Win Hanverky Holdings Limited
永嘉集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 3322)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

FINANCIAL HIGHLIGHTS

	2012	2011	*Change*
	HK$'000	*HK$'000*	*%*
Revenue	**3,077,258**	3,199,934	-3.8%
Operating profit/(loss)	**124,556**	(2,952)	
Operating profit (excluding impairment loss on intangible assets)	**124,556**	109,048	+14.2%
Profit attributable to equity holders (excluding impairment loss on intangible assets and discontinued operations)	**141,424**	111,051	+27.4%
Basic EPS (HK cents) (excluding impairment loss on intangible assets and discontinued operations)	**11.1**	8.7	+27.6%
Dividends (HK cents)			
— Interim	**3.0**	5.0	
— Final (proposed)	**4.0**	3.0	+33.3%
	7.0	8.0	

OPERATION HIGHLIGHTS

Strong net cash position of HK$964.3 million (31 December 2011: HK$805.9 million)

The board of directors (the "**Board**" or "**Directors**") of Win Hanverky Holdings Limited (the "**Company**") is pleased to present the audited consolidated results of the Company and its subsidiaries (together the "**Group**") for the year ended 31 December 2012, together with the comparative amounts for 2011 and the relevant explanatory notes, as follows:

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 HK$'000	2011 HK$'000
Continuing operations			
Revenue	3	**3,077,258**	3,199,934
Cost of sales		**(2,397,033)**	(2,504,545)
Gross profit		**680,225**	695,389
Selling and distribution costs		**(166,934)**	(180,527)
General and administrative expenses		**(416,264)**	(529,919)
Other income	4	**28,821**	2,226
Other (losses)/gains — net	5	**(1,292)**	9,879
Operating profit/(loss)		**124,556**	(2,952)
Finance income		**27,144**	13,409
Finance costs		**(2,330)**	(1,523)
Finance income — net		**24,814**	11,886
Share of profits/(losses) of associates		**4,249**	(349)
Profit before income tax		**153,619**	8,585
Income tax expense	6	**(42,353)**	(29,529)
Profit/(loss) from continuing operations		**111,266**	(20,944)
Discontinued operations			
Profit from discontinued operations	7	**8,761**	161,627
Profit for the year		**120,027**	140,683
Attributable to:			
Equity holders of the Company		**150,185**	230,196
Non-controlling interests		**(30,158)**	(89,513)
		120,027	140,683
Earnings per share from continuing operations and discontinued operations attributable to the equity holders of the Company during the year (expressed in HK cents per share)	8		
— basic		**11.8**	18.1
— diluted		**11.8**	18.1
Dividends	9	**88,788**	101,472

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	HK$'000	*HK$'000*
Profit for the year	**120,027**	140,683
Other comprehensive income		
Share of other comprehensive income of associates	**773**	1,252
Currency translation differences	**4,948**	22,657
Total comprehensive income for the year	**125,748**	164,592
Total comprehensive income attributable to:		
Equity holders of the Company	**155,577**	251,590
Non-controlling interests	**(29,829)**	(86,998)
	125,748	164,592
Total comprehensive income attributable to equity holders of the Company from:		
Continuing operations	**146,816**	65,120
Discontinued operations	**8,761**	186,470
	155,577	251,590

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2012

	Note	**2012**	2011
		HK$'000	*HK$'000*
Non-current assets			
Land use rights		**19,226**	19,733
Property, plant and equipment		**628,914**	580,337
Intangible assets	*10*	**60,538**	61,946
Interests in associates		**38,032**	33,010
Deferred income tax assets		**10,827**	12,194
Financial assets at fair value through profit or loss	*13*	**33,354**	31,790
Loans to an associate	*13*	**173,493**	107,245
Non-current deposits		**24,703**	—
		989,087	846,255
Current assets			
Inventories		**450,999**	638,677
Trade and bills receivable	*11*	**325,697**	436,552
Current income tax recoverables		**827**	2,560
Deposits, prepayments and other receivables		**65,580**	86,829
Pledged bank deposits		**1,244**	1,839
Bank deposits with initial terms of over three months		**30,100**	10,016
Cash and cash equivalents		**946,565**	790,975
		1,821,012	1,967,448
Assets of disposal group and other non-current asset classified as held for sale	*7*	**25,447**	73,723
		1,846,459	2,041,171

CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2012

	Note	2012 HK$'000	2011 HK$'000
Current liabilities			
Trade and bills payable	*12*	**271,836**	353,232
Accruals and other payables		**281,250**	262,818
Current income tax liabilities		**45,961**	65,425
Borrowings		**12,396**	4,659
Loan from non-controlling shareholder of a subsidiary		**7,500**	7,500
		618,943	693,634
Liabilities of disposal group classified as held for sale	*7*	**6,070**	26,834
		625,013	720,468
Net current assets		**1,221,446**	1,320,703
Total assets less current liabilities		**2,210,533**	2,166,958
Non-current liabilities			
Deferred income tax liabilities		**10,939**	15,870
Net assets		**2,199,594**	2,151,088
Equity			
Capital and reserves attributable to equity holders of the Company			
Share capital		**126,840**	126,840
Reserves		**987,352**	981,676
Retained earnings			
— Proposed final dividends		**50,736**	38,052
— Others		**991,473**	930,360
		2,156,401	2,076,928
Non-controlling interests		**43,193**	74,160
Total equity		**2,199,594**	2,151,088

NOTES:

1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRS**"). These consolidated financial statements have been prepared under the historical cost convention, as modified by the available-for-sale financial assets and financial assets at fair value through profit or loss.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) The following amendments to standards are mandatory for the first time for the financial year beginning 1 January 2012.

- Amendment to HKFRS 7, 'Financial Instruments: Disclosures' on transfer of financial assets is effective for annual periods beginning on or after 1 July 2011. This is not currently applicable to the Group, as it has no transfer of financial assets.

- Amendment to HKFRS 1, 'First Time Adoption', on hyperinflation and fixed dates is effective for annual periods beginning on or after 1 July 2011. This is not relevant to the Group as the Group is not first-time adopter of financial statements.

- Amendment to HKAS 12, 'Income Taxes', on deferred tax is effective for annual periods beginning on or after 1 January 2012. This is not currently applicable to the Group, as it does not have investment properties.

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(b) The following new or revised standards, amendments and interpretations to standards have been issued but are not effective for the financial year beginning 1 January 2012 and have not been early adopted:

• HKAS 1 (Amendment)	Presentation of Items of Other Comprehensive Income
• HKAS 19 (Revised 2011)	Employee Benefits
• HKAS 27 (Revised 2011)	Separate Financial Statements
• HKAS 28 (Revised 2011)	Investments in Associates and Joint Ventures
• HKFRS 1 (Amendment)	Government Loans
• HKFRS 7 (Amendment)	Disclosures — Offsetting Financial Assets and Financial Liabilities
• HKFRS 9	Financial Instruments
• HKFRS 10	Consolidated Financial Statements
• HKFRS 11	Joint Arrangements
• HKFRS 12	Disclosures of Interests in Other Entities
• HKFRS 13	Fair Value Measurement
• HK (IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine
• Amendment to HKFRS 1	First Time Adoption on Government Loans
• Amendments to HKFRS 7 and HKFRS 9	Mandatory Effective Date of HKFRS 9 and Transition Disclosures
• Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
• Amendment to HKFRS 32	Financial Instruments: Presentation
• Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities
• HKFRSs (Amendment)	Annual Improvements 2009–2011 cycle

The Group will adopt the above new or revised standards, amendments and interpretations to existing standards as and when they become effective. The Group has already commenced the assessment of the impact to the Group and is not yet in a position to state whether these would have a significant impact on its results of operations and financial position.

3. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Executive Committee comprising the executive directors of the Company's Board of Directors. The Executive Committee reviews the Group's internal reporting in order to assess performance and allocate resources and report segment performance based on internal reporting.

The Executive Committee reviews the performance of the Group mainly from a business operation perspective. The Group is organised into two main business segments, namely (i) Manufacturing, and (ii) Distribution and Retail. The Manufacturing segment represents manufacturing of sportswear, golf and high-end fashion apparel, and active and outer wear, primarily under OEM arrangements to customers mainly in Europe, North America and Mainland China. The Distribution and Retail segment represents the distribution and retail of sportswear, footwear, accessories and sports equipment in Mainland China and Hong Kong. The discontinued operations represent the Umbro distribution business which was terminated on 30 June 2012 (Note 7(b)).

The Executive Committee assesses the performance of the operating segments based on a measure of operating results of each segment, which excludes the effects of non-recurring earnings and expenditures and finance income and finance costs in the result for each operating segment. Other information provided to the Executive Committee is measured in a manner consistent with that in the consolidated financial statements.

The segment results for the year ended 31 December 2012 are as follows:

	Manufacturing *HK$'000*	Distribution and retail *HK$'000*	Total continuing operations *HK$'000*	Total discontinued operations (Umbro distribution business) *HK$'000*	Total *HK$'000*
Total segment revenue	2,829,014	252,815	3,081,829	10,656	3,092,485
Inter-segment revenue	(4,571)	—	(4,571)	—	(4,571)
Revenue	**2,824,443**	**252,815**	**3,077,258**	**10,656**	**3,087,914**
Operating profit (loss)/segment results	**175,888**	**(51,332)**	**124,556**	**8,694**	**133,250**
Finance income					27,211
Finance costs					(2,330)
Share of profits of associates	4,249	—	4,249	—	4,249
Profit before income tax					**162,380**
Income tax expense					(42,353)
Profit for the year					**120,027**

3. SEGMENT INFORMATION (CONTINUED)

Other segment items included in the consolidated income statement for the year ended 31 December 2012 are as follows:

	Manufacturing *HK$'000*	Distribution and retail *HK$'000*	Total continuing operations *HK$'000*	Total discontinued operations (Umbro distribution business) *HK$'000*	Total *HK$'000*
Amortisation of land use rights	**565**	**—**	**565**	**—**	**565**
Depreciation of property, plant and equipment	**79,719**	**12,365**	**92,084**	**7**	**92,091**
Amortisation of intangible assets	**—**	**1,408**	**1,408**	**—**	**1,408**
Impairment of property, plant and equipment	**—**	**2,837**	**2,837**	**334**	**3,171**
Impairment of inventories, net	**31,243**	**16,064**	**47,307**	**—**	**47,307**
Impairment/(write-back) of receivables, net	**1,127**	**(1,428)**	**(301)**	**(2,365)**	**(2,666)**
Loss/(gain) on disposal of property, plant and equipment, net	**706**	**—**	**706**	**(107)**	**599**

3. SEGMENT INFORMATION (CONTINUED)

The segment results for the year ended 31 December 2011 are as follows:

	Manufacturing *HK$'000*	Distribution and retail *HK$'000*	Total continuing operations *HK$'000*	Total discontinued operations (Umbro distribution business) *HK$'000*	Total *HK$'000*
Total segment revenue	2,937,735	263,595	3,201,330	113,099	3,314,429
Inter-segment revenue	(1,396)	—	(1,396)	—	(1,396)
Revenue	2,936,339	263,595	3,199,934	113,099	3,313,033
Operating profit (loss)/segment results	165,122	(168,074)	(2,952)	161,654	158,702
Finance income					13,660
Finance costs					(2,411)
Share of losses of associates	(349)	—	(349)	—	(349)
Profit before income tax					169,602
Income tax expense					(28,919)
Profit for the year					140,683

3. SEGMENT INFORMATION (CONTINUED)

Other segment items included in the consolidated income statement for the year ended 31 December 2011 are as follows:

	Manufacturing *HK$'000*	Distribution and retail *HK$'000*	Total continuing operations *HK$'000*	Total discontinued operations (Umbro distribution business) *HK$'000*	Total *HK$'000*
Amortisation of land use rights	1,020	—	1,020	—	1,020
Depreciation of property, plant and equipment	79,526	11,150	90,676	4,353	95,029
Amortisation of intangible assets	—	4,314	4,314	—	4,314
Impairment of property, plant and equipment	—	2,746	2,746	9,487	12,233
Impairment of intangible assets	—	112,000	112,000	14,851	126,851
Impairment of available-for-sale financial assets	500	—	500	—	500
Impairment/(write-back) of inventories, net	8,307	4,475	12,782	(1,086)	11,696
Impairment of receivables, net	275	7,362	7,637	13,568	21,205
Loss on disposal of property, plant and equipment	29	7	36	719	755
Gain on termination of distribution rights (Note 7(b))	—	—	—	(214,500)	(214,500)

3. SEGMENT INFORMATION (CONTINUED)

Segment assets consist primarily of land use rights, property, plant and equipment, intangible assets, investments in associates, financial assets at fair value through profit or loss, available-for-sale financial assets, inventories, trade, bills and other receivables, cash and cash equivalents, pledged bank deposits and bank deposits with initial terms of over three months. Unallocated assets mainly comprise cash and cash equivalents held for corporate uses, tax recoverables and deferred income tax assets.

Segment liabilities comprise mainly operating liabilities. Unallocated liabilities mainly comprise deferred income tax liabilities and current income tax liabilities.

Capital expenditure comprises additions to land use rights, property, plant and equipment, and intangible assets, including additions resulting from acquisitions through business combinations.

The segment assets and liabilities at 31 December 2012 and capital expenditure for the year then ended are as follows:

	Manufacturing	Distribution and retail	Total continuing operations	Total discontinued operations (Umbro distribution business)	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Assets	1,948,013	427,766	2,375,779	698	421,037	2,797,514
Associates	38,032	—	38,032	—	—	38,032
Total assets	1,986,045	427,766	2,413,811	698	421,037	2,835,546
Total liabilities	516,905	56,077	572,982	4,445	58,525	635,952
Capital expenditure	132,803	8,423	141,226	—	—	141,226

3. SEGMENT INFORMATION (CONTINUED)

The segment assets and liabilities at 31 December 2011 and capital expenditure for the year then ended are as follows:

	Manufacturing *HK$'000*	Distribution and retail *HK$'000*	Total continuing operations *HK$'000*	Total discontinued operations (Umbro distribution business) *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Assets	2,311,186	387,133	2,698,319	53,260	102,837	2,854,416
Associates	33,010	—	33,010	—	—	33,010
Total assets	2,344,196	387,133	2,731,329	53,260	102,837	2,887,426
Total liabilities	574,097	54,112	628,209	25,222	82,907	736,338
Capital expenditure	66,364	11,100	77,464	960	—	78,424

The Group's revenue from external customers by geographical location is as follows:

	2012 ***HK$'000***	2011 *HK$'000*
Revenue		
Hong Kong	**238,899**	210,095
Mainland China	**554,212**	635,992
Other Asian countries	**484,354**	578,078
Europe	**1,210,634**	1,213,188
United States of America	**244,950**	236,235
Canada	**50,125**	57,441
Others	**294,084**	268,905
	3,077,258	3,199,934

3. **SEGMENT INFORMATION (CONTINUED)**

The Group's revenue by geographical location is determined by the final destination of delivery of the products.

	2012	2011
	HK$'000	*HK$'000*
Analysis of revenue by category		
Sales of goods	**3,066,981**	3,189,850
Provision of subcontracting services	**8,010**	7,714
Provision of concessionaire sales service income	**2,267**	2,370
	3,077,258	3,199,934

The total of non-current assets other than financial instruments and deferred income tax assets by geographical location is as follows:

	2012	2011
	HK$'000	*HK$'000*
Hong Kong	**55,916**	36,336
Mainland China	**570,209**	612,845
Other countries	**145,288**	45,845
	771,413	695,026

For the year ended 31 December 2012, revenues of approximately HK$2,478,343,000 (2011: HK$2,536,955,000), representing 80.5% (2011: 79.3%) of the Group's total revenue, were derived from a single group of external customers. These revenues are attributable to the manufacturing business.

4. **OTHER INCOME**

	2012	2011
	HK$'000	*HK$'000*
Retail support income (Note)	**26,450**	—
Rental income	**1,098**	385
Royalty income	**56**	240
Others	**1,217**	1,601
	28,821	2,226

Note: During the year ended 31 December 2012, the Group recognised retail support income of approximately HK$26,450,000 pursuant to the agreement signed with Umbro Hong Kong Limited dated 21 April 2011.

5. OTHER (LOSSES)/GAINS — NET

	2012 *HK$'000*	2011 *HK$'000*
Loss on disposal of property, plant and equipment, net	**(706)**	(36)
Net exchange (losses)/gains	**(586)**	9,524
Others	**—**	391
	(1,292)	9,879

6. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profits for the year.

Subsidiaries and associates established and operated in Mainland China are subject to Mainland China Enterprise Income Tax at rate of 25% for the year (2011: 25%). In accordance with the applicable tax regulations, subsidiaries and associates established in Mainland China as wholly owned foreign enterprises or sino-foreign joint ventures are entitled to full exemption from Enterprise Income Tax for the first two years and a 50% reduction in Enterprise Income Tax for the next three years, commencing no later than 2008.

Taxation on overseas (other than Hong Kong and Mainland China) profits has been calculated on the estimated assessable profits for the year at the applicable rates of taxation prevailing in the countries in which the Group operates.

The amounts of income tax expense charged to the consolidated income statement represent:

	2012 *HK$'000*	2011 *HK$'000*
Current income tax —		
Hong Kong profits tax	**41,876**	13,635
Mainland China enterprise income tax	**4,949**	4,983
Overseas income tax	**—**	604
(Over)/under provision in prior years	**(908)**	2,040
Deferred income tax	**(3,564)**	8,267
	42,353	29,529

7. NON-CURRENT ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS

(a) Disposal of land use rights

On 20 December 2011, the Group entered into a sale and purchase agreement with a third party in Heyuan in relation to the disposal of certain land use rights in Mainland China for a consideration RMB29,687,490 (equivalent to HK$36,931,000). As at 31 December 2012, a deposit of approximately HK$36,931,000 (2011: HK$6,170,000) had been received and was included in accruals and other payables. The transaction is not yet completed as at 31 December 2012. In this connection, the land use rights with carrying amount HK$24,749,000 (2011: HK$20,463,000) were classified as non-current assets held for sale as at 31 December 2012.

(b) Discontinued operations of Team & Sports Group ("T&S Group")

On 21 April 2011, the Group entered into an agreement with Umbro International Limited ("**UIL**") for the early termination of the distributor agreement dated 8 February 2007 which granted T&S Group exclusive distribution rights of the Umbro branded products in Mainland China, Hong Kong, Macau and Taiwan from March 2007 to December 2020. The consideration for the surrender of such distribution rights was US$27,500,000 (equivalent to HK$214,500,000) and this transaction was completed on 2 June 2011. In this connection, the Group recognised a gain on the termination of Umbro distribution rights of HK$214,500,000 during the year ended 31 December 2011.

In addition, the Group entered into a Transition Services Agreement with UIL and its related entities on 21 April 2011, under which T&S Group will provide services to UIL and its related entities for the period from 2 June 2011 to 30 June 2012 to assist them in avoiding disruption in the transition and operation of the distribution business after the termination of distribution rights by T&S Group. The fees for the above services were US$5,000,000 (equivalent to HK$39,000,000). In this connection, UIL granted T&S Group new non-exclusive distribution rights for the distribution of Umbro branded products from 2 June 2011 to 30 June 2012 to enable T&S Group to provide the above transition services. Transition service fee income recognised in the results of the discontinued operations during the year ended 31 December 2012 amounted to HK$18,442,000 (2011: HK$20,558,000).

Pursuant to the agreements with UIL, the distribution business of the Umbro products was wholly ceased on 30 June 2012. Therefore its results are presented as a discontinued operation and its assets and liabilities are classified as a disposal group in the consolidated financial statements.

7. NON-CURRENT ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (CONTINUED)

(b) Discontinued operations of Team & Sports Group ("T&S Group") (Continued)

The major classes of assets and liabilities of T&S Group, the disposal group, are as follows:

	As at 31 December 2012 *HK$'000*	As at 31 December 2011 *HK$'000*
Assets directly associated with the disposal group:		
— property, plant and equipment	**—**	341
— inventory	**—**	15,622
— trade receivables	**698**	6,097
— deposit, prepayments and other receivables	**—**	21,623
— cash and cash equivalents	**—**	9,577
Total assets of the disposal group	**698**	53,260
Liabilities directly associated with the disposal group:		
— trade payables	**123**	1,027
— accruals and other payables	**4,322**	24,195
— current income tax liabilities	**1,625**	1,612
Total liabilities of the disposal group	**6,070**	26,834
Total net (liabilities)/assets of the disposal group	**(5,372)**	26,426

7. NON-CURRENT ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (CONTINUED)

(b) Discontinued operations of Team & Sports Group ("T&S Group") (Continued)

Financial information relating to T&S Group for the year is set out below. The income statement distinguish discontinued operations from continuing operations.

	2012 *HK$'000*	2011 *HK$'000*
Revenue	**10,656**	113,099
Costs of sales	**(15,872)**	(78,271)
Gross (loss)/profit	**(5,216)**	34,828
Selling and distribution costs	**(3,447)**	(42,835)
General and administrative expenses	**(207)**	(70,188)
Other income	**17,986**	20,574
Other (losses)/gains — net (Note)	**(422)**	219,275
Operating profit	**8,694**	161,654
Finance income	**67**	251
Finance costs	**—**	(888)
Finance income/(costs) — net	**67**	(637)
Profit before income tax	**8,761**	161,017
Income tax credit	**—**	610
Profit from discontinued operations	**8,761**	161,627
Profit from discontinued operations attributable to:		
— Equity holders of the Company	**8,761**	186,345
— Non-controlling interests	**—**	(24,718)
	8,761	161,627

Note: The gain on termination of Umbro distribution rights in 2011 amounting to HK$214,500,000 was included in other gains — net for the year ended 31 December 2011.

8. EARNINGS PER SHARE

(a) Basic

The calculation of basic earnings per share is based on the consolidated profit attributable to equity holders of the Company of approximately HK$150,185,000 (2011: HK$230,196,000) and on the weighted average number of approximately 1,268,400,000 (2011: 1,268,400,000) ordinary shares in issue during the year.

	2012	2011
Profit attributable to equity holders of the Company *(HK$'000)*		
— Continuing operations	**141,424**	43,851
— Discontinued operations	**8,761**	186,345
	150,185	230,196
Weighted average number of ordinary shares in issue *('000)*	**1,268,400**	1,268,400
Basic earnings per share *(HK cents)*		
— Continuing operations	**11.1**	3.4
— Discontinued operations	**0.7**	14.7
	11.8	18.1

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Shares issuable under the share option schemes are the only dilutive potential ordinary shares. A calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares in the relevant periods) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

The diluted earnings per share for the years ended 31 December 2011 and 2012 are the same as the basic earnings per share as the potential ordinary shares arising from the share options granted by the Company outstanding during the years ended 31 December 2011 and 2012 are anti-dilutive.

9. DIVIDENDS

	2012	2011
	HK$'000	*HK$'000*
Interim dividend paid of HK3.0 cents (2011: HK5.0 cents) per ordinary share	**38,052**	63,420
Proposed final dividend of HK4.0 cents (2011: HK3.0 cents) per ordinary share	**50,736**	38,052
	88,788	101,472

At a meeting held on 14 March 2013, the Board proposed a final dividend of HK4.0 cents (2011: HK3.0 cents). The proposed dividends have not been reflected as a dividend payable in these financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2013.

10. INTANGIBLE ASSETS

	Trademarks	**Goodwill**	**Customer relationships**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1 January 2011				
Cost	221,387	87,461	2,219	311,067
Accumulated amortisation and impairment	(76,877)	(39,058)	(2,219)	(118,154)
Net book amount	144,510	48,403	—	192,913
Year ended 31 December 2011				
Opening net book amount	144,510	48,403	—	192,913
Exchange differences	—	198	—	198
Amortisation	(4,314)	—	—	(4,314)
Impairment	(112,000)	(14,851)	—	(126,851)
Closing net book amount	28,196	33,750	—	61,946
At 31 December 2011				
Cost	221,387	72,808	2,219	296,414
Accumulated amortisation and impairment	(193,191)	(39,058)	(2,219)	(234,468)
Net book amount	28,196	33,750	—	61,946
Year ended 31 December 2012				
Opening net book amount	**28,196**	**33,750**	**—**	**61,946**
Amortisation	**(1,408)**	**—**	**—**	**(1,408)**
Closing net book amount	**26,788**	**33,750**	**—**	**60,538**
At 31 December 2012				
Cost	**221,387**	**72,808**	**2,219**	**296,414**
Accumulated amortisation and impairment	**(194,599)**	**(39,058)**	**(2,219)**	**(235,876)**
Net book amount	**26,788**	**33,750**	**—**	**60,538**

10. INTANGIBLE ASSETS (CONTINUED)

Amortisation of HK$1,408,000 (2011: amortisation and impairment loss of HK$131,165,000) was included in general and administrative expenses.

Impairment test for trademarks:

Trademarks represent the rights to use the '***Diadora***' trademarks for the manufacture and sale of products bearing the '***Diadora***' trademarks in Mainland China, Hong Kong and Macau. The recoverable amount of the trademarks is determined by reference to its fair value less costs to sell, i.e. the amount for which the asset could be sold between knowledgeable and willing parties, net of estimated costs of disposal.

During the year ended 31 December 2012, no impairment loss (2011: an impairment loss of HK$112,000,000) was recognised based on the impairment assessment performed.

Impairment tests for goodwill:

Goodwill is allocated to the Group's cash-generating units identified according to business segment and geographical location and is as follows:

	Discontinued operations- Umbro distribution business	**Golf and high-end fashion apparel manufacturing**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Net book amount			
As at 1 January 2011	14,653	33,750	48,403
Exchange difference	198	—	198
Impairment	(14,851)	—	(14,851)
As at 31 December 2011	—	33,750	33,750
As at 1 January and 31 December 2012	—	33,750	33,750

11. TRADE AND BILLS RECEIVABLE

	2012	2011
	HK$'000	*HK$'000*
Trade receivables		
— from third parties	**316,455**	428,169
— from related parties	**1,923**	1,705
Bills receivable	**13,145**	14,495
	331,523	444,369
Less: provision for impairment	**(5,826)**	(7,817)
	325,697	436,552

The carrying amounts of trade and bills receivable approximate their fair values.

Majority of trade receivables are with customers having an appropriate credit history. The Group grants its customers credit terms ranging from 30 to 90 days. Most of the Group's sales are on open account, while sales made to a small number of customers are covered by letters of credit issued by banks or settled by documents against payment issued by banks. The ageing of trade and bills receivable based on invoice date is as follows:

	2012	2011
	HK$'000	*HK$'000*
0–30 days	**259,952**	270,823
31–60 days	**52,812**	132,132
61–90 days	**8,761**	27,920
91–120 days	**2,163**	4,349
121–180 days	**1,618**	5,748
181–365 days	**3,481**	2,239
Over 365 days	**2,736**	1,158
	331,523	444,369

12. TRADE AND BILLS PAYABLE

	2012	2011
	HK$'000	*HK$'000*
Trade payables		
— to third parties	**196,810**	256,806
— to related parties	**64,029**	66,293
Bills payable	**10,997**	30,133
	271,836	353,232

12. TRADE AND BILLS PAYABLE (CONTINUED)

The ageing of the trade and bills payable based on invoice date is as follows:

	2012	2011
	HK$'000	*HK$'000*
0–30 days	**111,494**	158,648
31–60 days	**87,504**	106,443
61–90 days	**46,836**	56,925
91–120 days	**21,369**	24,036
121–180 days	**1,890**	4,448
181–365 days	**1,387**	2,202
Over 365 days	**1,356**	530
	271,836	353,232

13. FINANCIAL INSTRUMENTS

(a) Financial assets at fair value through profit or loss

In 2011, the Group entered into an agreement with Shine Gold Limited ("**Shine Gold**") and its beneficial owners, pursuant to which the Group agreed to subscribe for convertible bonds of Shine Gold in an aggregate principal amount of HK$70,000,000 which would be issued in two tranches. The convertible bonds bear interest from its date of issue at a rate of 5% per annum on the principal amount, and may be converted in full into 60-70% of the issued share capital of Shine Gold any time over five years, depending on certain conditions. The convertible bonds were not traded on an active market.

On 16 August 2011, the Group acquired the first tranche of convertible bonds with principal amount of HK$31,200,000, which represents 26.7% potential voting rights. Upon the first tranche completion, the Group nominated representatives on the Board of Directors and consequently has significant influence on the financial and operating policy decisions of Shine Gold Limited, which thus is an associate of the Group at 31 December 2012.

Subsequent to year end, the Group acquired the second tranche of convertible bonds with principal amount of HK$38,800,000 on 21 February 2013.

(b) Loans to an associate

In September 2011, the Group entered into a loan agreement with Shine Gold, under which the Group granted a loan facility to Shine Gold. As at 31 December 2012, total loans made to Shine Gold amounted to HK$158,884,000 (2011: HK$105,059,000). The loans will not be repayable within one year and carry an interest at 8% per annum (2011: 8% per annum). As at 31 December 2012, total loans and interest receivables from Shine Gold amounted to HK$173,493,000 (2011: HK$107,245,000).

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL REVIEW

For the year ended 31 December 2012, the Group has recorded a revenue of HK$3,077.3 million (2011: HK$3,199.9 million) from continuing operations, representing a decrease of 3.8%.

Gross profit margin slightly increased to 22.1% in 2012 (2011: 21.7%). The increase in gross profit margin was mainly resulted from cost control and improved production efficiency. We also started to shift the production from the Mainland China to Vietnam and Cambodia where the labour cost and overhead costs are relatively lower.

Operating profit for the year ended 31 December 2012 was HK$124.6 million (2011: operating loss of HK$3.0 million). The significant increase in operating profit in 2012 was mainly attributable to the impairment loss on intangible asset related to "***Diadora***" trademark of HK$112.0 million being charged to the consolidated income statement in 2011 whereas there was no such impairment recorded in 2012. Excluding such impairment loss on intangible assets, operating profit would have been HK$109.0 million in 2011.

Profit attributable to the shareholders for the year ended 31 December 2012 was HK$150.2 million (2011: HK$230.2 million). The significant decrease in profit attributable to the shareholders was mainly attributable to the one-off income arising from the business transfer of the Umbro business in 2011, amounting to HK$214.5 million whereas there was no such income recorded in 2012.

Excluding such discontinued operations of the distribution of Umbro Products (as described in the section headed "**Discontinued Operations**" below) and the impairment loss on intangible assets in both years, profit attributable to the shareholders would have been increased by 27.4% to HK$141.4 million in 2012 (2011: HK$111.1 million).

The Board has declared and paid the interim dividend of HK3.0 cents per Share during the year. In consideration of the strong net cash position and the continued cash inflow from operations, the Board proposed the payment of a final dividend of HK4.0 cents per Share for the year ended 31 December 2012.

BUSINESS REVIEW

The Group is an integrated manufacturer, distributor and retailer for renowned sports brands. The financial performances of the two business segments, namely "**Manufacturing Business**" and "**Distribution and Retail Business**" are summarised as below.

Manufacturing Business

The Group's Manufacturing Business operates mainly on OEM arrangement for various renowned sports brands. Most of the Group's products are exported and sold to Europe, Mainland China and other countries around the world. The Group has a long history and a remarkable position in sportswear garment manufacturing, and has established long term business relationship with its key customers.

In 2012, the global economic environment remained tough. Revenue from Manufacturing Business decreased by 3.7% to HK$2,829.0 million for the year ended 31 December 2012 (2011: HK$2,937.7 million), accounting for 91.8% of the Group's total revenue (2011: 91.8%). The poor economies of European countries have been continuously impacting the Group's Manufacturing Business.

Gross profit from Manufacturing Business was HK$592.6 million for the year ended 31 December 2012 (2011: HK$591.5 million). The segmental gross profit margin slightly increased to 20.9% in 2012 (2011: 20.1%) as a result of the management's efforts in enhancing labour efficiency and controlling manufacturing overheads. The PRC government's policy to enhance labour income in order to stimulate the domestic demand will keep the labour salary in Mainland China on increasing. Therefore, the Group is actively expanding its production capacity in Vietnam and Cambodia where labour costs are more reasonable to fulfill the needs of our customers for orders outside Mainland China.

Despite the decrease in revenue, operating profit from our manufacturing business increased by 6.5% to HK$175.9 million (2011: HK$165.1 million) as a result of the management's cost control measures.

Distribution and Retail Business

This segment includes the businesses of distribution of Diadora Products through the Winor Group and retailing of multi-brand and mono-brand products and distribution of sportswear products through the Win Sports Group.

In 2012, the increasingly intensified competition in retail market and higher retail discounts, coupled with rising labour costs and rentals, led to further shrinking profit margin in our retail business. Revenue of this business segment decreased by 4.1% to HK$252.8 million (2011: HK$263.6 million), accounting for 8.2% of the Group's total revenue (2011: 8.2%). The segmental gross profit and its margin also decreased to HK$87.6 million (2011: HK$103.9 million) and 34.7% (2011: 39.4%) respectively.

Operating loss in this segment significantly reduced by 69.5% to HK$51.3 million (2011: HK$168.1 million) as the Group recognised an impairment loss of HK$112 million on "**Diadora**" trademark for the year ended 31 December 2011 whereas there was no such impairment recognised for the year ended 31 December 2012. Further discussion of the performance in each stream of this segment is set out below:

Distribution of Diadora Products

The Winor Group owns the trademark of "***Diadora***" in Mainland China, Hong Kong and Macau and hence has the respective right to manufacture, sell and distribute Diadora Products. Under the competitive retail market in Mainland China, the Winor Group's revenue for the year ended 31 December 2012 was HK$53.1 million (2011: HK$65.7 million). We will focus on streamlining the sales network and tightly control the inventory level to minimise the loss.

As at 31 December 2012, the Winor Group had a sales network comprising approximately 20 Diadora distributors operating approximately 101 points-of-sales in Mainland China. The Win Sports Group is also one of the distributors selling Diadora Products, details of which are presented as below. The Winor Group also self-managed 24 retail shops in Mainland China, Hong Kong and Macau.

Retail of Multi-brand Products

The Win Sports Group mainly operates sportswear retail business selling Umbro and Diadora products in Mainland China and sportswear products of various brands in Hong Kong.

Revenue and gross profit of the Win Sports Group for the year ended 31 December 2012 were HK$202.7 million (2011: HK$206.3 million) and HK$70.7 million (2011: HK$80.9 million) respectively.

In Mainland China, the sportswear market was still under adjustment period for the year ended 31 December 2012. Market players had tried to clear excess inventories through heavy discounting. As a result, revenue and gross profit from our sportswear retail business in Mainland China for the year ended 31 December 2012 dropped to HK$65.7 million (2011: HK$ 90.2 million) and HK$21.7 million (2011: HK$34.3 million) respectively. We had managed to mitigate the negative impact by streamlining our sales network and closing non-performing shops. The shop closure plan will be substantially complete by the end of June 2013. We expect the loss will be substantially reduced accordingly. Besides, Nike Inc. had sold the trademark of "***Umbro***" to Iconix Brand Group Inc ("**Iconix**"), a company listed in the United States of America, in December 2012. We are actively discussing with Iconix the future development of the brand in the Mainland China.

On the other hand, revenue and gross profit from our sportswear retail business in Hong Kong for the year ended 31 December 2012 increased to HK$137.0 million (2011: HK$116.1 million) and HK$48.9 million (2011: HK$42.1 million) respectively as a result of overall growth in retail market and vibrant inbound tourism in Hong Kong. Our sportswear retail business in Hong Kong recorded an operating profit of HK$0.3 million for the year ended 31 December 2012 (2011: operating loss of HK$1.5 million).

As at 31 December 2012, the Win Sports Group had approximately 145 mono-brand shops in Mainland China, majority of which were selling Umbro Products and the remaining were selling Diadora Products, and 14 self-managed retail shops in Hong Kong, of which 2 were traded under the name of "***Futbol Trend***", 7 were under the name of "***Sports Corner***" and 5 mono-brand shops for several international sports brands made up the rest.

Discontinued Operations

Distribution of Umbro Products

In 2011, the Group entered into an agreement with UIL for the early termination of the Umbro Distributor Agreement which granted T&S Group exclusive distribution rights of the Umbro branded products in the Greater China from March 2007 to December 2020. Concurrent with the termination of the Umbro Distributor Agreement, the Group entered into a transition services agreement with UIL and its related entities, under which the T&S Group will provide services to UIL and its related entities for the period from 2 June 2011 to 30 June 2012 to assist them in avoiding disruption in the transition and operation of the distribution business after the termination of distribution rights by T&S Group. As a result, the Group has recognised a service income of HK$18.4 million for the year ended 31 December 2012 (2011: HK$21.6 million).

As a result of the above transactions, the T&S Group has the rights to distribute Umbro branded products up to 30 June 2012 only. Therefore its results were presented as a discontinued operation and its assets and liabilities were classified as a disposal group, as assets/liabilities held for sale. During the current year, revenue and profit from the discontinued operations decreased to HK$10.7 million (2011: HK$113.1 million) and HK$8.8 million (2011: HK$161.6 million), respectively. The profit from the discontinued operations in 2011 included a gain of HK$214.5 million from termination of the Umbro distribution rights whereas no such gain was recorded in 2012.

PROSPECTS

Looking into 2013, the worldwide challenging economic situation will be continued. Under Manufacturing Business, customer orders in 2013 will be stable but no growth is expected as no major sports events will be held. However, the 2014 FIFA World

Cup may have positive impact on our customer orders in the last quarter of 2013 and the first half of 2014. Besides, the Group is actively looking for new customers with a view to rebuild the growth opportunity. Under the Distribution and Retail Business in Mainland China, the environment is still very tough. It may take one to two years for the market to consume the excess inventory. Our strategy is to scale down our sales network to minimise the loss.

Manufacturing Business

It is expected that the labour cost in Mainland China will continue to rise in the coming years; whereas more and more customers have been requesting their strategic supply chain partners to expand its non-China production capacity to diversify the cost inflation risk. The Group is expanding its production facilities in Vietnam and Cambodia. Those areas provide relatively stable labour supply with lower labour costs. We have started trial run in our new factory in Cambodia in February 2013. We believe our overseas expansion strategy will offer us a more cost-effective position so that the Group could sustain a reasonable profit margin. We have been shifting the Group's production capacity to overseas significantly in 2013 and ultimately we expect half of the Group's production capacities will be outside Mainland China earliest by the end of 2014.

In addition, we also continue to explore the opportunities to diversify our Manufacturing Business to include fashion garment.

Distribution and Retail Business

The sportswear market adjustment in Mainland China is likely to last for one to two more years. The Group will focus on clearing inventory, streamlining sales network and improving retail efficiency.

On the other hand, we expect the demand of high-end fashion in Mainland China and Hong Kong will continue to grow as a result of continued increase in disposable income of Mainland China citizens. According to the statistics released by the National Bureau of Statistics of China in January 2013, the growth rate of per capita disposable income of urban households was 9.6% in 2012 (2011: 8.4%). To capture these opportunities, the Group entered into a subscription agreement in August 2011 with the Shine Gold Limited, the group of which is principally engaged in retailing of fashion wears and accessories. The Shine Gold Group has a self-managed retail network for self owned brands "***D-mop***", "***Blues Heroes***" and "***Loveis***" etc in Hong Kong and Mainland China, for brands under exclusive distribution rights, including "***Y-3***" in Hong Kong and Mainland China and "***moussy***" and "***SLY***" in Hong Kong and for brands under non-exclusive distribution rights, including "***AZUL by moussy***" and "***SHEL' TTER***" in Hong Kong.

Pursuant to the subscription agreement, the Group agreed to subscribe for convertible bonds of Shine Gold Limited in an aggregate principal amount of HK$70.0 million which would be issued in two tranches. The convertible bonds bear interest from its date of issue at a rate of 5% per annum on the principal amount of the convertible bonds outstanding on the interest payment date, and may be converted in full into 60-70% of the issued share capital of Shine Gold Limited any time over five years, depending on certain conditions. On 16 August 2011, the Group acquired the first tranche of convertible bonds with principal amount of HK$31.2 million. On 21 February 2013, the Group acquired the second tranche convertible bonds with principal amount of HK$38.8 million and now holds convertible bonds of Shine Gold Limited in the aggregate principal amount of HK$70.0 million. Together with the existing sportswear retail network under the Win Sports Group, the Group will run a series of self owned retail brands including "***D-mop***", "***Futbol Trend***" and "***Sports Corner***" and self-owned product brands including "***Diadora***", "***Blues Heroes***" and "***Loveis***" in Mainland China and Hong Kong. The Group will also run retail shops for "***Y-3***", "***moussy***", "***SLY***", "***AZUL by moussy***", "***SHEL'TTER***" and some international sports brands.

Discontinued Operations

Distribution of Umbro Products

As mentioned in Business Review section above, the T&S Group has completed its obligation under the transition services agreement on 30 June 2012. However, the Group will, according to the key account agreement ("**KAA**"), continue to act as a key account of Umbro by operating a certain number of shops until 30 June 2013. The Group will further receive approximately US$2.5 million (equivalent to HK$19.5 million) from UIL as an incentive upon reaching certain shop opening targets. Details of which have been included in the announcement of the Company dated 21 April 2011.

FINANCIAL POSITION AND LIQUIDITY

The Group generally finances its operations with internally generated cashflow and bank facilities. The Group maintained an outstanding financial position during the year under review. As at 31 December 2012, it had cash and cash equivalents and bank deposits with initial terms of over three months amounting to HK$976.7 million (31 December 2011: HK$810.6 million). The net increase of cash balance was mainly attributed by the cash inflow from operations and inventory clearance offsetting by the cash outflow to capital expenditures and the payment of dividends.

As at 31 December 2012, the Group had bank borrowings amounting to HK$12.4 million (31 December 2011: HK$4.7 million). The Group did not enter into any interest rate swap to hedge against risks associated with interest rates. As at 31 December 2012, the Group still had unutilised banking facilities amounting to

HK$261.5 million (31 December 2011: HK$226.8 million). The gearing ratio, being total bank borrowings divided by total equity, as at 31 December 2012, was 0.6% (31 December 2011: 0.2%).

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2012, the Group had approximately 14,200 employees (31 December 2011: approximately 16,000 employees). The Group remunerates employees based on their performance, working experience and prevailing market conditions. Other employee benefits include retirement benefits, insurance, medical coverage and a share option scheme.

CHARGES ON THE GROUP'S ASSETS

As at 31 December 2012, bank deposit of HK$1.2 million (31 December 2011: HK$1.8 million) was pledged to secure banking facilities for the Group.

FOREIGN CURRENCY EXPOSURE

The Group's sales and purchases were mostly denominated in US Dollars and RMB. During the year, approximately 78.2%, 15.7% and 6.1% of sales were denominated in US Dollars, RMB and Hong Kong Dollars, respectively, whereas approximately 68.6%, 12.2% and 18.9% of purchases were denominated in US Dollars, RMB and Hong Kong Dollars, respectively. Further, as at 31 December 2012, approximately 47.5%, 46.1% and 6.3% of cash and cash equivalents and bank deposits with initial terms of over three months were denominated in US Dollars, RMB and Hong Kong Dollars, respectively.

The Group considered that the foreign currency exchange exposure arising from the above transactions and cash balances was minimal during the year on the ground that Hong Kong dollars were pegged against US dollars and the recent pressure from appreciation of RMB was manageable during the year. Accordingly, the Group considered the use of any derivative instruments to hedge against foreign currency exposure arising from the above transactions and cash balances was not critical and determined during the year under review.

CONTINGENT LIABILITIES

The Group has no significant contingent liabilities, litigation or arbitration of material importance as at 31 December 2012.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct regarding directors' securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Having made enquiry to all Directors, they all have confirmed that they have complied with the required standards as set out in the Model Code during the year.

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

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

DIVIDEND

The Board recommended a payment of final dividend of HK4.0 cents per share for the year ended 31 December 2012, subject to Shareholders' approval at the forthcoming annual general meeting to be held on Thursday, 30 May 2013, payable to the Shareholders whose names appear on the register of members of the Company on Wednesday, 5 June 2013. The dividend will be paid on or about Friday, 14 June 2013.

CLOSURES OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming annual general meeting to be held on Thursday, 30 May 2013, the register of members of the Company will be closed from Tuesday, 28 May 2013 to Thursday, 30 May 2013 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attendance and voting at the forthcoming annual general meeting of the Company, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar and transfer office of the Company, Tricor Investor Services Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 27 May 2013.

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed on Wednesday, 5 June 2013, during which no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar and transfer office of the Company, Tricor Investor Services Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 4 June 2013.

CORPORATE GOVERNANCE

The Company has applied the principles and complied with the code provisions in the Code on Corporate Governance Practices (the "**CG Code**") (effective until 31 March 2012) and the revised CG Code (effective from 1 April 2012) as set out in Appendix 14 of the Listing Rules during the year.

PUBLICATION OF RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of Hong Kong Exchanges and Clearing Limited (http://www.hkexnews.hk) and the Company (http://www.winhanverky.com). The annual report for the year ended 31 December 2012 will be dispatched to the Shareholders and will be available on the aforesaid websites in due course.

AUDIT COMMITTEE REVIEW

The Audit Committee has discussed with the management of the Company the internal control and financial reporting matters related to the preparation of the consolidated financial statements for the year ended 31 December 2012. It has also reviewed the consolidated financial statements for the year ended 31 December 2012 with the management and the auditor of the Company and recommended them to the Board for approval.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Thursday, 30 May 2013. The notice of the annual general meeting, which constitutes part of the circular to the Shareholders, will be published on the aforesaid websites and despatched to the Shareholders together with the Company's annual report 2012 in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises Mr. LI Kwok Tung Roy, Mr. LAI Ching Ping, Mr. CHEUNG Chi and Mr. LEE Kwok Leung being the Executive Directors, and Dr. CHAN Kwong Fai, Mr. WUN Kwang Vincent, Mr. MA Ka Chun and Mr. KWAN Kai Cheong being the Independent Non-Executive Directors.

By order of the Board
Win Hanverky Holdings Limited
LI Kwok Tung Roy
Chairman

Hong Kong, 14 March 2013