

GLC Transformation Programme

Globalisation not only draws countries all over the world closer together but also generates intense competition as we must now face regional economies that are bigger than ours. The GLC Transformation Programme enables us to rise up to the challenge and strategically transform into a high-performing Group that focuses on greater productivity and achieving maximum performance. We have implemented various efforts to become a competitive player on the global stage since 2005 and we will continue to catalyse the GLC Transformation Programme until 2015 as we embark on a journey to help the country accomplish Vision 2020. We are currently undergoing the third phase of the programme which has resulted in initial tangible results.

Some of the major initiatives undertaken during the year under review were the centralising of raw materials purchase at division levels, improving cost efficiency and concentrating on the importance of headline KPIs to ensure quality and performance.

We will continue to move forward and collectively define and drive the next wave of breakthroughs to meet CCM's objectives. Through hard work and determination, we are confident of taking the Group to the next level and support the national effort of joining the league of developed nations by 2020.

Information Technology

CCM acknowledges the importance of information technology (IT) as a major source of competitive differentiator and advantage to compete in the marketplace, to improve business operational efficiencies and to increase productivity.

During the year under review, efforts were undertaken to improve the reliability of the existing communication infrastructure to support delivery of a diverse range of business services and information systems to users within our current sphere of

operations. Similarly, a significant amount of management efforts were also directed to enhance our key IT competencies in order to support future business growth, expansion and regionalisation. These transformation initiatives will continue into 2010 and beyond. These initiatives are expected to enhance Key Organisational Capabilities and will enable the delivery of improved business results for the Group in future.