GRAND CONCORD INTERNATIONAL HOLDINGS LIMITED
廣豪國際控股有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock code: 844)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012

The board (the "**Board**") of directors (the "**Directors**") of Grand Concord International Holdings Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 December 2012, with the comparative figures for the corresponding year ended 31 December 2011, which have been prepared in accordance with the Hong Kong Financial Reporting Standards ("**HKFRSs**"), as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2012

	Notes	2012 RMB'000	2011 RMB'000
Revenue	3	**475,764**	416,547
Cost of sales		**(359,673)**	(289,041)
Gross profit		**116,091**	127,506
Other income and gains	4	**1,215**	625
Selling and distribution expenses		**(14,219)**	(9,413)
Share-based payment	5	**–**	(5,800)
Administrative expenses		**(45,943)**	(57,938)
Finance costs	6	**(3,473)**	(5,944)
Profit before tax		**53,671**	49,036
Income tax expense	7	**(18,181)**	(19,852)
Profit for the year	8	**35,490**	29,184
Other comprehensive income for the year:			
Exchange differences arising on translation of foreign operations		**(143)**	140
Total comprehensive income for the year		**35,347**	29,324
		RMB cents	*RMB cents*
Earnings per share			
– Basic and diluted	9	**9**	9
		HK cents	*HK cents*
Dividends per share			
– Final	10	**3.5**	–
– Interim		**–**	–

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2012

	Notes	2012 RMB'000	2011 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**163,219**	128,786
Prepaid lease payments		**12,722**	13,019
Deposits paid to acquire non-current assets		**860**	2,190
Prepayment		**191**	150
Deferred tax assets		**570**	1,653
		177,562	145,798
CURRENT ASSETS			
Inventories	*11*	**47,460**	62,385
Trade and bills receivables	*12*	**64,939**	35,130
Prepayments and other receivables		**14,789**	18,149
Prepaid lease payments		**297**	297
Restricted bank deposits		**3,750**	8,700
Cash and bank balances		**24,134**	63,744
		155,369	188,405
CURRENT LIABILITIES			
Trade and bills payables	*13*	**42,649**	43,881
Accruals and other payables		**21,487**	17,098
Advance from customers		**631**	1,673
Interest-bearing borrowings		**31,645**	62,654
Income tax payables		**4,636**	6,361
		101,048	131,667
Net current assets		**54,321**	56,738
Total assets less current liabilities		**231,883**	202,536
NON-CURRENT LIABILITY			
Interest-bearing borrowings		**–**	6,000
NET ASSETS		**231,883**	196,536
CAPITAL AND RESERVES			
Share capital		**46,938**	46,938
Reserves		**184,945**	149,598
TOTAL EQUITY		**231,883**	196,536

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND BASIS OF PRESENTATION AND CONSOLIDATION

The Company, which acts as an investment holding company, was incorporated in the British Virgin Islands (the "**BVI**") with limited liability under the Business Companies Act of the BVI (2004) on 8 December 2010. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 24 November 2011. The address of the registered office of the Company is located at P.O. Box 3340, Road Town, Tortola, BVI, the head office and principal place of business in Hong Kong is at Units 1108-1109, 11th Floor, Tower II, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

The principal activities of the Group are engaged in the manufacturing of knitted fabrics and innerwear. The ultimate holding company of the Company is Global Wisdom Capital Holdings Limited ("**Global Wisdom**"), a limited liability company incorporated in the BVI.

Pursuant to the group reorganisation completed on 22 February 2011 (the "**Reorganisation**"), the Company became the holding company of the companies now comprising the Group. Details of the Reorganisation are set out in the prospectus of the Company dated 14 November 2011.

Since all the entities which took part in the Reorganisation were under common control of controlling shareholders of the Company, the Group is regarded as a continuing entity. Accordingly, the consolidated financial statements of the Group for the year ended 31 December 2011 have been prepared on the basis as if the Company had always been the holding company of the Group by applying the principles of merger accounting as set out in the Accounting Guideline 5 "Merger accounting for common control combinations" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), as if the Reorganisation had occurred from the date when the combining entities first came under the control of the controlling shareholders.

The consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year ended 31 December 2011 which include the results, changes in equity and cash flows of the companies now comprising the Group have been prepared as if the current group structure have been in existence throughout the year ended 31 December 2011, or since their respective dates of incorporation/establishment or acquisition, where it is the shorter period.

The consolidated statements of financial position of the Group as at 31 December 2011 have been prepared to present the assets and liabilities of the companies now comprising the Group as if the current group structure had been in existence at those dates. All significant intra-group transactions, balances, income and expenses are eliminated on combination.

The consolidated financial statements of the Group are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HKFRSs

In the current year, the Group has applied the following new and revised HKFRSs issued by the HKICPA.

Amendments to HKFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfers of Financial Assets
Amendments to Hong Kong Accounting Standard ("**HKAS**") 12	Deferred Tax: Recovery of Underlying Assets

The Directors anticipate that the application of the above amendments to HKFRSs has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to 2009-2011 Cycle, except for the amendments HKAS 1[1]
Amendments to HKFRS 1	Government Loan[1]
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[2]
HKFRS 9	Financial Instruments[3]
HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosure of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]
HKAS 19 (as revised in 2011)	Employee Benefits[1]
HKAS 27 (as revised in 2011)	Separate Financial Statements[1]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[1]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[4]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[2]
HK(International Financial Reporting Interpretations Committee) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[1]

1 Effective for annual periods beginning on or after 1 January 2013.
2 Effective for annual periods beginning on or after 1 January 2014.
3 Effective for annual periods beginning on or after 1 January 2015.
4 Effective for annual periods beginning on or after 1 July 2012.

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012

The Annual Improvements to HKFRSs 2009 – 2011 Cycle include a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to HKFRSs include the amendments to HKAS 16 Property, Plant and Equipment and the amendments to HKAS 32 Financial Instruments: Presentation.

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The Directors do not anticipate that the application of the amendments will have a material effect on the Group's consolidated financial statements.

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 Income Taxes. The Directors anticipate that the amendments to HKAS 32 will have no effect on the Group's consolidated financial statements as the Group has already adopted this treatment.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirement) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The Directors anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The Directors anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below:

HKFRS 10 replaces the parts of HKAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements. HK (SIC) – Int 12 Consolidation – Special Purpose Entities will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK (SIC) – Int 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates, and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application permitted provided that all of these standards are applied at the same time.

The Directors do not anticipate that the application of these five standards will have a significant impact on amounts reported in the consolidated financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities

The amendments to HKFRS 10 introduce an exception to consolidating subsidiaries for an investment entity, except where the subsidiaries provide services that relate to the investment entity's investment activities. Under the amendments to HKFRS 10, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss.

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;

- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and

- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments to HKFRS 12 and HKAS 27 have been made to introduce new disclosure requirements for investment entities.

The amendments to HKFRS 10, HKFRS 12 and HKAS 27 are effective for annual periods beginning on or after 1 January 2014, with early application permitted. The Directors anticipate that the application of the amendments will have no effect on the Group as the Company is not an investment entity.

Amendments to HKAS 1 Presentation of items of Other Comprehensive Income

The amendments to HKAS 1 Presentation of Items of Other Comprehensive Income introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income" and an "income statement" is renamed as a "statement of profit or loss". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in future accounting periods.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for sale of innerwear and fabrics products, net of discounts and sales related taxes. Revenue is analysed as follows:

	Year ended 31 December	
	2012	2011
	RMB'000	*RMB'000*
Innerwear products	**319,151**	291,074
Knitted fabrics	**156,613**	125,473
	475,764	416,547

The Group's operating segments, by category of products, based on information reported to the chief operating decision maker for the purpose of resource allocation and performance assessment are as follows:

(1) Innerwear products – manufacturing of innerwear and garments

(2) Knitted fabrics – manufacturing of fabrics

Geographical information:

The Group's revenue from external customers is determined by the destination where the products are delivered to and the information are detailed as follows:

	Year ended 31 December	
	2012	2011
	RMB'000	*RMB'000*
Japan	**224,747**	247,274
The People's Republic of China (the "**PRC**") (country of domicile)	**165,931**	127,798
America	**81,409**	39,248
Others	**3,677**	2,227
	475,764	416,547

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	Year ended 31 December	
	2012	2011
	RMB'000	*RMB'000*
Customer A (note (a))	**131,947**	151,920
Customer B (note (a) and (c))	**74,338**	N/A
Customer C (note (b) and (c))	**64,176**	N/A

Notes:

(a) Revenue from manufacture of innerwear and from overseas customer.

(b) Revenue from manufacture of knitted fabrics and from the PRC customer.

(c) Revenue from customers B and C were less than 10% of the Group's total revenue for the year ended 31 December 2011.

4. OTHER INCOME AND GAINS

	Year ended 31 December	
	2012	2011
	RMB'000	*RMB'000*
Interest income	**501**	333
Sales of scrap materials	**74**	223
Gain on disposal of property, plant and equipment	**45**	–
Penalty income from suppliers	**432**	–
Others	**163**	69
	1,215	625

5. SHARE-BASED PAYMENT

On 7 March 2011, in recognition of the services of two senior executives of the Group's subsidiaries (whom were appointed as Directors as at 15 August 2011) (the "**Executives**"), Global Wisdom, being the Company's holding company, transferred a total of 1,300,000 shares of the Company (the "**Shares**") to the Executives, at an aggregate consideration of approximately RMB30,719,000 (the "**Shares Consideration**"). The Shares Consideration was determined by reference to a valuation by an independent valuer, and represented the fair values of the Shares. The Shares Consideration was paid by the Executives in cash by three installments which was fully settled on 7 March 2011, 7 March 2012 and 7 March 2013. The net present value of the Shares Consideration to be settled by the Executives was determined to be approximately RMB24,919,000 as at 7 March 2011.

Accordingly, the Group recorded an expense for the share-based payment of RMB5,800,000 in respect of the aforesaid arrangement which accounted for as an equity-settled share-based payment transaction in the year ended 31 December 2011, which represented the difference of the fair value of Shares transferred to the Executives and the net present value of Shares Consideration to be settled by the Executives as at 7 March 2011. Such amount of RMB5,800,000 was recorded as "other reserve" of the Group.

6. FINANCE COSTS

	Year ended 31 December	
	2012	2011
	RMB'000	*RMB'000*
Interest on bank loans wholly repayable within five years	**4,775**	6,074
Interest on other loans wholly repayable within five years	**–**	613
	4,775	6,687
Less: amounts capitalised in the cost of qualifying assets	**(1,302)**	(743)
	3,473	5,944

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 7.02% (2011: 7.30%) per annum to expenditure on qualifying assets.

7. INCOME TAX EXPENSE

	Year ended 31 December	
	2012	2011
	RMB'000	*RMB'000*
Current tax:		
Provision for the year		
– PRC Enterprise Income Tax (the "**EIT**")	**17,102**	19,844
Withholding tax	**–**	358
Deferred tax	**1,079**	(350)
	18,181	19,852

(a) Overseas income tax

Pursuant to the rules and regulations of the BVI, the BVI subsidiary and the Company are not subject to any income tax in the BVI.

(b) Hong Kong Profits Tax

The applicable tax rate for the subsidiaries incorporated in Hong Kong is 16.5% for the years ended 31 December 2012 and 2011.

For the years ended 31 December 2012 and 2011, no provision for Hong Kong Profits Tax had been made as there were no estimated assessable profit derived from Hong Kong subsidiaries.

(c) EIT

Under the Law of the PRC on EIT (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

No provision of EIT has been made for Shandong Grand Concord Garment Co., Limited 山東廣豪服飾有限公司("**Shangdong Grand Concord**"), one of the subsidiaries of the Company, as Shandong Grand Concord did not have any assessable profits subject to EIT for the years ended 31 December 2012 and 2011.

(d) Withholding tax

According to the joint circular of the Ministry of Finance and State Administration of Taxation – Cai Shui 2008 No. 1, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for the year ended 31 December 2012, in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to approximately RMB171,665,000 (2011: RMB126,814,000) as the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such temporary differences will not reverse in the foreseeable future.

8. PROFIT FOR THE YEAR

	Year ended 31 December	
	2012	2011
	RMB'000	*RMB'000*
Profit for the year has been arrived at after charging (crediting):		
Salaries and other benefits	**73,471**	55,667
Share-based payment	**–**	5,800
Contributions to retirement benefit scheme	**3,065**	2,723
Total staff costs (including Directors' emoluments)	**76,536**	64,190
Auditor's remuneration	**885**	568
Amortisation of prepaid lease payments	**297**	297
Cost of inventories recognised as an expense	**358,663**	289,085
Depreciation of property, plant and equipment	**16,959**	13,453
Exchange difference, net	**1,228**	1,810
Loss on disposal of property, plant and equipment	**–**	416
Impairment loss of inventories (included in cost of sales)	**1,010**	426
Reversal of impairment loss of inventories (included in cost of sales)	**–**	(470)
Research expenditure	**389**	355
Operating lease rentals in respect of rented premises	**1,158**	950

9. EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31 December 2012 is based on the profit attributable to owners of the Company of approximately RMB35,490,000 (2011: RMB29,184,000) and the weighted average of 380,000,000 ordinary shares (2011: 308,328,767) in issue during the year.

Weighted average number of ordinary shares

	2012	2011
Issued ordinary shares at 1 January	**380,000,000**	300,000,000
Effect of issues of ordinary shares under public offering	**–**	8,328,767
Weighted average number of ordinary shares as at 31 December	**380,000,000**	308,328,767

Diluted earnings per share was the same as the basic earnings per share as there were no potential dilutive ordinary share outstanding during the years ended 31 December 2012 and 2011.

10. DIVIDENDS

The final dividend of HK 3.5 cents in respect of the year ended 31 December 2012 (2011: Nil) per share has been proposed by the Directors and is subject to approval by the shareholders in annual general meeting.

11. INVENTORIES

	As at 31 December	
	2012	2011
	RMB'000	*RMB'000*
Raw materials	**24,015**	18,490
Work-in-progress	**20,230**	28,506
Finished goods	**3,215**	15,389
	47,460	62,385

12. TRADE AND BILLS RECEIVABLES

	As at 31 December	
	2012	2011
	RMB'000	*RMB'000*
Trade and bills receivables	**64,978**	35,169
Less: allowance for doubtful debts	**(39)**	(39)
	64,939	35,130

The Group generally allows an average credit period of 30 to 90 days to its trade customers. The Group does not hold any collateral over the trade receivables. The aging analysis of the Group's trade receivables net of allowance for doubtful debts is presented based on the invoice date at the end of each reporting period and as follows:

	As at 31 December	
	2012	2011
	RMB'000	*RMB'000*
0 – 30 days	**43,041**	23,885
31 – 60 days	**12,066**	9,467
61 – 90 days	**8,567**	989
Over 90 days	**1,265**	789
	64,939	35,130

Included in the Group's trade receivables balances are debtors with aggregate carrying amount of approximately RMB1,693,000 (2011: RMB1,778,000) which were past due as at the reporting date for which the Group has not provided for allowance for doubtful debts because there has not been a significant change in credit quality and these balances are still considered recoverable.

13. TRADE AND BILLS PAYABLES

The average credit period on purchase of raw materials granted by the Group's suppliers was from 30 to 120 days. The Group has financial risk management policy to ensure that all payables are settled within the credit timeframe. The aging analysis of trade payables is presented based on the invoice date at the end of the reporting period and as follows:

	As at 31 December	
	2012	2011
	RMB'000	*RMB'000*
0 – 30 days	**33,128**	27,875
31 – 90 days	**7,039**	8,818
91 – 180 days	**1,731**	4,601
Over 180 days	**751**	2,587
	42,649	43,881

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS ENVIRONMENT

In 2012, the Eurozone debt crisis had not turned around and continued to have a significant negative effect on the demand in the international market amid the complex and volatile global economy. The sluggish economic recovery, high unemployment rate and low propensity to consume in the Western developed countries depressed the textile and apparel demand, and, accordingly, were unable to promote the apparel export growth in developing countries. Meanwhile, the competitiveness of China textile enterprises in the global market was further reduced with the widening cotton price spread within and outside China during the year as well as the continuously high labour cost.

Against an unfavourable operating environment, the Group endeavoured to seize every opportunity arising in the market and maintain its business relationship with existing customers to acquire stable amount of orders. Hence, the Group recorded annual growth in revenue in this challenging year. The Group is primarily engaged in production and sales of functional fabrics and innerwear. The market demand for functional fabrics has been increasing steadily. As the living standard is becoming higher, more and more people pay attention to fabric functions, such as the capability to adopt to the environment, to keep warm or to absorb sweat, rather than simply to the outlook of fabrics. In addition, innerwear is an important necessity. Therefore, the demand in the Group's targeted markets is still having stable growth in the overall textile and apparel industry and provides the Group with development opportunities and a platform for further expansion in the future.

In order to further expand its market presence, the Group actively strived to strengthen its cooperation with Outlast of the United States. During the year, the Group successfully acquired the exclusive production and sales rights of Outlast in the innerwear knitted fabric market in China. The Outlast products were initially developed for assisting US astronauts to adapt to the extreme temperature change in the space because they can balance the temperature of human bodies and the external environment, and provide people with comfortable wearing which is able to retain optimal heat. The advanced technology of the Outlast products can be seen on its high moisture absorption, static resistance and degree of comfort. Thus, when the products are used in the production of ordinary consumables, they are well received by consumers. The Group intends to fully utilise the exclusive production and sale rights to expand the Mainland market and enhance its enterprise image of providing high quality products with good credit.

During the year, the Group continued to invest in environmental friendly and technologically advanced production equipment, which was able to enhance the automation level and improve the division of labour in different production processes, thereby lessening the pressure from the increasing labour cost, so as to capture the market opportunities and effectively and flexibly provide customers with various product solutions. In order to maintain the friendly and mutual relationship between the Group and its customers, the Group did not increase its product price. Therefore, the Group was unable to achieve the year-on-year growth in gross profit for the year under the increasing cost pressure.

During the year, the Group also actively explored new markets and participated in trade shows in different regions. In order to increase its brand awareness in Europe, the Group participated in the fashion exhibition held in France in September 2012 to promote the Group's products. In addition, the Company participated in the national exhibition held in Shanghai in October 2012 so as to prepare for enhancing the domestic sales and strengthening its customer base within China.

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of the Group's revenue by knitted fabrics and innerwear products and as a percentage of the Group's total revenue for the year ended 31 December 2012, with corresponding comparative figures for 2011:

	Year ended 31 December			
	2012	**2012**	2011	2011
	RMB'000	***%***	*RMB'000*	*%*
Knitted fabrics				
General fabrics	**7,001**	**1.5**	21,379	5.1
Functional fabrics	**149,612**	**31.4**	104,094	25.0
Sub-total	**156,613**	**32.9**	125,473	30.1
Innerwear products				
General innerwear	**132,769**	**27.9**	115,410	27.7
Functional innerwear	**186,382**	**39.2**	175,664	42.2
Sub-total	**319,151**	**67.1**	291,074	69.9
Total	**475,764**	**100.0**	416,547	100.0

For the year ended 31 December 2012, the Group recorded a revenue of approximately RMB475.8 million (2011: RMB416.5 million), representing an increase of approximately RMB59.3 million, or approximately 14.2%. The sales volume of general fabrics, functional fabrics, general innerwear and functional innerwear for the year ended 31 December 2012 were approximately 169 tons, 1,710 tons, 10.3 million pieces and 10.9 million pieces respectively (2011: approximately 336 tons, 1,284 tons, 10 million pieces and 9.8 million pieces respectively). The growth in revenue was mainly due to the increase in production and sales in functional fabrics and various innerwear products, and the stable orders based on the Company's close business relationship with its existing customers. In addition, the sales volume of spring and summer products increased as compared to the corresponding period of last year due to a strategic change in product mix.

Sales of innerwear products amounted to approximately RMB319.2 million (2011: RMB291.1 million), representing approximately 67.1% (2011: 69.9%) of the total revenue for the year ended 31 December 2012. The increase in sales of innerwear products in the amount of approximately RMB28.1 million or approximately 9.7% in 2012 was mainly due to the increase in sale volume of spring and summer innerwear products.

Sales of knitted fabrics amounted to approximately RMB156.6 million (2011: RMB125.5 million), representing approximately 32.9% (2011: 30.1%) of the total revenue for the year ended 31 December 2012. The increase in sales of fabrics in the amount of approximately RMB31.1 million or approximately 24.8% in 2012 was mainly due to the change in the Group's product mix by shifting the focus on general fabrics to functional fabrics, which usually commanded a higher unit selling price than general fabrics.

Cost of sales

Cost of sales increased by approximately 24.5% from approximately RMB289.0 million for the year ended 31 December 2011 to approximately RMB359.7 million for the corresponding year ended in 2012. The increase primarily reflected the increase in cost of raw materials, direct labour costs and subcontracting charges during the year ended 31 December 2012 as a result of the increase in sales of functional products, which have a higher unit cost, in 2012 and also the increases in unit prices of certain raw materials, particularly for synthetic yarns and dyes which were affected directly by the commodity prices of crude oil. Meanwhile, the salary costs in China increased as compared to last year, resulting in the increase in production cost as well.

Gross profit and gross profit margin

Gross profit decreased by approximately RMB11.4 million, or approximately 9.0%, from approximately RMB127.5 million for the year ended 31 December 2011 to approximately RMB116.1 million for the corresponding year ended in 2012. The Group's gross profit margin also decreased from 30.6% for the year ended 31 December 2011 to 24.4% for the corresponding year ended in 2012, primarily as a result of an increase in unit production costs of the Group's products without significant increment in unit price of both functional and general products in order to retain quality customers.

The Group's gross profit and gross profit margins by products for the year ended 31 December 2012, with corresponding comparative figures in 2011:

	Year ended 31 December			
	2012	**2012**	2011	2011
	Gross profit	**Gross profit margins**	Gross profit	Gross profit margins
	RMB'000	*%*	*RMB'000*	*%*
Knitted fabrics				
General fabrics	**960**	**13.7**	3,828	17.9
Functional fabrics	**37,443**	**25.0**	29,854	28.7
Sub-total	**38,403**		33,682	
Innerwear products				
General innerwear	**16,238**	**12.2**	24,459	21.2
Functional innerwear	**61,450**	**33.0**	69,365	39.5
Sub-total	**77,688**		93,824	
Total	**116,091**	**24.4**	127,506	30.6

Other income and gains

Other income and other gains amounted to approximately RMB1.2 million (2011: RMB0.6 million) for the year ended 31 December 2012 which were mainly consisted of interest income and penalty charged to suppliers due to defective products.

Selling and distribution expenses

Selling and distribution expenses increased by approximately RMB4.8 million to approximately RMB14.2 million (2011: RMB9.4 million) for the year ended 31 December 2012, primarily due to the increase in sales volume and staff costs for the year. As the sales volume of fabrics and innerwear products increased by approximately 16% and approximately 7%, respectively, the relevant transportation costs incurred for local and overseas delivery to customers increased.

Share-based payment

For the year ended 31 December 2012, no share-based payment was incurred (2011: RMB5.8 million relating to the pre-listing compensation to two senior executives of the Group).

Administrative expenses

Administrative expenses decreased significantly to approximately RMB45.9 million (2011: RMB57.9 million) for the year ended 31 December 2012. In 2011, additional legal and professional fees were incurred for the listing of the Company's shares, but no such expenses was incurred in 2012.

Finance costs

Finance costs decreased to approximately RMB3.5 million (2011: RMB5.9 million) for the year ended 31 December 2012 primarily due to a lower average bank borrowings balance of approximately RMB50.1 million in 2012 (2011: RMB77.2 million).

Profit before tax

The Group's profit before tax increased to approximately RMB53.7 million (2011: RMB49.0 million) for the year ended 31 December 2012 primarily due to the increase in sales, decrease in administrative expenses and absence of share-based payment in 2012.

Income tax expense

Income tax expense decreased to approximately RMB18.2 million (2011: RMB19.9 million). The Group's effective tax rate for the year ended 31 December 2012 was approximately 33.9%, as compared to approximately 40.5% for the corresponding year in 2011, primarily due to certain non-deductible expenses mainly including professional fees in relation to the listing of the Company's shares and share-based payment which were incurred in 2011 were not incurred in 2012.

Profit for the year and profit margin

The Group's profit for the year increased by approximately RMB6.3 million, or 21.6%, from approximately RMB29.2 million for the year ended 31 December 2011 to approximately RMB35.5 million for the corresponding year in 2012. Profit margin was approximately 7.5% for the year ended 31 December 2012 (2011: 7.0%) and the increase in profit was mainly due to the increase in sales volume, decrease in administrative expenses and absence of share-based payment in 2012.

Inventories

The inventory balances decreased to approximately RMB47.5 million as at 31 December 2012 (2011: RMB62.4 million) as a result of the better control in the Group's inventory level that lowered the respective inventory risk and storage cost.

The average inventory turnover days decreased to approximately 56 days (2011: 72 days) for the year ended 31 December 2012.

Trade and bills receivables

Trade and bills receivables increased to approximately RMB64.9 million (2011: RMB35.1 million) as at 31 December 2012, primarily due to an increase in sales in the year 2012 and the increase in sales to domestic customers who have been granted with a longer credit terms than those granted to Japanese and American customers.

The average trade and bills receivables turnover days remain steady at approximately 38 days (2011: 39 days) for the year ended 31 December 2012 as the Group has put effort on controlling the accounts receivables.

Trade and bills payables

Trade and bills payables decreased slightly to approximately RMB42.6 million (2011: RMB43.9 million) as at 31 December 2012.

The average turnover days for trade and bills payables decreased to approximately 44 days (2011: 62 days) for the year ended 31 December 2012 which were in line with the trade credit periods given by the suppliers of the Group. Decrease in the balance of trade and bills payables and average turnover days were mainly due to the intention of the management to keep less inventory, which led to a decrease on the average payable balance over the year.

Liquidity and financial resources

The Group's principal sources of working capital included cash flow generated from the sale of its products. As at 31 December 2012, the Group's current ratio (current assets divided by current liabilities) was approximately 1.54 (as at 31 December 2011: 1.43). As at 31 December 2012, the Group had cash and cash equivalents of approximately RMB24.1 million (as at 31 December 2011: RMB63.7 million) and short-term interest-bearing borrowings of approximately RMB31.6 million (as at 31 December 2011: RMB62.7 million). As at 31 December 2012, the Group's gearing ratio (calculated as the total debts as at year end divided by total assets as at year end x 100%, while debts are defined to include current and non-current interest-bearing borrowings) was approximately 9.5%, as compared to 20.5% as at 31 December 2011.

As at 31 December 2012, the Group had variable rate bank loans of approximately RMB26.6 million (2011: RMB68.7 million) and fixed-rate bank loans of approximately RMB5.0 million (2011: nil) respectively. The effective interest rates on the Group's variable-rate and fixed-rate bank borrowings ranged from approximately 6.00% to 8.96% per annum (2011: 6.56% to 9.31% per annum) and at approximately 5.60% per annum (2011: nil) respectively as at 31 December 2012. During the year under review, there was no material change to the Group's funding and treasury policy.

The majority of the Group's funds have been deposited in banks in the PRC and licensed banks in Hong Kong. The management believes that the Group possesses sufficient cash and cash equivalents to meet its commitments and working capital requirements in the next financial year.

The Group continues to implement prudent financial management policies and monitor its capital structure based on the ratio of total liabilities to total assets.

Interest rate and foreign currency exposure

The Group's fair value interest rate risk relates primarily to its fixed rate interest-bearing borrowings and the Group is also exposed to cash flow interest rate risk in relation to variable rate interest-bearing borrowings. The restricted bank deposits and bank balances also expose the Group to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. The Group historically has not used any financial instruments to hedge potential fluctuations in interest rates. The management considers that the exposure of the restricted bank deposits and bank balances to cash flow interest rate risk is not significant as the Group does not anticipate significant fluctuation in the interest rate on bank deposits. To mitigate the impact of interest rate fluctuations, the Group manages the interest expenses by financing with both fixed and variable rate debts, and will continually assess and monitor the Group's exposure to interest rate risk and consider other necessary actions when significant interest rate exposure is anticipated.

The Group is exposed to foreign currency risk. A significant proportion of the Group's revenue is denominated in USD and certain trade and other receivables, cash and bank balances, trade and other payables and interest-bearing borrowings are denominated in USD, Japanese yen and HKD respectively, while substantial operating expenses are denominated in RMB, and the Group's reporting currency is RMB.

The Group does not have a foreign currency hedging policy. In the event of currency fluctuations, the Group may have to increase its product pricing to compensate for the increase in cost of production. This would lower the Group's market competitiveness, on a price basis, for its products and could result in a decrease in revenue. In the future, the management will monitor foreign exchange exposure and will consider hedging or factoring significant foreign currency exposure should the need arise.

Contingent liabilities

As at 31 December 2012, the Group had no material contingent liabilities.

Charges on Group's assets

As at 31 December 2012, the Group's bills payables and bank loans were secured by the Group's machinery, buildings and land use rights of carrying amounts of RMB10.8 million, RMB22.5million and RMB11.4 million, respectively (as at 31 December 2011: RMB12.4 million, RMB35.7 million and RMB13.3 million, respectively). As at 31 December 2012, no Group's trade receivables (as at 31 December 2011: RMB21.5 million) were pledged to secure the bank loans granted to the Group. The Group also pledged its bank deposits of RMB3.8 million (as at 31 December 2011: RMB8.7 million) to secure short-term bank loans and short-term bills payables.

USE OF PROCEEDS FROM LISTING

Net proceeds of approximately HKD38.4 million were raised from the initial public offering of the Company's shares in November 2011. The Company currently does not have any intention to change its plan for the use of proceeds as stated in the prospectus of the Company dated 14 November 2011. From the date of the listing up to the date of this announcement, out of the total net proceeds from the listing, approximately HKD19.2 million was utilised for upgrading and expanding the Group's manufacturing equipment and production plants to enhance its production efficiency. Approximately HKD4.4 million, HKD3.8 million and HKD0.8 million was utilised for expanding the sales channel, developing high-margin and innovative products and promoting brand name, respectively. Among the remaining proceeds of approximately HKD10.2 million, HKD3.8 million was utilized as working capital of the Group and the remaining amount was deposited in interest-bearing accounts of financial institutions in the PRC and Hong Kong.

HUMAN RESOURCES

As at 31 December 2012, the Group employed approximately 1,701 employees. Key components of the Group's remuneration packages include basic salary, medical insurance, discretionary cash bonus and retirement benefit scheme. The Group conducts periodic reviews for the employees and their salaries and bonuses are performance related. The Group has neither experienced any significant problems with its employees or disruptions to its operations due to labour disputes, nor has it experienced any difficulties in the recruitment and retention of experienced employees. The Group maintains a good relationship with its employees.

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK3.5 cents per share of the Company for the year ended 31 December 2012 (2011: Nil) representing a payout ratio of 30.5% of profit attributable to shareholders. Subject to the approval of shareholders at the forthcoming annual general meeting, the final dividend will be payable on or about Monday, 10 June 2013 to shareholders whose names appear on the register of members of the Company on Friday, 31 May 2013.

PROSPECTS

It is expected that the textile industry will gradually recover along with the recovery of the global economy, and the development of the textile industry will remain stable in the near future. The textile industry in China is expected to have an outstanding performance as its huge domestic demand will be the main driver for the development of the textile industry. Meanwhile, the "12th Five-Year Development Plan of Textile Industry" has been formulated to improve the international trade structure and includes plans to actively explore the emerging markets, which will continue to promote the export trade of the China textile industry. Thus, the textile export enterprises in China will benefit from the national policy and achieve rapid growth. At the same time, there will be fierce market competition in China.

Facing the complex and volatile market condition, the Group believes its current market position and good reputation, especially its leading research and development in fabrics as well as its exclusive production and sales rights of the international brand, will ensure that the Group can further expand and strengthen its position in the Mainland market. The Group will grasp the huge business opportunities in the textile and apparel production industry brought by the Chinese consumer market, and seek for an operation breakthrough in the Mainland market.

Overseas market continues to be the core market of the Group. Currently, the Group's products are primarily exported to Japan and the United States. As the reputation of the Group's brand widely spreads across the world, it is expected that more new customers in existing and other overseas markets will be attracted. The Group will continue to maintain its sales to Japan and United States markets to ensure that stable amount of orders are acquired. Meanwhile, the Group will develop its relationship with new customers, further expand to new markets such as Europe and Korea, and planing for the brand promotion of the Company.

In order to effectively leveraging the advantages of the Group's vertically-integrated operation to readily grasp market opportunities and maintain the stable growth of the Group, the Group will continue to invest in advanced equipment and sophisticated technology to further improve its production capacity and product quality, optimise production processes, increase production efficiency and reduce operating costs. The production capacity expansion will be conducted in line with the Group's development. The Group is looking to achieve significantly greater economies of scale brought by its expansion in the future.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities during the year ended 31 December 2012.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not engage in any material acquisitions or disposals during the year ended 31 December 2012.

CORPORATE GOVERNANCE

The Company places high value on its corporate governance practice and the Board firmly believes that a good corporate governance practice can improve accountability and transparency for the benefit of its shareholders. On 1 April 2012, the Code on Corporate Governance Practices ("**Former CG Code**") as set out in the Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") was amended and renamed as Corporate Governance Code and Corporate Governance Report ("**New CG Code**"). The Company has adopted the code provisions and certain recommended best practices as set out in the new CG Code as the code of the Company in substitution for and to the exclusion of the Former CG Code with effect from 27 March 2012. The Board also reviews and monitors the practices of the Company from time to time with an aim to maintain and improve high standards of corporate governance practices. During the year ended 31 December 2012, the Company has complied with the code provisions (the "**Code Provisions**") set out in both the Former CG Code and the New CG Code, except for the deviation set out as below:

Code Provision A2.1

The Code Provision A2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

At present, the Company does not have any officer with the title of chief executive. The duties of a chief executive are undertaken by Mr. Wong Kin Ling. Although this deviates from the practice set out under the Code Provision A2.1, where the two positions should be held by two different individuals, as the Board considers Mr. Wong Kin Ling has considerable and extensive knowledge and experience in the industry and in enterprise operation and management in general, the Board believes that it is in the best interest of the Company and its shareholders as a whole to continue to have Mr. Wong Kin Ling as chief executive so the Board can benefit from his knowledge of the business and his capability in leading the Board in the long term development of the Group. From a corporate governance point of view, the decisions of the Board are made collectively by way of voting and therefore Mr. Wong should not be able to monopolise the voting result. The Board considers that the balance of power between the Board and the senior management can still be maintained under the current structure. The Board shall review the structure from time to time to ensure appropriate action is taken should the need arise.

MODEL CODE FOR DIRECTORS' 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 its own code of conduct regarding Directors' securities transactions. The Company confirms that, having made specific enquiry of all the Directors, the Directors have complied with the required standards as set out in the Model Code during the year ended 31 December 2012.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The audit committee ("**Audit Committee**") was established on 19 August 2011 with written terms of reference (as amended on 27 March 2012) in compliance with the Listing Rules. The Audit Committee is responsible for making recommendation to the Board on the appointment, reappointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors, and any questions of resignation or dismissal of that auditor; monitoring integrity of the financial statements, the annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgments contained in them; and reviewing the financial controls, internal control and risk management systems.

The Audit Committee has reviewed with the management in relation to the accounting principles and practices adopted by the Group and discussed the auditing, internal controls and financial reporting matters, including the review of the audited consolidated financial statements of the Group for the year ended 31 December 2012.

The consolidated financial statements for the year ended 31 December 2012 have been audited by the Company's external auditors, SHINEWING (HK) CPA Limited.

REVIEW OF PRELIMINARY ANNOUNCEMENT OF RESULTS BY THE INDEPENDENT AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2012 as set out in the preliminary announcement have been agreed by the Group's auditor, SHINEWING (HK) CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by SHINEWING (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance

Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by SHINEWING (HK) CPA Limited on the preliminary announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company is scheduled to be held on Monday, 27 May 2013. A notice convening the annual general meeting will be published and despatched to shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the following periods:–

(a) For the purpose of determining shareholders who are entitled to attend and vote at the annual general meeting, the register of members of the Company will be closed from Wednesday, 22 May 2013 to Monday, 27 May 2013, both dates inclusive, during which period no transfer of shares will be registered. Shareholders are reminded that in order to qualify for attendance at the annual general meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 21 May 2013.

(b) For the purpose of determining shareholders who qualify for the proposed final dividend, the Register of Members of the Company will be closed on Friday, 31 May 2013 and no transfer of shares will be registered. Shareholders are reminded that in order to qualify for the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 30 May 2013.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This final results announcement is published on the Stock Exchange's website at www.hkexnews.hk and the website of the Company at www.grandconcord.com. The Company's annual report for the year 2012 will be available at the same websites and will be despatched to the Company's shareholders in due course.

By order of the Board
Grand Concord International Holdings Limited
Wong Kin Ling
Chairman

Hong Kong, 25 March 2013

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Wong Kin Ling, Madam Hung Kin, Mr. Wang Shao Hua and Mr. Wei Jin Long; and three independent non-executive Directors, namely Mr. Wang Jin Tang, Ms. Tay Sheve Li and Dr. Chan Ah Pun.