulate focused strategies to increase its competitive edge and improve the market potential of its products. Refreshed images and new styling for *MOISELLE* brand products will be launched and target at both existing and potential customers. The Group also continues to raise the customer service standards so that customers can enjoy the valuable shopping experience in the Group's retail outlets.

New *GERMAIN* store in Beijing, China and new *MOISELLE* store in Tsimshatsui, Hong Kong have been opened after the year end, representing the Group's expansion in these markets. The European brand, *SEQUOIA*, has also just opened new store in Hong Kong this month.

The Group will also take the growth in economy in mainland China as future focus in business development. Despite the economic fluctuations in the short term, the long term development of the China economy is considered contributory to positive returns to the Group's brand investments. The Group is going to strengthen its sales network in existing cities so as to achieve increased market penetration in the country.

The Group will continue to enhance the brand equity under the multiple brand strategy. In addition, the Group will keep on refining the brand images of each brand under the Group. The Group will also allocate resources in developing overseas markets in order to gain more potential customers in future.

EMPLOYEES

As at 31 March 2012, the Group employed 964 (2011: 1,023) employees mainly in Hong Kong and the PRC. Salaries of employees are maintained at competitive levels while bonuses are granted on a discretionary basis. Other employee benefits include mandatory provident fund, statutory and medical insurance cover, training programmes and a share option scheme.

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

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the year.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions listed in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the year ended 31 March 2012. The only exception is that Mr. Chan Yum Kit is the chairman of the Board and also assumes the role of the chief executive officer. The Board considers that the current management structure ensures consistent leadership and optimal efficiency for the operation of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors have complied with the required standards set out in the Model Code throughout the year ended 31 March 2012.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises three independent non-executive directors of the Company.

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and the consolidated financial statements of the Group for the year ended 31 March 2012.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 21 August 2012 to 23 August 2012 (both days inclusive) and during which period no transfer of shares will be effected.

In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates should be lodged with the Company's branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 20 August 2012.

By Order of the Board
Chan Yum Kit
Chairman

Hong Kong, 28 June 2012

As at the date of this announcement, the Company's executive directors are Mr. Chan Yum Kit, Ms. Tsui How Kiu, Shirley, Mr. Chui Hing Yee and Mr. Chan Sze Chun, and independent non-executive directors are Ms. Yu Yuk Ying, Vivian, Mr. Chu Chun Kit, Sidney and Ms. Wong Shuk Ying, Helen.