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長江製衣有限公司
YANGTZEKIANG GARMENT LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00294)

PROFIT WARNING

This announcement is made in accordance with 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 board (the “**Board**”) of directors (the “**Directors**”) of Yangtzekiang Garment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to inform the shareholders of the Company and potential investors that the Group is expected to record an increase in net loss after taxation for the six months ended 30 September 2015 as compared to the same period in 2014.

The increase in the Group’s loss is mainly attributable the continued loss from the investment in the yarn business operated by Wuxi No. 1 Cotton Investment Co., Ltd. (the “**Wuxi Group**”, a jointly controlled entity of the Group) for the six months ended 30 September 2015, which failed to meet the expectation of the Group’s management that the amount of loss would reduce as stated in the 2014/2015 Annual Report of the Company.

According the Wuxi Group’s management, the Wuxi Group’s loss was mainly attributable to the following: (i) the yarn price continued to be soft during the period; (ii) the cost of production increased during the period as the Wuxi Group was using the raw materials in its stock which were purchased earlier when the price was high; (iii) the production efficiency declined during the period because the quality of some purchased cotton, being the major raw material for the production of yarn, was unsatisfactory, which resulted in more wastage of raw materials and extra processing time.

The information contained in this announcement is solely based on the information currently available and the preliminary review by the Group’s management of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2015, which are subject to finalisation and necessary adjustments and have not yet been audited, confirmed or reviewed by the Company’s auditors or its audit committee. Shareholders of the Company and potential investors are advised to carefully consider the Group’s financial information to be disclosed in the Company’s interim results announcement for the six months ended 30 September 2015, which is expected to be published by 27 November 2015.

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

By Order of the Board
YANGTZEKIANG GARMENT LIMITED
Chan Wing Fui, Peter
Chairman

Hong Kong, 12 November 2015

As at the date of this announcement, the Board consists of eight executive directors, namely Dr. Chan Sui Kau, Mr. Chan Wing Fui, Peter, Mr. Chan Wing Kee, Mr. Chan Wing To, Madam Chan Suk Man, Mr. Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley and Mr. So Ying Woon, Alan and four independent non-executive directors, namely Mr. Leung Hok Lim, Mr. Lin Keping, Mr. Sze Cho Cheung, Michael and Mr. Choi Ting Ki.