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## INDUSTRY OVERVIEW

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*This section contains certain information which is derived from various official government or publicly available sources, including The World Bank, The National Bureau of Statistics of China, The U.S. Census Bureau, Statistics Canada, The United Kingdom Office for National Statistics, Instituto Nacional de Estadística y Geografía, The Ministry of Economy, Trade and Industry of Japan. We believe that the sources of these information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render such information false or misleading in any material respect. The information has not been independently verified by us, our Controlling Shareholders, the Bookrunner, the Sponsor, the Lead Manager, the Underwriters, any other party involved in the Global Offering or their respective directors, officers, employees, advisers, agents and no representation is given as to the accuracy or completeness of such information. Accordingly, such information should not be unduly relied upon.*

### INTRODUCTION

We are a well-developed sourcing management group with production capabilities which operates a one-stop shop business model. We provide our customers a comprehensive range of services covering the entire supply chain of garment products. We source garment products for our customers and we also provide them with a comprehensive range of sourcing management services and expertise, including product design and product development, sampling, product offering, sourcing, in-house production, outsourcing, logistics and delivery and overseas sales capabilities.

We source a comprehensive range of garment products for our direct customers mainly located in the U.S., Canada, the U.K., Mexico, Japan and the PRC. Our direct customers are mostly overseas brand owners/carriers, megastores, department stores and supermarket chains. We also source garment products for our importer customers.

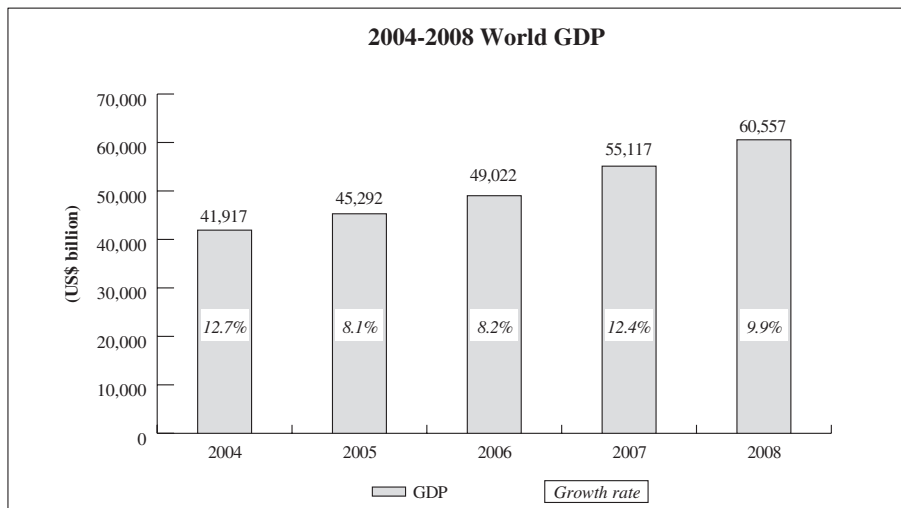
### GROWTH OF THE GLOBAL ECONOMY AND INCOME LEVELS

Following the deepest global downturn in recent history, economic growth solidified and broadened to advanced economies in the second half of 2009. Confidence rebounded strongly on both financial and real fronts, supported by extraordinary policy stimulus. According to The World Bank, world output is expected to rise by 2.7% in 2010 after a 2.2% decline in 2009.

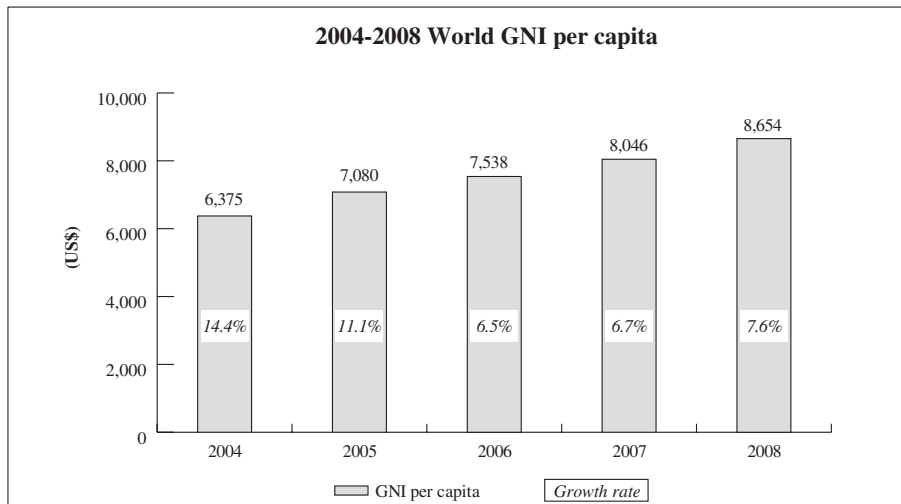
The global economy had been growing steadily prior to the global downturn in 2009. According to The World Bank, world Gross Domestic Product (“GDP”) increased from approximately US\$41,917 billion in 2004 to approximately US\$60,557 billion in 2008, and the CAGR of the period is approximately 9.6%, which reflects a steady growth.

Associated with the steady growth of GDP, income levels have increased accordingly. World Gross National Income (GNI) per capita increased from approximately US\$6,375 in 2004 to approximately US\$8,654 in 2008 according to The World Bank, representing a CAGR of approximately 7.9%.

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Source: The World Bank



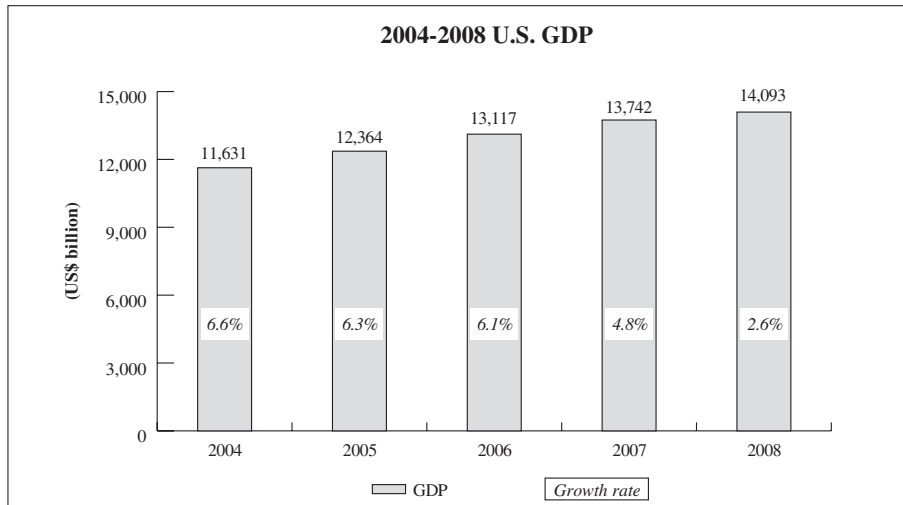
Source: The World Bank

### Growth of the U.S. economy and income levels

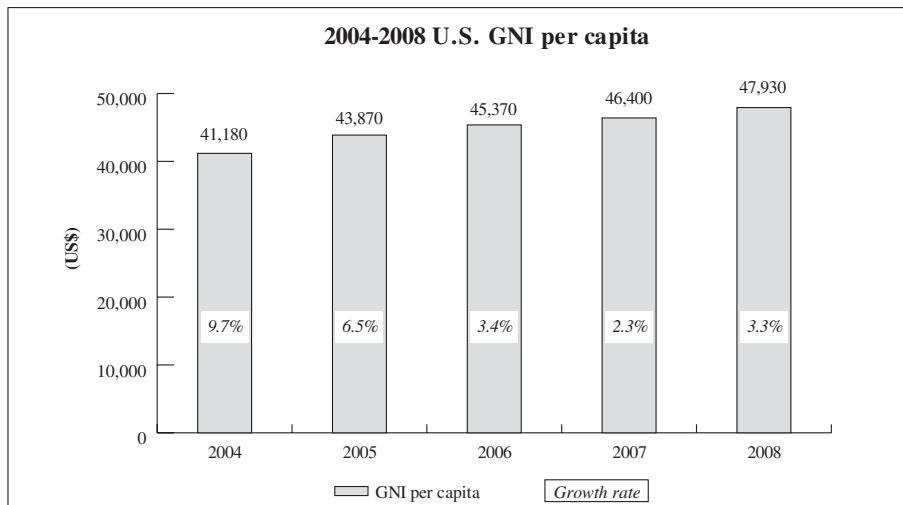
According to The World Bank, U.S.'s GDP increased steadily from approximately US\$11,631 billion in 2004 to approximately US\$14,093 billion in 2008, representing a CAGR of approximately 4.9%. The global economic downturn, the sub-prime mortgage crisis, investment bank failures, falling home prices, and tight credit pushed the United States into a recession by mid-2008. GDP contracted till the third quarter of 2009, making this the deepest and longest downturn since the Great Depression. According to the CIA World Factbook, GDP growth is estimated to be -2.4% in 2009. However, the U.S. economy has shown signs of stabilising. In January 2009, the U.S. Congress passed and President Barack Obama signed a bill providing an additional US\$787 billion fiscal stimulus to be used over 10 years (two-thirds on additional spending and one-third on tax cuts) to create jobs and to help the economy recover. Approximately two-thirds of these funds will have been injected into the economy by the end of 2010.

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Associated with the steady growth of GDP, income levels in the U.S. have increased accordingly over the 4-year period from 2004 to 2008. According to The World Bank, GNI per capita in the U.S. increased from approximately US\$41,180 in 2004 to approximately US\$47,930 in 2008, representing a CAGR of approximately 3.9%.



Source: The World Bank



Source: The World Bank

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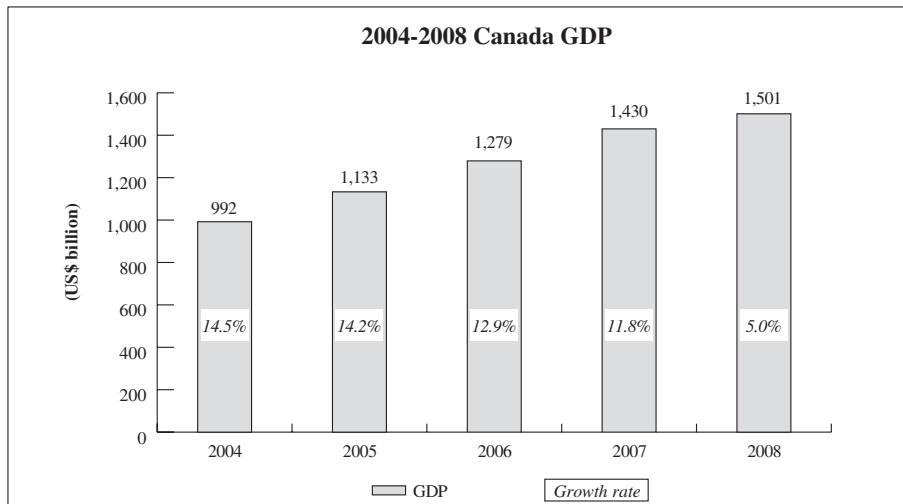
## INDUSTRY OVERVIEW

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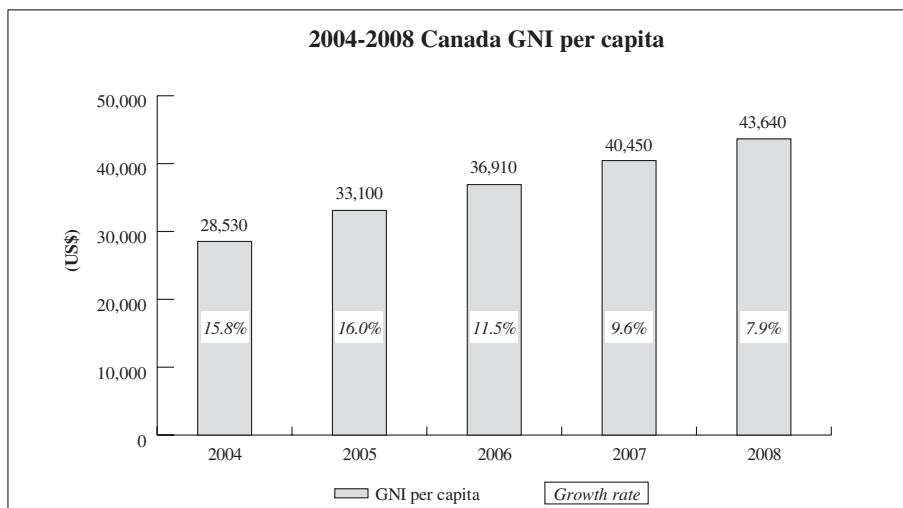
### Growth of the Canadian economy and income levels

According to The World Bank, Canada's GDP increased significantly from approximately US\$992 billion in 2004 to approximately US\$1,501 billion in 2008, representing a CAGR of approximately 10.9%.

Associated with the high level of growth of GDP, income levels in the Canada have increased accordingly. GNI per capita in the Canada increased from approximately US\$28,530 in 2004 to approximately US\$43,640 in 2008 according to The World Bank, representing a CAGR of approximately 11.2%.



Source: The World Bank



Source: The World Bank

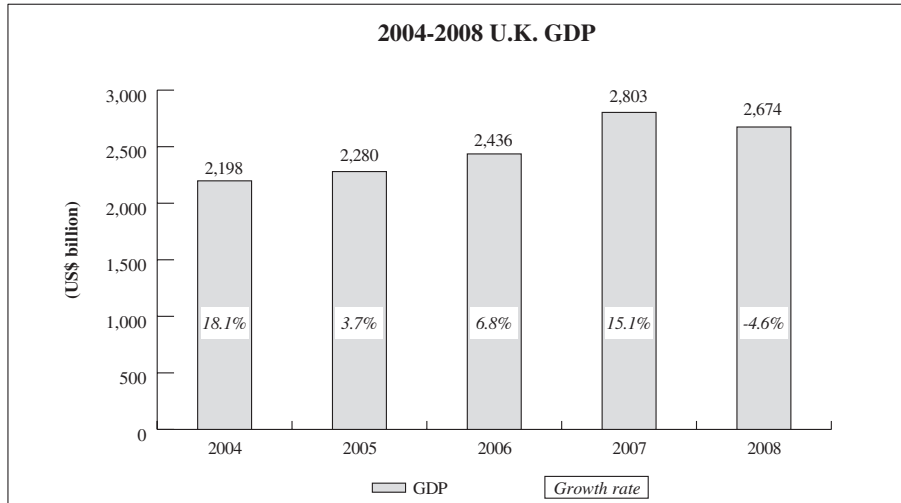
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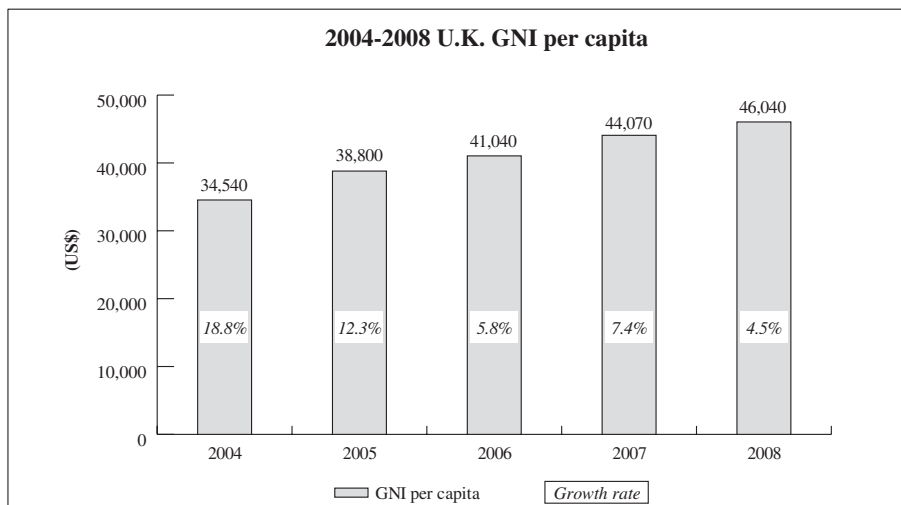
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### Growth of the U.K. economy and income levels

According to The World Bank, U.K.'s GDP embarked on a general upward trend over the 4-year period from 2004 to 2008, increasing from approximately US\$2,198 billion in 2004 to approximately US\$2,674 billion in 2008, despite approximately 4.6% decrease in GDP between 2007 and 2008. Income levels in the U.K. have also increased over the 4-year period, with GNI per capita increasing from approximately US\$34,540 in 2004 to approximately US\$46,040 in 2008 and a CAGR over the period of approximately 7.5%.



Source: The World Bank



Source: The World Bank

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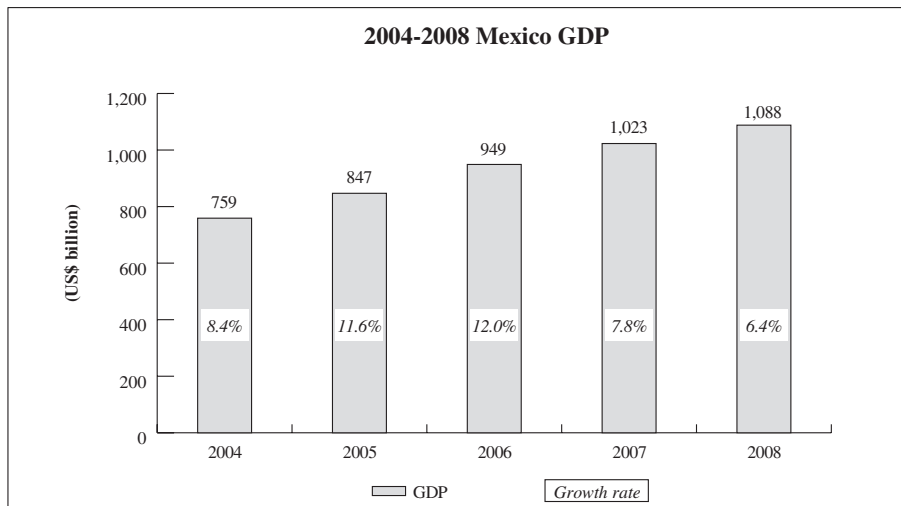
## INDUSTRY OVERVIEW

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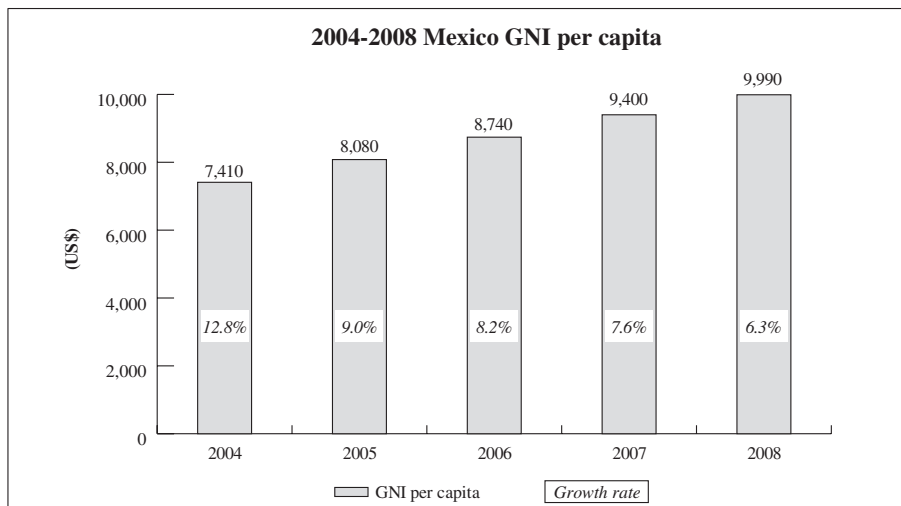
### Growth of the Mexico economy and income levels

According to The World Bank, Mexico's GDP increased from approximately US\$759 billion in 2004 to approximately US\$1,088 billion in 2008, representing a CAGR of approximately 9.4%.

Associated with the high level of growth of GDP, income levels in the Mexico have increased accordingly. GNI per capita in the Mexico increased from approximately US\$7,410 in 2004 to approximately US\$9,990 in 2008 according to The World Bank, representing a CAGR of approximately 7.8%.



Source: The World Bank

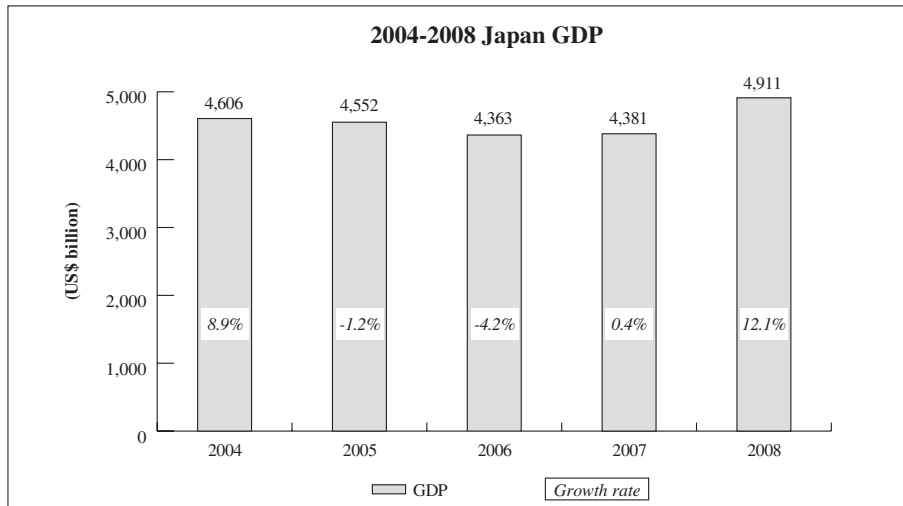


Source: The World Bank

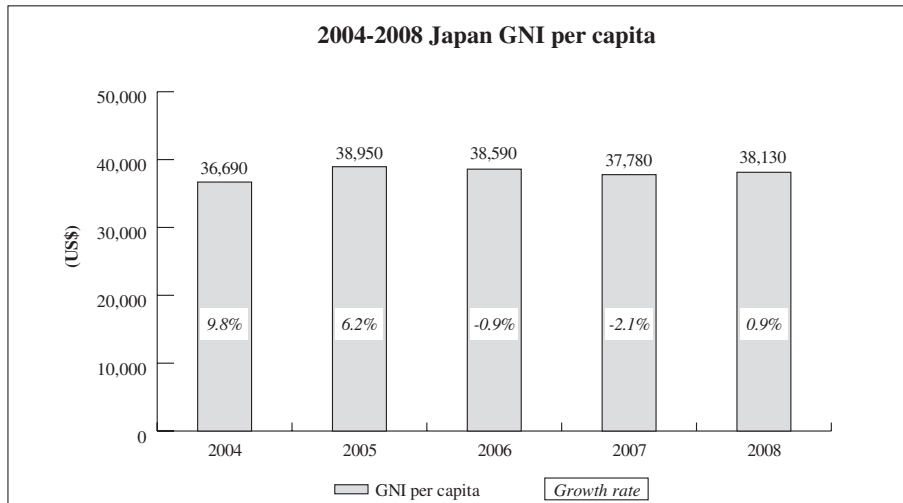
## INDUSTRY OVERVIEW

### Growth of the Japanese economy and income levels

According to The World Bank, Japan's GDP, although fluctuating over the 4-year period from 2004 to 2008, embarked on a general upward trend, increasing from approximately US\$4,606 billion in 2004 to approximately US\$4,911 billion in 2008. Income levels in the Japan have also increased over this period, with GNI per capita increasing from approximately US\$36,690 in 2004 to approximately US\$38,130 in 2008 and a CAGR over the period of approximately 1.0%.



Source: The World Bank



Source: The World Bank

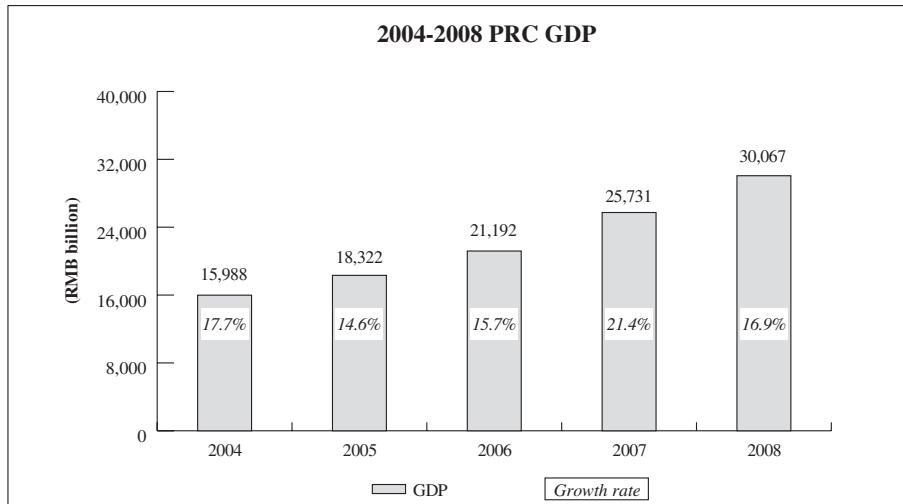
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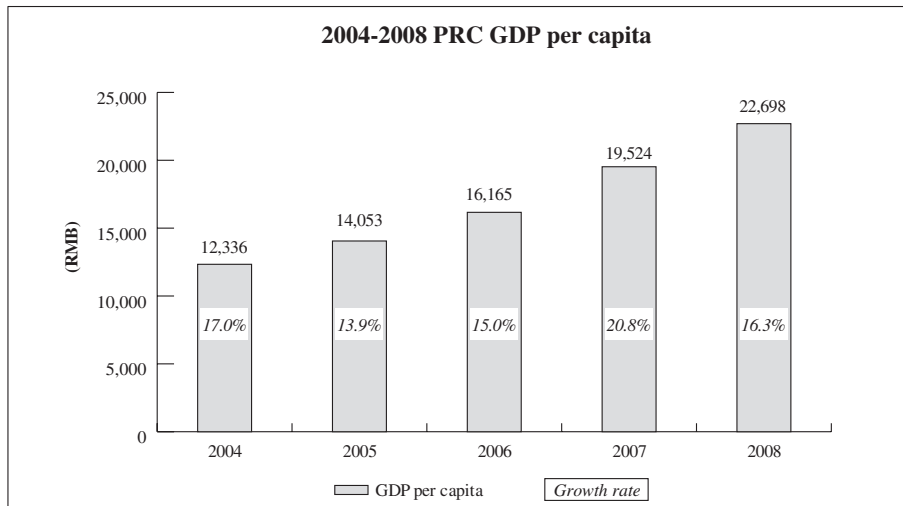
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### Rapid growth of the PRC economy

The PRC economy has been growing rapidly since the implementation of market liberalisation policies by the PRC government in the late 1970s. Economic growth was further reinforced by the launch of special economic zones along the coastal PRC regions since the 1980s. According to National Bureau of Statistics of China, PRC's GDP increased from approximately RMB15,988 billion in 2004 to approximately RMB30,067 billion in 2008, representing a CAGR of approximately 17.10%, reflecting rapid growth. The GDP per capita increased from approximately RMB12,336 in 2004 to approximately RMB22,698 in 2008.



Source: National Bureau of Statistics of China



Source: National Bureau of Statistics of China



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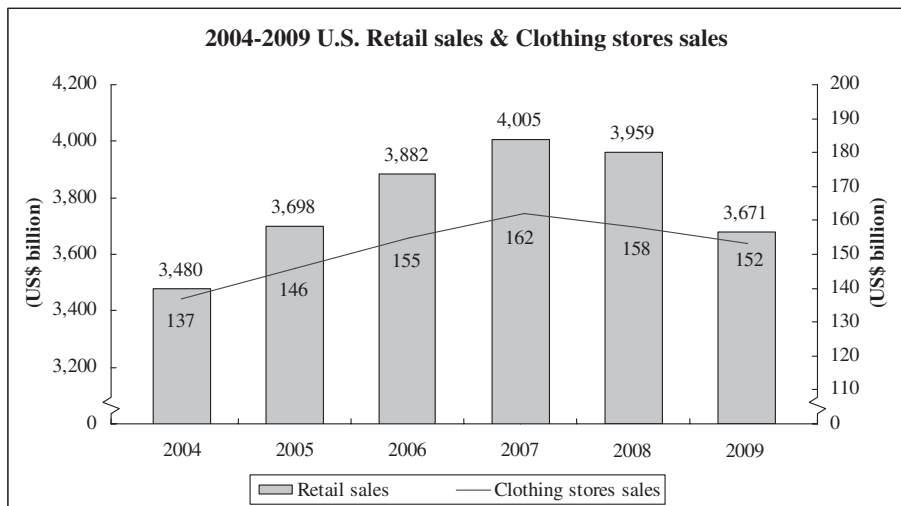
## INDUSTRY OVERVIEW

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### THE GLOBAL RETAIL MARKET AND CLOTHING RETAIL MARKET

#### The overall retail market and clothing retail market in the U.S.

According to the U.S. Census Bureau, U.S. retail sales increased over the 4-year period from approximately US\$3,480 billion in 2004 to approximately US\$3,671 billion in 2009, with a decrease from approximately US\$3,959 billion in 2008 as a result of the economy downturn in the U.S.. Similarly, clothing stores sales in the U.S. rose over the same period from approximately US\$137 billion in 2004 to approximately US\$152 billion in 2009, with a decrease from approximately US\$158 billion in 2008. In the latest monthly report released by the U.S. Census Bureau, advance estimates of retail and food services sales in the U.S. for June 2010 was approximately US\$360.2 billion, a slight decrease of approximately 0.5% from May 2010 but a year-on-year increase of approximately 4.8%, which indicates strengthening consumer sentiment and a positive outlook for the retail sector in the U.S..

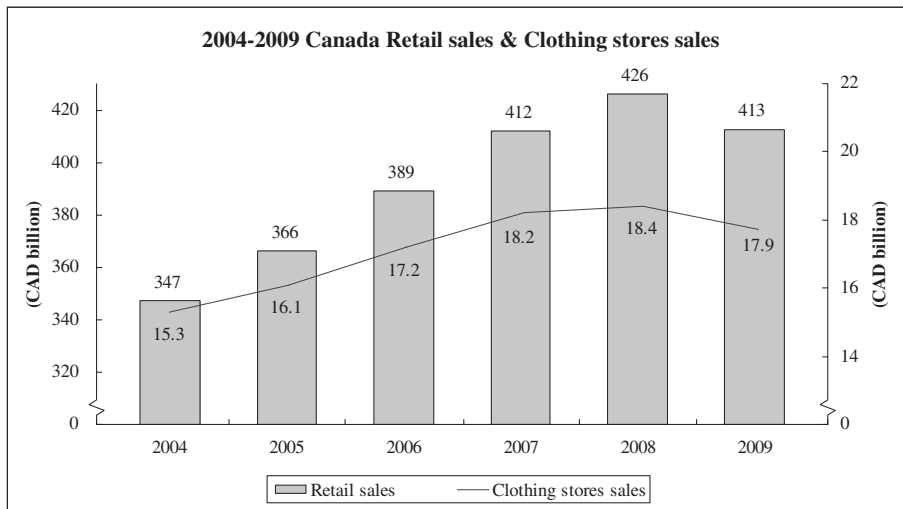


Source: U.S. Census Bureau

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### The overall retail market and clothing retail market in Canada

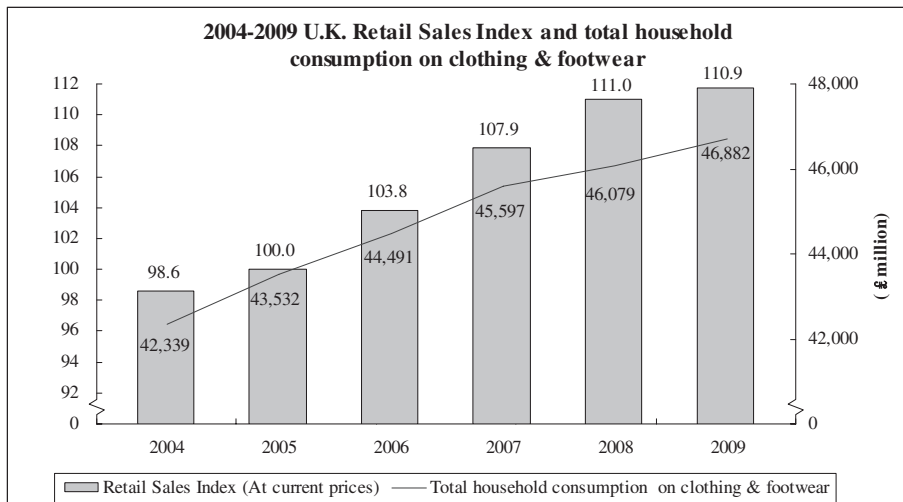
According to Statistics Canada, retail sales in Canada increased over the 4-year period from approximately CAD347 billion in 2004 to approximately CAD413 billion in 2009. Clothing stores sales also rose over the same period from approximately CAD15.3 billion in 2004 to approximately CAD17.9 billion in 2009. According to the preliminary figures released by Statistics Canada, retail sales in Canada was approximately CAD36.0 billion for May 2010, a slight decrease of approximately 0.2% from April 2010 but a year-on-year increase of approximately 5.2%, reflecting a positive outlook for the Canadian retail sector.



Source: Statistics Canada

### The overall retail market and clothing retail market in the U.K.

According to the U.K. Office for National Statistics, the retail sales index increased from 98.6 in 2004 to 110.9 in 2009 (2005 = 100), which indicates that retail sales have been on a general positive upward trend over this 5-year period. According to the figures released by the Office for National Statistics, total retail sales increased by approximately 0.7% in June 2010, a year-on-year increase of approximately 1.3%, which reflects the positive outlook for the retail sector in the U.K..

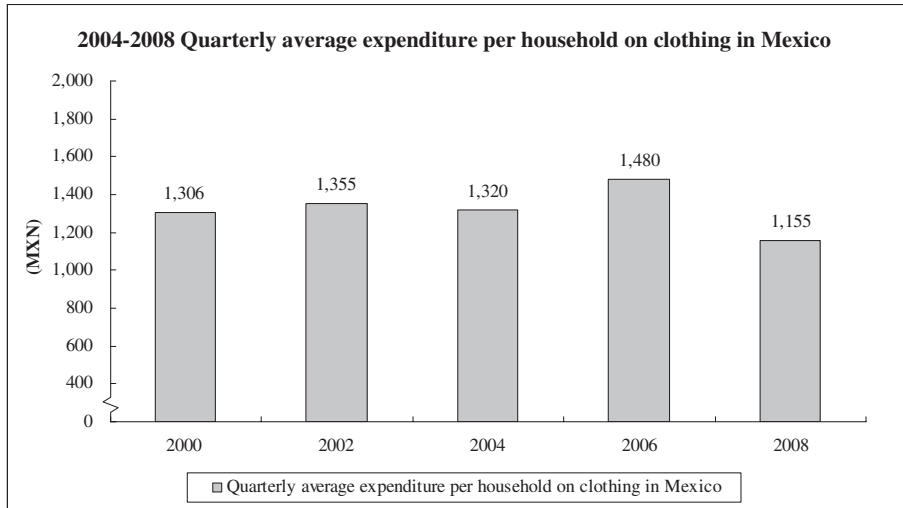


Source: Office for National Statistics

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### The quarterly average expenditure on clothing of households in Mexico

According to the Instituto Nacional de Estadística y Geografía (INEGI), or the National Institute of Statistics and Geography in Mexico, the quarterly average expenditure per household on clothing in Mexico fluctuated from 2000 to 2008. The quarterly average expenditure per household on clothing increased from approximately MXN1,306 in 2000 to approximately MXN1,480 in 2006, before decreasing to approximately MXN1,155 in 2008.



Source: Instituto Nacional de Estadística y Geografía (INEGI)

### The overall retail market and clothing retail market in Japan

According to the Ministry of Economy, Trade and Industry of Japan, retail sales in Japan fluctuated over the 5-year period from 2004 to 2009 as with its GDP. Sales of fabric, apparel and accessories also moved in tandem over the same period. According to the figures released by Ministry of Economy, Trade and Industry of Japan, retail sales in Japan was approximately Japanese Yen (¥)11,004 billion for June 2010, a year-on-year increase of approximately 3.2%, which indicates the start of a positive upward trend for the Japanese retail sector.



Source: Ministry of Economy, Trade and Industry of Japan, Yearbook of the Current Survey of Commerce 2006 & 2008

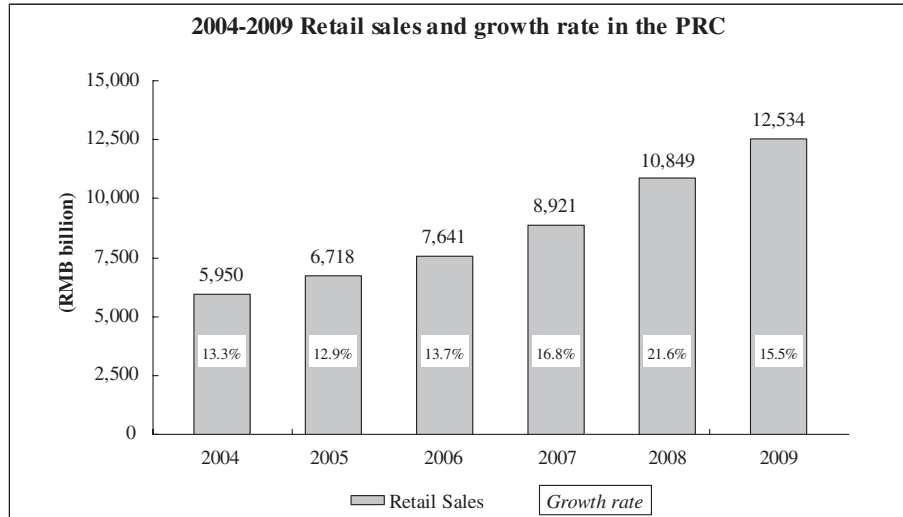
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### The booming retail industry in the PRC

The retail sales of consumer goods in the PRC had experienced rapid growth amid the PRC's strong economy, growing middle class and increasing affluence. These changing demographics have coincided with the increase in disposable income per capita, suggesting that the consumption power of consumers in the PRC has risen. Consumer spending, as measured by the total value of retail sales of consumer goods, has grown from approximately RMB5,950 billion in 2004 to approximately RMB12,534 billion in 2009, with a CAGR of approximately 16.1%.

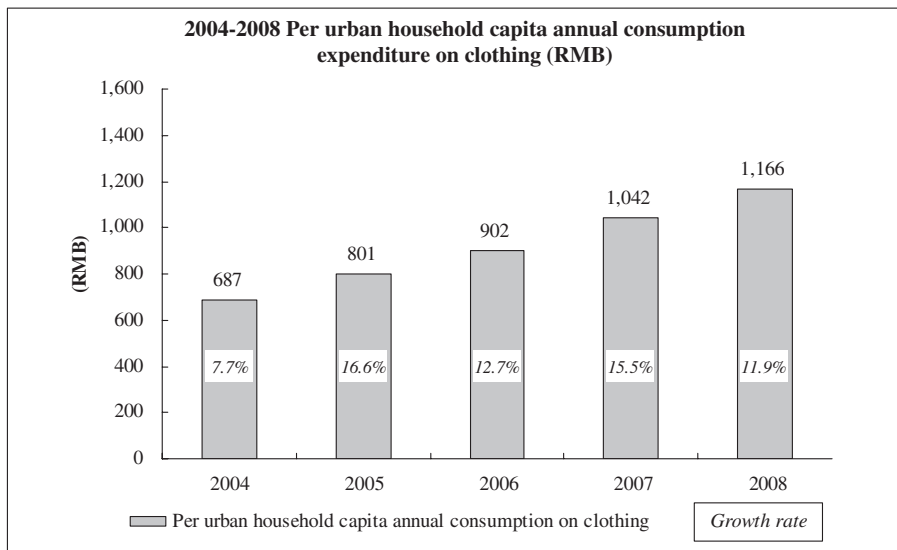


Source: National Bureau of Statistics of China

### Annual consumption expenditure on clothing of urban households

The annual consumption expenditure on clothing per urban household capita has grown from approximately RMB687 in 2004 to approximately RMB1,166 in 2008, with a CAGR of approximately 14.1%, which suggests that an expanding target customer base is interested in apparel products. Besides, the increasing size of the PRC's middle class and growing affluence in the PRC overall have greatly contributed to the increasing consumption. As the level of disposable income increases among these people, their purchase decisions become increasingly less driven by price and functionality, but more by brand image, product design and style.

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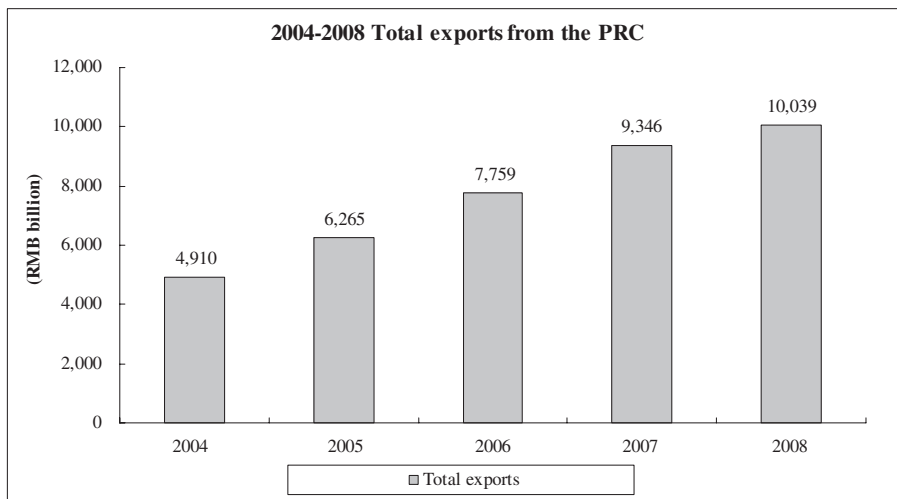
Source: National Bureau of Statistics of China

### Key drivers of growth of the PRC retail market

Our Directors believe that the increase of disposable income among the people in the expanding middle class and the increased purchasing power of consumers in the PRC are the principal drivers of the increased consumption of lifestyle-enhancing products such as entertainment, leisure, technology and apparel. Consumers have become increasingly less concerned with price and functionality but instead more focused on the style and image of products.

### The growing exports market in the PRC

Since becoming a member of the World Trade Organization in 2002, the PRC has benefited from freer trade and liberalisation from many trade restrictions on textile and apparel products. These liberalisations are expected to result in a gradual upward growth trend in exports from the PRC. According to National Bureau of Statistics of China and as shown in the chart below, total value of exports from the PRC grew from approximately RMB4,910 billion in 2004 to approximately RMB10,039 billion in 2008, representing a CAGR of approximately 19.6%. The upward trend of growth in exports looks set to continue with confidence rebounding and the strengthening of the global economy.



Source: National Bureau of Statistics of China