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)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the profit attributable to the Shareholders for the year ended 31 December 2015 is expected to substantially decrease as compared with that of 2014 to the extent that a considerable loss may be recorded.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Grand Concord International Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors of the Company that the profit attributable to the Shareholders for the year ended 31 December 2015 is expected to substantially decrease as compared with that of the 2014 to the extent that a considerable loss may be recorded.

Based on the currently available information, such substantial decrease in profit or considerable loss is mainly attributable to the slowdown in the economic growth in China and the stagnant economic situation in Japan, which resulted in a decrease in the demand for the Group's knitted innerwear and fabric products, causing a drop in the domestic and export sales volume, as well as a decrease in gross margin arising from reduced selling prices of the Group's products.

Moreover, one-off expenses relating to the placing of the convertible bonds by the Company in May 2015 (particulars of which were disclosed in the announcement of the Company dated 6 May 2015 and 20 May 2015 respectively) were incurred during the year of 2015. In accordance with HKFRS, the Company recognised losses due to the changes in fair value of derivative component of the convertible bonds, which amounted to RMB13.8 million as at 30 June 2015 (particulars of which were disclosed in the interim report of the Group for the six months ended 30 June 2015). No such expenses were recognised in 2014. The Directors nevertheless believe that the HKFRS accounting treatment of the conversion option of the convertible bonds does not result in any cash outflow or outflow of resources of the Group. Changes in fair value maybe material in comparison to the Group's net loss or profit and may cause distortions on the performance of the Group.

Nevertheless, the Board would like to inform the Shareholders and potential investors of the Company that the financial position of the Group remains stable.

The Company is still in the progress of finalising the financial results of the Group for the year ended 31 December 2015. The information contained in this announcement is only based on the preliminary review on the unaudited consolidated management accounts of the Group, which have not been reviewed nor audited by the auditors of the Company as at the date of this announcement. Shareholders and potential investors of the Company are advised to peruse the financial results for the year ended 31 December 2015 with care when it is released. The interim results announcement of the Group for the year ended 31 December 2015 is expected to be released by the end of March 2016.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 22 January 2016

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. Feng Yongming; one non-executive Director, namely Mr. Wei Jin Long; and three independent non-executive Directors, namely Mr. Wang Jin Tang, Ms. Tay Sheve Li and Dr. Chan Ah Pun.