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GREATIME INTERNATIONAL HOLDINGS LIMITED
廣泰國際控股有限公司

(Incorporated in the British Virgin Islands with limited liability)
(Stock code: 844)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018

The board (the "**Board**") of directors (the "**Directors**") of Greatime 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 2018, together with the comparative figures for the year ended 31 December 2017, which have been prepared in accordance with the Hong Kong Financial Reporting Standards ("**HKFRSs**"), as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2018

	Notes	2018 RMB'000	2017 RMB'000
Revenue	*3*	**347,196**	314,119
Cost of sales		**(280,643)**	(266,227)
Gross profit		**66,553**	47,892
Other income and gains	*4*	**7,343**	4,409
Selling and distribution expenses		**(11,582)**	(9,929)
Administrative expenses		**(77,501)**	(68,580)
Finance costs	*5*	**(4,510)**	(3,549)
Loss before tax		**(19,697)**	(29,757)
Income tax expense	*6*	**(396)**	(672)
Loss for the year	*7*	**(20,093)**	(30,429)
Other comprehensive income (expense)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translating foreign operations		**1,216**	(3,703)
Other comprehensive income (expense) for the year		**1,216**	(3,703)
Total comprehensive expense for the year		**(18,877)**	(34,132)
Loss per share:			
– Basic and diluted *(RMB)*	*8*	**(0.04)**	(0.07)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	Notes	2018 RMB'000	2017 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**189,951**	190,798
Goodwill		**–**	–
Prepaid lease payments		**14,105**	14,354
Prepayments and other receivables		**9,758**	2,862
Deposits paid to acquire property, plant and equipment		**74**	942
Deferred tax assets		**630**	546
		214,518	209,502
CURRENT ASSETS			
Inventories	*10*	**56,605**	43,497
Trade and bills receivables	*11*	**42,237**	41,966
Prepayments and other receivables		**8,766**	11,593
Prepaid lease payments		**414**	408
Pledged bank deposits		**20,000**	1,548
Cash and bank balances		**147,664**	160,868
		275,686	259,880
CURRENT LIABILITIES			
Trade and bills payables	*12*	**46,327**	45,304
Accruals and other payables		**19,127**	19,265
Advance from customers		**–**	2,930
Contract liabilities		**1,833**	–
Loan from a shareholder		**4,412**	4,191
Interest-bearing borrowings		**121,000**	82,000
Income tax payables		**922**	396
		193,621	154,086
Net current assets		**82,065**	105,794
Total assets less current liabilities		**296,583**	315,296
NON-CURRENT LIABILITY			
Deferred tax liabilities		**469**	537
NET ASSETS		**296,114**	314,759
CAPITAL AND RESERVES			
Share capital		**148,929**	148,929
Reserves		**147,185**	165,830
TOTAL EQUITY		**296,114**	314,759

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND BASIS OF PRESENTATION OF CONSOLIDATION

Greatime International Holdings Limited (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) (the "**Companies Act**") 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 is located at P.O. Box 3340, Road Town, Tortola, BVI and its principal place of business is located at Room 4408, 44/F, 183 Queen's Road East, Wan Chai, Hong Kong.

The Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") are engaged in the manufacturing of and provision of processing services on innerwear products and knitted fabrics. The ultimate holding company of the Company is Junfun Investment Limited ("**Junfun**"), a limited liability company incorporated in the Cayman Islands.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its subsidiaries which were established and operated in the People's Republic of China (the "**PRC**"). Other than those subsidiaries established in the PRC, the functional currency of subsidiaries established in Hong Kong and Myanmar are denoted in United States dollars ("**USD**") and Myanmar Khamed ("**MMK**").

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied, for its first time, the following new and amendments to HKFRSs, which include HKFRSs, Hong Kong Accounting Standard ("**HKAS**") and HK(IFRIC) Interpretation ("**HK(IFRIC)-Int**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and related Amendments
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of Annual Improvements to HKFRSs 2014–2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

The impact of the adoption of HKFRS 9 Financial Instruments and HKFRS 15 Revenue from Contracts with Customers have been summarised below. The application of other new and amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 superseded HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard established a five-step model for determining whether, how much and when revenue is recognised. The Group has elected to adopt the modified retrospective approach for contracts with customers that are not completed as at the date of initial application (i.e. 1 January 2018) with the cumulative effect of initially applying HKFRS 15 as an adjustment to the opening balance of retained earnings and comparative information is not restated. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 Revenue.

The Group's accounting policies for its revenue streams are disclosed in detail in the annual report.

The transition to HKFRS 15 has no impact on the retained earnings at 1 January 2018.

The amount of adjustment for each financial statement line item of the consolidated statement of financial position at 1 January 2018 affected by the application of HKFRS 15 is illustrated below. Line items that were not affected by the changes have not been included.

	Carrying amount previously reported as 31 December 2017	**Impact on adoption of HKFRS 15 – Reclassification**	**Carrying amount under HKFRS 15 as restated at 1 January 2018***
	RMB'000	*RMB'000*	*RMB'000*
Advances from customers	2,930	(2,930)	–
Contract liabilities	–	2,930	2,930

* The amount in this column is before the adjustment from the adoption of HKFRS 9.

Advances from customers

As at 1 January 2018, the "advances from customers" of approximately RMB2,930,000 was reclassified to contract liabilities.

Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 December 2018 as a result of the adoption of HKFRS 15 on 1 January 2018

The following tables summarise the estimated impact of applying HKFRS 15 on the consolidated statement of financial position at 31 December 2018, by comparing the amounts reported under HKAS 18 and related interpretations that were in effect before the change. Line items that were not affected by the adjustments have not been included. The adoption of HKFRS 15 did not have material impact on the Group's operating, investing and financing cash flows and on the Group's consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2018.

Impact on the consolidated statement of financial position at 31 December 2018 is illustrated below:

	As reported	**Impact on adopting HKFRS 15**	**Amounted excluding impacts on adoption of HKFRS 15**
	RMB'000	*RMB'000*	*RMB'000*
Advances from customers	–	1,833	1,833
Contract liabilities	1,833	(1,833)	–

HKFRS 9 Financial instruments

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The Group has applied HKFRS 9 retrospectively to financial instruments that have not been derecognised at the date of initial application (i.e. 1 January 2018) in accordance with the transition provisions under HKFRS 9, and chosen not to restate comparative information. Differences in the carrying amounts of financial assets and financial liabilities on initial application are recognised in retained earnings as at 1 January 2018.

The Group's accounting policies for the classification and measurement of financial instruments and the impairment of financial assets are disclosed in detail in the annual report.

(i) Classification and measurement of financial instruments

The directors of the Company reviewed and assessed the Group's existing financial assets as at 1 January 2018 based on the facts and circumstances that existed at that date and concluded that all recognised financial assets and financial liabilities that are within the scope of HKFRS 9 are continued to measure at amortised cost as were previously measured under HKSA 39.

Loss allowance for expected credit losses ("ECL")

The adoption of HKFRS 9 has changed the Group's accounting for impairment losses for financial assets by replacing HKAS 39's incurred loss model with a forward-looking ECL model. As at 1 January 2018, the directors of the Company reviewed and assessed the Group's existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirement of HKFRS 9.

As at 1 January 2018, a reversal of impairment loss on the Group's trade receivables of approximately RMB232,000 have been recognised, thereby increasing the opening retained earnings of approximately RMB232,000.

Summary of effects arising from initial application of HKFRS 9

The table below summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group's financial assets and reconciles the carrying amounts of financial assets under HKAS 39 to the carrying amounts under HKFRS 9 on 1 January 2018.

	Carrying amount at 31 December 2017 (HKAS 39)	**Impact on adoption of HKFRS 9 – Reclassification**	**Impact on adoption of HKFRS 9 – Remeasurement**	**Carrying amount under HKFRS 9 as restated at 1 January 2018***
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Loan and receivables				
– Trade and bills receivables	41,966	(41,966)	–	–
– Other receivables	4,591	(4,591)	–	–
– Pledged bank deposits	1,548	(1,548)	–	–
– Cash and bank balances	160,868	(160,868)	–	–
At amortised cost				
– Trade and bills receivables	–	41,966	232	42,198
– Other receivables	–	4,591	–	4,591
– Pledged bank deposits	–	1,548	–	1,548
– Cash and bank balances	–	160,868	–	160,868

* The amount in this column is before the adjustment from the adoption of HKFRS 15.

Note:

Financial assets which the Group had previously classified as loan and receivables under HKAS 39 were subject to reclassify as at amortised cost upon the application of HKFRS 9 as all financial assets passed the contractual cash flow test and with the business model objective to hold to collect contractual cash flows.

All the financial liabilities have not been impacted by the application of HKFRS 9 and continue to be classified and measured on the same basis as they were under HKAS 39.

The table below summarises the impact of transition to HKFRS 9 on retained earnings at 1 January 2018.

	Retained earnings
	RMB'000
Balance at 31 December 2017 as originally stated	123,181
Reversal of impairment under ECL model	232
Total change as a result of adoption of HKFRS 9 on 1 January 2018	232
Balance at 1 January 2018 as restated	123,413

There were no financial assets or financial liabilities which the Group had previously designated as at FVTPL under HKAS 39 that were subject to reclassification or which the Group has elected to reclassify upon the application of HKFRS 9. There were no financial assets or financial liabilities which the Group has elected to designate as at FVTPL at the date of initial application of HKFRS 9.

New and revised HKFRSs issued but not yet effective

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

HKFRS 16	Leases[1]
HKFRS 17	Insurance Contracts[3]
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments[1]
Amendments to HKFRS 3	Definition of a Business[5]
Amendments to HKFRS 9	Prepayment Features with Negative Compensation[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKAS 1 and HKAS 8	Amendments to Definition of Material[2]
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement[1]
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle[1]

1 Effective for annual periods beginning on or after 1 January 2019.

2 Effective for annual periods beginning on or after 1 January 2020.

3 Effective for annual periods beginning on or after 1 January 2021.

4 Effective for annual periods beginning on or after a date to be determined.

5 Effective for business combinations and assets acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

The directors of the Company anticipate that, except as described below, the application of other new and amendments HKFRSs will have no material impact on the results and the financial position of the Group.

HKFRS 16 Leases

HKFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees.

In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value.

At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of HKAS 16 Property, Plant and Equipment, while interest accrual on lease liability will be charged to profit or loss.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17 Leases. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

HKFRS 16 will supersede the current lease standards including HKAS 17 Leases and the related interpretations when it becomes effective.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of approximately RMB3,627,000 as disclosed in the annual report. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in the measurement, presentation and disclosure as indicated above. The directors of the Company are in the process to determine the amounts of right-of-use assets and lease liabilities to be recognised in the consolidated statement of financial position, after taking into account all practical expedients and recognition exemptions under HKFRS 16. The directors of the Company expect that the adoption of HKFRS 16 will not have material impact on the Group's result but certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for manufacture and sales of and provision of processing services on innerwear products and knitted fabrics, net of discounts and sales related taxes. Revenue is analysed as follows:

Revenue from contracts with customers within the scope of HKFRS 15 for the year ended 31 December 2018

Disaggregated by major products or service lines

	2018	2017*
	RMB'000	*RMB'000*
Manufacture and sale of products:		
– Innerwear products	**242,129**	248,969
– Knitted fabrics	**59,841**	34,120
	301,970	283,089
Processing service income:		
– Innerwear products	**13,982**	5,040
– Knitted fabrics	**31,244**	25,990
	45,226	31,030
	347,196	314,119

* The amounts for the year ended 31 December 2017 were recognised under HKAS 18.

Disaggregation of revenue by timing of recognition

	Year ended 31/12/2018
	RMB'000
Timing of revenue recognition	
At a point in time and total revenue from contracts with customers	347,196

The Group's operating segments, by category of products, based on information reported to the directors of the Company, being the chief operating decision makers ("**CODM**") for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable segments are as follows:

1) Innerwear products – manufacturing and sale of and provision of processing services on innerwear and garments

2) Knitted fabrics – manufacturing and sale of and provision of processing services on knitted fabrics

Geographical information

Information about the Group's revenue from external customers is presented based on the destination where the products are delivered. Information about the Group's non-current assets is presented based on geographical location of the assets.

	Revenue from contracts with external customers		**Non-current assets**	
	2018	2017	**2018**	2017
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
The PRC (country of domicile)	**167,262**	155,756	**191,220**	201,408
Japan	**155,499**	126,262	**–**	–
United States	**12,200**	8,402	**–**	–
Italy	**10,156**	17,270	**–**	–
Others	**2,079**	6,429	**15,089**	7,548
	347,196	314,119	**206,309**	208,956

Note: Non-current assets excluded financial instruments and deferred tax assets.

Information about major customers

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

	2018	2017
	RMB'000	*RMB'000*
Customer A *(note (a))*	**56,459**	55,718
Customer B *(notes (a) & (c))*	**N/A**	39,403
Customer C *(notes (b) & (c))*	**N/A**	19,431

Notes:

(a) Revenue from manufacture and sale of and provision of processing services on innerwear and garments segment and from overseas customer.

(b) Revenue from manufacture and sale of and provision of processing services on knitted fabrics segment from the PRC customer.

(c) The corresponding revenue did not contribute over 10% of the total revenue of the Group for the year ended 31 December 2018.

4. OTHER INCOME AND GAINS

	2018	2017
	RMB'000	*RMB'000*
Exchange gain, net	**2,037**	–
Sales of scrap materials	**1,984**	2,675
Bank interest income	**1,916**	1,217
Insurance claim received	**456**	–
Government grants *(Note)*	**368**	163
Interest income on loan receivables	**168**	–
Net gain on disposal of property, plant and equipment	**–**	223
Others	**414**	131
	7,343	4,409

Note:

Government grants recognised as other income are awarded to the Group by the PRC government as incentives primarily to encourage the technology development of the Group and the contribution to the local economic development. The government grants are one-off with no specific condition attached.

5. FINANCE COSTS

	2018	2017
	RMB'000	*RMB'000*
Interest on bank loans	**4,538**	3,861
Less: amounts capitalised in the cost of qualifying assets	**(28)**	(312)
	4,510	3,549

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 2.3% (2017: 4.9%) per annum to expenditure on qualifying assets.

6. INCOME TAX EXPENSE

	2018	2017
	RMB'000	*RMB'000*
Current tax:		
PRC Enterprise Income Tax (the "**EIT**")		
– Under-provision in prior years	**–**	230
Withholding tax	**553**	544
Deferred tax	**(157)**	(102)
	396	672

(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

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No.7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HKD2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HKD2 million will be taxed at 16.5%. For the year ended 31 December 2018, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%. For the year ended 31 December 2017, Hong Kong profits tax was calculated at a flat rate of 16.5% of the estimated assessable profits.

No provision for Hong Kong Profits Tax had been made for the years ended 31 December 2018 and 2017 as there was 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% for the years ended 31 December 2018 and 2017. No provision for EIT had been made as there was either no estimated assessable profit derived from PRC subsidiaries or the assessable profit is wholly absorbed by tax losses brought forward.

(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 of 10% is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards.

The tax charge of the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2018	2017
	RMB'000	*RMB'000*
Loss before tax	**(19,697)**	(29,757)
Tax at the domestic income rate of 25% (2017: 25%)	**(4,924)**	(7,439)
Tax effect of income not taxable for tax purpose	**(211)**	(23)
Tax effect of expenses not deductible for tax purpose	**2,398**	3,284
Tax effect of tax deductible temporary difference not recognised	**262**	374
Tax effect of withholding tax on the distributable profits of the Group's PRC subsidiaries	**461**	513
Effect of different tax rates of subsidiaries operating in other jurisdictions	**1,371**	217
Tax effect of tax losses not recognised	**2,615**	3,643
Under-provision in prior years	**–**	230
Utilisation of tax losses previously not recognised	**(1,576)**	(127)
Income tax expense for the year	**396**	672

7. LOSS FOR THE YEAR

	2018	2017
	RMB'000	*RMB'000*
Loss for the year has been arrived at after charging (crediting):		
Salaries and other benefits	**98,010**	84,811
Contributions to retirement benefit schemes	**12,200**	10,990
Total staff costs (including directors' and chief executive's emoluments)	**110,210**	95,801
Auditor's remuneration	**759**	751
Amortisation of prepaid lease payments	**409**	389
Depreciation of property, plant and equipment	**23,400**	25,528
Net loss (gain) on disposal of property, plant and equipment	**801**	(223)
Loss on written off of property, plant and equipment	**2,100**	–
Amount of inventories recognised as an expense	**238,387**	224,919
Impairment loss on inventories (included in cost of sales)	**898**	–
Impairment loss on trade receivables (included in administrative expenses)	**238**	1,496
Impairment loss on loan receivables	**89**	–
Net exchange (gain) loss	**(2,037)**	733
Operating lease rentals in respect of rented premises	**3,358**	2,465

8. LOSS PER SHARE

The calculation of basic and diluted loss per share for the year ended 31 December 2018 is based on the loss for the year attributable to owners of the Company of approximately RMB20,093,000 (2017: RMB30,429,000) and the weighted average of 494,335,330 ordinary shares (2017: 429,102,092) in issue during the year.

Diluted loss per share for the years ended 31 December 2018 and 2017 was the same as the basic loss per share as there were no dilutive potential ordinary shares outstanding during the year ended 31 December 2018 (2017: nil).

9. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2018, nor has any dividend been proposed since the end of the reporting period (2017: nil).

10. INVENTORIES

	2018	2017
	RMB'000	*RMB'000*
Raw materials	**22,686**	16,706
Work-in-progress	**29,233**	20,687
Finished goods	**4,686**	6,104
	56,605	43,497

11. TRADE AND BILLS RECEIVABLES

	31/12/2018	**1/1/2018**	**31/12/2017**
	RMB'000	*RMB'000*	*RMB'000*
Receivables at amortised cost comprise:			
Trade and bills receivables	43,778	43,501	43,501
Less: allowance for impairment of trade receivables	(1,541)	(1,303)	(1,535)
	42,237	42,198	41,966

As at 31 December 2018, the gross amount of trade receivable arising from contracts with customers amounted to approximately RMB43,778,000 (1/1/2018: RMB43,501,000).

The Group allows an average credit period of 30 to 90 days to its trade customers. As at 31 December 2017, the Group have bills receivables of approximately RMB600,000 (2018: nil) which were pledged to secure the bills payables granted to the Group.

An aged analysis of trade and bills receivables net of allowance for impairment of trade receivables presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period is as follows:

	2018	2017
	RMB'000	*RMB'000*
0–30 days	**29,266**	32,335
31–60 days	**5,046**	3,070
61–90 days	**2,035**	1,653
Over 90 days	**5,890**	4,908
	42,237	41,966

The movement in the allowance for impairment of trade receivables is set out below:

	2018	2017
	RMB'000	*RMB'000*
At the beginning of the year	**1,535**	39
Effect on adoption of HKFRS 9	**(232)**	–
Impairment loss on trade receivables	**224**	1,496
Exchange realignment	**14**	–
At the end of the year	**1,541**	1,535

12. TRADE AND BILLS PAYABLES

An aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period is as follows:

	2018	2017
	RMB'000	*RMB'000*
0–30 days	**36,350**	32,689
31–90 days	**7,008**	10,781
91–180 days	**466**	1,211
Over 180 days	**2,503**	623
	46,327	45,304

The average credit period on purchase of goods is from 30 to 180 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

As at 31 December 2017, bills payables of approximately RMB1,548,000 (2018: nil) are secured by pledged bank deposits and bills receivables.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY REVIEW

According to the economic figures published by the National Bureau of Statistics of China in 2018, the gross domestic product of China throughout the year amounted to RMB90 trillion, up by 6.6% over the previous year. Despite meeting the expected growth target of 6.5% set by the Chinese government at the beginning of the year, it marked the lowest economic growth in China in 28 years. Based on quarterly analysis, the economic growth even gradually slowed down from a quarter-on-quarter increase of 6.8% to only 6.4% in the fourth quarter. The figures showed signs of slowdown of the Chinese economy.

In recent years, China's textile industry also revealed a significant slowdown in its growth. Especially in 2018, the uncertainties brought by the Sino-U.S. trade friction, rising trade protectionism in the international market, Renminbi exchange rate fluctuations, growing costs of production including labour cost and increasingly stringent requirements on environmental protection in various countries had a far-reaching impact on the industry development. Based on the statistics published by China Customs, the textile clothing exports of China throughout the year of 2018 only met the breakeven point and the cumulative gross exports of textile clothing of China from January to December amounted to US$276.731 billion. However, taking into account the U.S. government's stance to impose a tariff of 10% on US$200 billion of Chinese products in 2019 will remain unchanged, it is expected the exports of the Chinese textile clothing in 2019 will continue to be unoptimistic.

On the contrary, in the PRC market, despite that the domestic demand continued to play a key role to support the industry, the relevant markets in the southeast Asian countries continued to grow rapidly, leading to a shift in production capacity from China to overseas countries. Currently, many textile enterprises in China have begun the expansion of production capacity overseas taking into account the rising cost of labour in China, which weakens the cost advantage of the manufacturing industry, whereas the labour force in the southeast Asian and south Asian countries becomes more competitive cost-wise. In the medium- to long-term, the trend of overseas expansion of production capacity among Chinese enterprises will continue. Given the internal and external issues, the Group expects China's textile industry will face great challenges and will remain prudent toward its future development.

BUSINESS REVIEW

For the year ended 31 December 2018 (the "**Year under Review**"), the Group continued to play the role as an original equipment manufacturer (the "**OEM**") underwear supplier of a number of major international clothing brands with established plants in China and Myanmar for production, targeting China and Japan as the major markets. The Group revenue recorded an increase of 10.5% to approximately RMB347.2 million (2017: RMB314.1 million), resulting in a loss of approximately RMB19.7 million (2017: loss of RMB29.8 million). During the Year under Review, the Group's revenue from knitted fabrics was approximately RMB91.1 million and the revenue from innerwear products was approximately RMB256.1 million.

The main reasons accounting for the loss were the muted performance in the Chinese market and the shrinkage of demand in the Japanese functional innerwear market from its peak earlier. In March 2018, the Japanese Cabinet formally approved the Chemical Substances Assessment Law and Manufacturing Regulations reported to the World Trade Organisation ("**WTO**") earlier, therefore, it is expected that the restrictions on the entry of textile products into Japan will be increased. As one of the largest markets for the Group's functional innerwear, the policy may bring challenges to the Group in further developing its functional innerwear market in Japan.

During the Year under Review, the Group continued to export garments to major export markets including Japan, U.S. and Europe. The revenue generated from the export of garment amounted to RMB179.9 million, representing 51.8% of the Group's total revenue. Furthermore, in order to reinforce the business foundation and maintain reasonable gross margins, the Group has been exploring new markets of fabrics and innerwear products and initiating more business measures, such as seeking strategic partnerships with customers in the Association of Southeast Asian Nations ("**ASEAN**") region to ensure timely response to the transformation of market trend.

In early years, the Group has set foot in Myanmar for business development in response to the Belt and Road Initiative (the "**BRI**") of the Chinese government and actively seized the enormous opportunities along the Belt and Road. During the Year under Review, the Group's wholly-owned subsidiary, Win Glory International Manufacturing Company Limited ("**Win Glory**") maintained a stable sales revenue, contributing approximately RMB9.0 million (before elimination of intra-group transactions) to the total revenue of the Group. Meanwhile, the Group has paid 30 years' rent for another piece of land in Myanmar earlier to further expand its garment businesses and the operation of the land remained stable.

As one of the ASEAN members, in recent years, Myanmar has been active in carrying out fundamental political and economic reforms after being a closed country for years. The fundamentals are picking up and the economic strength is catching up. At the same time, Myanmar has a huge population and favourable geographical location with relatively low costs of labour, thus offering attractive potential for corporate development. In view of this, the Group will continue to expand the production business in Myanmar in order to release its commercial potential and further mobilise the development of textile and garment industry in Myanmar through committing a series of trading and commercial activities in achieving a win-win situation.

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 2018, with corresponding comparative figures for the year ended 31 December 2017:

	Year ended 31 December			
	2018	**2018**	2017	2017
	RMB'000	*%*	*RMB'000*	*%*
Knitted fabrics	**91,085**	**26.2**	60,110	19.1
Innerwear products	**256,111**	**73.8**	254,009	80.9
Total	**347,196**	**100.0**	314,119	100.0

For the year ended 31 December 2018, the Group recorded a revenue of approximately RMB347.2 million (2017: RMB314.1 million), representing an increase of approximately RMB33.1 million, or approximately 10.5%. The sales volume of knitted fabrics and innerwear products for the year ended 31 December 2018 were approximately 3,295 tons and 17.5 million pieces respectively (2017: approximately 2,146 tons and 18.1 million pieces respectively). The increase of revenue was mainly due to the increase in sales of knitted fabrics products from approximately RMB60.1 million in 2017 to approximately RMB91.1 million in 2018.

Sales of knitted fabrics amounted to approximately RMB91.1 million (2017: RMB60.1 million) representing approximately 26.2% (2017: 19.1%) of the total revenue for the year ended 31 December 2018. The increase in sales of knitted fabrics was mainly due to the efforts of the sales team on expanding the customer base. The sales volume of knitted fabrics increase by approximately 53.5% to approximately 3,295 tons for the year ended 31 December 2018 (2017: 2,146 tons). The knitted fabrics were mainly distributed to branded customers in China. For the year ended 31 December 2018, the Group took up more orders on fabric knitting, the sales of fabric knitting increased from approximately RMB34.1 million in 2017 to approximately RMB59.8 million in 2018, where the sale of fabric sub-contracting process increased from approximately RMB26.0 million in 2017 to approximately RMB31.2 million in 2018. The overall revenue contributed by knitted fabrics was therefore increased by RMB31 million to RMB91.1 million for the year ended 31 December 2018.

Sales of innerwear products amounted to approximately RMB256.1 million (2017: RMB254.0 million), representing approximately 73.8% (2017: 80.9%) of the total revenue for the year ended 31 December 2018. The performance of innerwear products was relatively steadier. An increase in sales of innerwear products in the amount of approximately RMB2.1 million was recorded for the year ended 31 December 2018. The sales volume of innerwear products slightly decreased from approximately 18.1 million pieces for the year ended 31 December 2017 to approximately 17.5 million pieces for the year ended 31 December 2018, representing a decrease by 3.3%. The average unit selling price of innerwear products increased by 4.3% from RMB14.0 per piece in 2017 to approximately RMB14.6 per piece in 2018, which resulted a slight increase in sales of innerwear products for the year ended 31 December 2018.

Cost of sales

Cost of sales increased by approximately 5.4% from approximately RMB266.2 million for the year ended 31 December 2017 to approximately RMB280.6 million for the year ended 31 December 2018. The average unit production costs of innerwear products of the Group for the year ended 31 December 2018 decreased when compared to the unit production cost for the year ended 31 December 2017. The increase in the overall cost of sales was mainly due to the increase in cost of sales of knitted fabrics products from RMB58.7 million for the year ended 31 December 2017 to RMB85.1 million for the year ended 31 December 2018.

Gross profit and gross profit margin

Gross profit increased by approximately RMB18.7 million, or approximately 39.0%, from approximately RMB47.9 million for the year ended 31 December 2017 to approximately RMB66.6 million for the year ended 31 December 2018. The Group's gross profit margin increased from approximately 15.2% for the year ended 31 December 2017 to approximately 19.2% for the year ended 31 December 2018 mainly due to the increase in the average unit selling price and decrease in average unit production cost of the Group's products.

The Group's gross profit and gross profit margins by knitted fabrics and innerwear products for the year ended 31 December 2018, with corresponding comparative figures for the year ended 31 December 2017, are as follows:

	Year ended 31 December			
	2018	**2018**	2017	2017
	Gross profit	**Gross profit margins**	Gross profit	Gross profit margins
	RMB'000	*%*	*RMB'000*	*%*
Knitted fabrics	**5,966**	**6.5**	1,439	2.4
Innerwear products	**60,587**	**23.7**	46,453	18.3
Total	**66,553**	**19.2**	47,892	15.2

Other income and other gains

Other income and other gains amounted to approximately RMB7.3 million (2017: RMB4.4 million) for the year ended 31 December 2018 which were mainly net exchange gain, interest income and sales of scarp materials. The increase in other income and other gains was mainly due to the increase in net exchange gain. For the year ended 31 December 2018, net exchange gain of RMB2.0 million was recorded (2017: net loss of RMB0.7 million). The increase in net exchange gain is mainly due to the appreciation of RMB against other foreign currencies in the year end 31 December 2018.

Selling and distribution expenses

Selling and distribution expenses increased by approximately RMB1.7 million to approximately RMB11.6 million (2017: RMB9.9 million) for the year ended 31 December 2018. Selling expenses mainly represented the transportation expenses, salaries and commission to the sales staff. The increase in selling expenses was mainly due to the increase in sales of the Group's product in 2018.

Administrative expenses

Administrative expenses increased to approximately RMB77.5 million (2017: RMB68.6 million) for the year ended 31 December 2018. The increase in the administrative expenses was mainly due to the increase in the salaries and staff benefits, which included directors and staff salaries, social welfare and pension expenses and the increase of loss on disposal and loss on written off of property, plant and equipment. Salaries and staff benefits increased from RMB40.9 million for the year ended 31 December 2017 to RMB45.0 million for the year ended 31 December 2018. Such increase was mainly due to the increase in salaries to management personnel to better manage the subsidiaries of the Group. There was a loss on disposal and loss on written off of property, plant and equipment of RMB0.8 million and RMB2.1 million respectively for the year ended 31 December 2018 (2017: gain on disposal of RMB0.2 million and nil).

Finance costs

Finance costs increased to approximately RMB4.5 million (2017: RMB3.5 million) for the year ended 31 December 2018, primarily due to the increase in average bank borrowing during the year ended 31 December 2018.

Loss before tax

The Group's loss before tax was approximately RMB19.7 million (2017: RMB29.8 million) for the year ended 31 December 2018 primarily due to the increase in revenue, gross profit. The gross profit of fabrics products and innerwear products increased from RMB1.4 million and RMB46.5 million, respectively for the year ended 31 December 2017 to RMB6.0 million and RMB60.6 million, respectively for the year ended 31 December 2018. The administrative expenses increased by RMB8.9 million to RMB77.5 for the year ended 31 December 2018 (2017: RMB68.6 million).

Income tax expense

Income tax expense decreased to approximately RMB0.4 million (2017: RMB0.7 million) for the year ended 31 December 2018. The Group's effective tax rate for the year ended 31 December 2018 was approximately negative 2.0%, as compared to approximately negative 2.4% for the year in 2017.

Loss for the year and loss margin

The Group's loss for the year decreased by approximately RMB10.3 million, from approximately a loss of RMB30.4 million for the year ended 31 December 2017, to a loss of approximately RMB20.1 million for the year ended 31 December 2018. The decrease in the loss was mainly due to the increase in gross profit of approximately RMB18.7 million for the year ended 31 December 2018 as mentioned in the above paragraphs.

Inventories

The inventory balances increased to approximately RMB56.6 million as at 31 December 2018 (2017: RMB43.5 million).

The average inventory turnover days increased to approximately 65 days (2017: 60 days) for the year ended 31 December 2018.

Trade and bills receivables

Trade and bills receivables sightly increased to approximately RMB42.2 million (2017: RMB42.0 million) as at 31 December 2018.

The average trade receivables turnover days decreased to approximately 44 days (2017: 52 days) for the year ended 31 December 2018 as the management team better manage the collection of trade receivables in 2018. The trade receivables turnover days still fell within the credit terms granted to the customers of the Group.

Trade and bills payables

Trade and bills payables increased to approximately RMB46.3 million (2017: RMB45.3 million) as at 31 December 2018. The average turnover days for trade payables increased to approximately 60 days (2017: 53 days) for the year ended 31 December 2018 which were in line with the trade credit periods given by the suppliers of the Group.

Liquidity and financial resources

The Group's principal sources of working capital included cash flow generated from the sale of its products and bank borrowings. As at 31 December 2018, the Group's current ratio (calculated as current assets divided by current liabilities) was 1.42 (as at 31 December 2017: 1.69). As at 31 December 2018, the Group had cash and cash equivalents of approximately RMB147.7 million (as at 31 December 2017: RMB160.9 million) and short-term bank loans of approximately RMB121.0 million (as at 31 December 2017: RMB82.0 million). As at 31 December 2018, the Group's gearing ratio (calculated as total debts as at year end divided by total assets for the year x 100%, while debts are defined to include current and non-current interest-bearing borrowings) measured on the basis of total bank loans was approximately 24.7%, as compared to approximately 17.5% as at 31 December 2017.

As at 31 December 2018, the Group had fixed rate bank loans of RMB48.0 million (2017: RMB40.0 million) and variable rate bank loans of approximately RMB73.0 million (2017: RMB42.0 million). The effective interest rate on the Group's fixed rate bank borrowings ranged from 4.35% to 4.80%, and the effective interest rate for the Group's variable rate bank borrowings was 5.17% to 5.22% per annum as at 31 December 2018 (2017: fixed rate: 4.99% to 5.03%; variable rates: 4.95% per annum). 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 is exposed to cash flow interest rate risks in relation to variable rate interest-bearing borrowings. The pledged 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 pledged 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 will manage 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 will 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 was denominated in USD and certain trade and other receivables, cash and bank balances, trade and other payables and loan from a shareholder are denominated in USD, Japanese yen and HK$ 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 2018, the Group had no material contingent liabilities.

Charges on group assets

As at 31 December 2018, the Group's bank loans were secured by the Group's bank deposits, buildings, land use rights and machinery of carrying amounts of approximately RMB20.0 million, RMB78.6 million, RMB11.2 million and nil, respectively (as at 31 December 2017: nil, RMB66.3 million, RMB11.5 million and RMB6.8 million, respectively). As at 31 December 2018, the Group had not pledged its bank deposits (as at 31 December 2017: RMB1.5 million) to secure short-term bills payables.

HUMAN RESOURCES

As at 31 December 2018, the Group employed approximately 2,300 employees. The total staff costs (excluding directors' and key managements' emoluments) of the Group for the year ended 31 December 2018 were approximately RMB91.0 million (31 December 2017: RMB87.7 million). 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

No payment of a final dividend for the year ended 31 December 2018 was recommended by the Board (2017: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS

No material acquisitions and disposals by the Group were noted during the year ended 31 December 2018.

PROSPECTS

Looking into year 2019, China's textile industry will face a more complicated external environment with growing uncertainties in the market. The liquidity squeeze on USD and intensifying international trade protectionism will increase the risks associated with the downturn of the global economy. In addition, the macroeconomy of China will also face greater pressure due to increasing risks in the international market. In particular, the Sino-U.S. trade friction, with many twists and turns, is unlikely to be fully resolved in the near term, thus casting uncertainties on the international trade environment of the textile industry. This will not only directly affect the export orders and related industries, but also bring about more uncertainties in the outlook for the international textile industry development.

Faced with the prevailing difficult business environment and growing risk factors, the Group, as a responsible listed company, will continue to keep up its business by adhering to a more prudent development strategy. Meanwhile, to expand the source of income and balance the operational risks, the Group is actively seeking new business investments with potential and value. Through diversifying its business mix, the Group aims to fully capture market opportunities to achieve sustainable development and generate attractive returns to the shareholders.

PURCHASE, SALE OR REDEMPTION OF 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 ended 31 December 2018.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any important events affecting the Group, which have occurred subsequent to 31 December 2018 and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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. The Company has adopted the code provisions and certain recommended best practices contained in the Corporate Governance Code (the "**Code Provision(s)**"), as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), as the code of the Company. The Board also reviews and monitors the practices of the Company from time to time with an aim to maintaining and improving high standards of corporate governance practices. During the year ended 31 December 2018, the Company has complied with the Code Provisions set out in the CG Code.

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 2018.

AUDIT COMMITTEE

The Audit Committee comprises solely independent non-executive Directors, namely, Mr. Hu Quansen, Mr. Xu Dunkai and Ms. Feng Xin. The Audit Committee is chaired by Mr. Hu Quansen, who possesses the appropriate professional qualifications and extensive experience in, and knowledge of, finance and accounting as required under Rule 3.10 of the Listing Rules. All Audit Committee members hold the relevant industry and financial experience necessary to advise the Board on strategies and other related matters. None of the Audit Committee members is a former partner of the Company's existing external auditors.

The Audit Committee is responsible for making recommendations 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 those auditors; monitoring the 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 Group's audited financial statements and annual report for the year ended 31 December 2018 had been reviewed by the Audit Committee, which was of the opinion that the preparation of such statements and report complied with the applicable accounting standards and requirements and that adequate disclosure had been made.

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 profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2018 as set out in the preliminary announcement have been agreed by the Group's auditors, 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 Friday, 24 May 2019. A notice convening the annual general meeting will be published on the websites of the Stock Exchange and the Company and despatched to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

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 Tuesday, 21 May 2019 to Friday, 24 May 2019, 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Monday, 20 May 2019.

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.greatimeintl.com. The Company's annual report for the year 2018 will be available at the same websites and will be despatched to the Company's shareholders in due course.

By order of the Board
Greatime International Holdings Limited
Wang Bin
Chairman

Hong Kong, 26 March 2019

As at the date of this announcement, the directors of the Company comprise of Mr. Wang Bin, Ms. Tian Ying and Mr. Du Shuwei as executive Directors, Mr. Zhang Yanlin as non-executive Director, and Mr. Xu Dunkai, Ms. Feng Xin and Mr. Hu Quansen as independent non-executive Directors.