
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Yangtzekiang Garment Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS RELATING TO
RE-ELECTION OF RETIRING DIRECTORS AND
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Yangtzekiang Garment Limited to be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Thursday, 1 September, 2011 at 12:00 noon is set out on pages 11 to 14 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof.

Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting thereof should you so wish.

26 July 2011

CONTENTS

	<i>Pages</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
Introduction	2
Re-election of Retiring Directors	2
General mandates to issue and repurchase Shares	3
Annual General Meeting	4
Responsibility statement	5
Recommendation	5
General Information	5
APPENDIX I – EXPLANATORY STATEMENT	6
APPENDIX II – INFORMATION OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED	8
NOTICE OF ANNUAL GENERAL MEETING	11

DEFINITIONS

In this circular including the Appendices, the following expressions shall, unless the context requires otherwise, have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Thursday, 1 September 2011 at 12:00 noon, notice of which is set out on pages 11 to 14 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company as amended from time to time;
“associates”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
“Company”	Yangtzekiang Garment Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	20 July 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange;
“Retiring Directors”	the Directors who will retire from the Board by rotation at the AGM, namely, Madam Chan Suk Man, Madam Chan Suk Ling, Shirley, Mr. Leung Hok Lim and Mr. Lin Keping;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shares”	ordinary share(s) of HK\$0.50 each in the capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

LETTER FROM THE BOARD

長江製衣有限公司 YANGTZEKIANG GARMENT LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00294)

Executive Directors:

Chan Sui Kau (*Chairman*)
Chan Wing Fui, Peter (*Vice Chairman*)
Chan Wing Kee (*Managing Director*)
Chan Wing To (*Deputy Managing Director*)
Chan Suk Man
Chan Wing Sun, Samuel
Chan Suk Ling, Shirley
So Ying Woon, Alan

Registered Office:

22 Tai Yau Street
San Po Kong
Kowloon
Hong Kong

Independent Non-executive Directors:

Leung Hok Lim
Lin Keping
Sze Cho Cheung, Michael

26 July 2011

To the Shareholders

Dear Sir or Madam,

PROPOSALS RELATING TO RE-ELECTION OF RETIRING DIRECTORS AND GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information on the following matters to be proposed at the AGM: (i) the re-election of Retiring Directors; and (ii) grant of Issue Mandates and Repurchase Mandate (such terms as defined hereinafter).

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 104 of the Articles of Association, Madam Chan Suk Man, Madam Chan Suk Ling, Shirley, Mr. Leung Hok Lim and Mr. Lin Keping will retire from the Board by rotation and, being eligible, will offer themselves for re-election at the AGM.

The re-election of each of the Retiring Directors will be individually voted on by the Shareholders.

LETTER FROM THE BOARD

Information of the Retiring Directors which are required to be disclosed under the Listing Rules are set out in Appendix II to this circular. If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received in accordance with the Articles of Association after the printing of this circular, the Company will issue a supplementary circular to inform the Shareholders of the details of such additional candidate proposed.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on 10 September 2010, ordinary resolutions were passed to grant the general mandates to the Directors to issue and repurchase Shares. These general mandates will lapse at the conclusion of the AGM.

The Directors believe that renewal of such mandates is in the interest of the Company and the Shareholders. Accordingly, ordinary resolutions will be proposed at the AGM to grant to the Directors general mandates to (i) allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution; (ii) allot, issue and deal with Shares, including the aggregate nominal amount of the Shares repurchased by the Company under the Repurchase Mandate (as defined hereinunder) (the mandates referred to in (i) and (ii) are collectively referred to as the “**Issue Mandates**”); and (iii) repurchase, inter alia, Shares on the Stock Exchange, the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution (the “**Repurchase Mandate**”), at any time during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the memorandum of association of the Company and the Articles of Association to be held; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting. With reference to the Issue Mandates and the Repurchase Mandate, the Directors wish to state that they have no immediate plan to issue any new Shares or to repurchase any Shares pursuant to the Issue Mandates and the Repurchase Mandate, respectively.

As at the Latest Practicable Date, the number of Shares in issue was 210,368,688 Shares. On the basis of such figure (and assuming no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing such resolution), the Directors would be authorised to allot, issue and deal with up to a limit of 42,073,737 Shares and repurchase up to a limit of 21,036,868 Shares.

An explanatory statement containing the particulars required by section 49BA(3)(b) of the Companies Ordinance and Chapter 10 of the Listing Rules to provide Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolutions for approving the Issue Mandates and the Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 11 to 14 of this circular. Ordinary resolutions in respect of the re-election of the Retiring Directors, the Issue Mandates and the Repurchase Mandate will be proposed at the AGM. A form of proxy for use at the AGM is enclosed herewith. Whether or not you are able to attend the AGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the AGM in accordance with the instructions printed thereon.

Pursuant to Article 75 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the chairman of the meeting; or
- (ii) by at least three members present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by a member or members present in person or by a duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Under Rules 13.39(4) to 13.39(5) of the Listing Rules, any voting of shareholders of listed issuers at a general meeting must be taken by way of poll and the listed issuers must announce the poll results in the prescribed manner. In compliance with these Rules of the Listing Rules, the chairman of the AGM shall demand the resolutions to be put to vote by poll in the AGM and the Company will announce the poll results accordingly.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement in this circular or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for (i) re-election of Retiring Directors; and (ii) grant of mandates to issue and repurchase shares are in the best interests of the Company and the Shareholders as a whole and, accordingly, recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is drawn to the further information contained in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
By Order of the Board
Yangtzekiang Garment Limited
Chan Sui Kau
Chairman

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Repurchase Mandate and also constitutes the memorandum required under section 49BA(3)(b) of the Companies Ordinance:

- (i) It is proposed that up to 10% of the Shares in issue as at the date of the passing of the resolution to approve the Repurchase Mandate may be repurchased. As at the Latest Practicable Date, the number of Shares in issue was 210,368,688 Shares. On the basis of such figure (and assuming no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing such resolution), the Directors would be authorised to repurchase up to a limit of 21,036,868 Shares.
- (ii) The Directors believe that it may be to the benefit of the Company and the Shareholders to repurchase the Shares in certain circumstances. For example, depending on market conditions and funding arrangements at the time, such repurchases may enhance the net assets and/or earnings per Share. Therefore, the Directors are seeking the grant of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate.
- (iii) It is envisaged that the funds required for any repurchase would be derived from the capital paid up on the Shares being repurchased and from the distributable profits of the Company. In any event, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Articles of Association and the laws of Hong Kong.
- (iv) As compared with the position disclosed in the audited consolidated accounts contained in the annual report for the year ended 31 March 2011, the Directors do not consider that the exercise in full of the Repurchase Mandate would have a material adverse impact on the working capital or gearing position of the Company. In any event, the Directors do not propose to exercise the power to make purchases pursuant to the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the Company's working capital requirements or gearing levels.
- (v) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention, in the event that the Repurchase Mandate is approved by the Shareholders at the AGM, to sell Shares to the Company under the Repurchase Mandate.
- (vi) The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the memorandum of association of the Company and the Articles of Association and the laws of Hong Kong so far as the same may be applicable.

- (vii) As at the Latest Practicable Date and according to the records kept by the Company, Dr. Chan Sui Kau, Mr. Chan Wing Fui, Peter, Mr. Chan Wing Kee, Mr. Chan Wing To, Mr. Chan Wing Sun, Samuel, Madam Chan Suk Man and Madam Chan Suk Ling, Shirley and their associates (collectively the “**Chan Family**”) are together interested in approximately 53.72% of the issued Shares. Assuming that the shareholding interests of the Chan Family remain unchanged, upon the exercise in full of the Repurchase Mandate to repurchase Shares by the Directors, the Chan Family will be interested in approximately 59.69% of the issued Shares. The Directors are not aware of any consequences which would arise under the Hong Kong Code on Takeovers and Mergers as a consequence of any repurchases made pursuant to the Repurchase Mandate.
- (viii) No purchase has been made by the Company of the Shares in the six months prior to the date of this circular.
- (ix) None of the connected persons (as defined in the Listing Rules) of the Company have notified it of a present intention to sell Shares to the Company or have undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate is granted by the Shareholders.
- (x) The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months prior to the Latest Practicable Date are as follows:

	Highest per share HK\$	Lowest per share HK\$
2010		
July	1.680	1.500
August	1.620	1.550
September	1.680	1.550
October	1.920	1.600
November	2.540	1.760
December	2.150	1.800
2011		
January	2.250	1.900
February	2.260	1.970
March	2.060	1.820
April	2.150	1.930
May	2.230	2.060
June	2.400	2.150
July (up to the Latest Practicable Date)	2.330	2.120

APPENDIX II INFORMATION OF RETIRING DIRECTORS TO BE RE-ELECTED

The following sets out the details of directors who will retire and, being eligible, offer themselves for re-election at the AGM pursuant to the Articles of Association:

Chan Suk Man, MSc, aged 63, received Master of Science Degrees from the University of Windsor, Canada in 1973 and Case Western Reserve University USA in 1975. Madam Chan joined the Group in 1976 and was appointed as Director in 1993.

In the last three years, she has held directorships in a number of subsidiaries of the Group. Save as disclosed herein, Madam Chan did not hold any directorships in any other Hong Kong or overseas listed public companies in the last three years.

Madam Chan is the niece of Dr. Chan Sui Kau (an executive Director) and the sister of Mr. Chan Wing Kee and Mr. Chan Wing To (both are executive Directors). She is also the cousin of Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel and Madam Chan Suk Ling, Shirley (all of whom are executive Directors). She is the wife of Mr. Lau Shing Choy (a director of Company's subsidiary, Hong Kong Knitters Limited). Save as disclosed herein, Madam Chan does not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Chan Suk Ling, Shirley, JP, aged 60, joined the Group in 1973 and was appointed as Director in 1983. Madam Chan has extensive experience of management in the garment retail and wholesale business. She is a Member of the Textiles Advisory Board of Hong Kong Special Administrative Region, a Member of the Hong Kong-France Business Partnership Committee of the Hong Kong Trade Development Council, Vice President of the Chinese Manufacturers' Association of Hong Kong, Chairman of the Hong Kong Brand Development Council, a Member of the CreativeSmart Initiative (Design) Assessment Panel, a Member of the Board of Directors of the Hong Kong Tourism Board, a Committee Member of the Tianjin Municipal Committee of the Chinese People's Political Consultative Conference, Vice President of the Guangdong Association of Enterprises with Foreign Investment and a Member of The Council of City University of Hong Kong. She received a Bachelor's degree from Nottingham Trent University, the United Kingdom in 1973.

In the last three years, she was also the Chief Executive Officer and Executive Director of YGM Trading Limited which is listed on the Stock Exchange and director of the Company's subsidiary, YangtzeKiang Aluminium Corporation Limited. Save as disclosed herein, Madam Chan did not hold any directorship in any other Hong Kong or overseas listed public companies in the last three years.

Madam Chan, is the daughter of Dr. Chan Sui Kau (an executive Director) and the sister of Mr. Chan Wing Fui, Peter and Mr. Chan Wing Sun, Samuel (both are executive Directors). She is also the cousin of Mr. Chan Wing Kee, Mr. Chan Wing To and Madam Chan Suk Man (all of whom are executive Directors). Save as disclosed herein, Madam Chan does not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Leung Hok Lim FCPA(Aust.), CPA(Macau), FCPA(Practising), aged 76, was appointed as an Independent Non-executive Director of the Company in 1993. Mr. Leung is the founder and senior partner of PKF, Accountants and Business Advisers. Mr. Leung is an independent non-executive director of YGM Trading Limited, and a non-executive director of Beijing Hong Kong Exchange of Personnel Centre Limited.

APPENDIX II INFORMATION OF RETIRING DIRECTORS TO BE RE-ELECTED

If Mr. Leung shall be re-elected as Independent Non-executive Director at the AGM, Mr. Leung will continue to act as Chairman of the Audit Committee and a member of the Remuneration Committee of the Company.

Mr. Leung is an independent non-executive director of a number of listed public companies, namely Fujian Holdings Limited, Phoenix Satellite Television Holdings Limited, S E A Holdings Limited and High Fashion International Limited. Save as disclosed herein, Mr. Leung did not hold directorship in any other Hong Kong or overseas listed public companies in the last three years and did not hold any other position with the Company or other members of the Group. Save as disclosed herein, Mr. Leung does not have any relationships with any other Directors, senior management of the Company or substantial or controlling Shareholders.

Lin Keping, aged 72, was appointed as an Independent Non-executive Director in 2004 and also an independent non-executive director of YGM Trading Limited, shares of which are listed on the Stock Exchange, in the same year. Mr. Lin is an engineer, graduated from Beijing University of Posts and Telecommunications in 1963. He is a member of the Eighth National Committee of the Chinese People's Political Consultative Conference and an executive member of the Eighth All-China Federation of Industry and Commerce. He has served in postal and telecommunication research institutes, the Ministry of Posts and Telecommunications, and other organisations for many years and was an executive vice president of China Minsheng Bank Corp., Limited.

If Mr. Lin shall be re-elected as Independent Non-executive Director at the AGM, Mr. Lin will continue to act as a member of the Audit Committee and the Remuneration Committee of the Company.

Save as disclosed above, Mr. Lin did not hold directorship in any other Hong Kong or overseas listed public companies in the last three years and did not hold any other position with the Company or other members of the Group. Save as disclosed herein, Mr. Lin does not have any relationships with any other Directors, senior management of the Company or substantial or controlling Shareholders.

As at the Latest Practicable Date, interests in the Shares of the Retiring Directors which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, the Model Code for Securities Transactions by Directors of Listed Issuers and which were entered in the register kept by the Company under section 352 of the SFO were as follows:

Name of Director	Number of Shares			
	Personal interests (i)	Family interests	Corporate interests	Other interests
Chan Suk Man	3,355,442	–	–	(ii), (iii) & (iv)
Chan Suk Ling, Shirley	4,369,816	24,000	–	(ii) & (iii)
Leung Hok Lim	–	–	–	–
Lin Keping	–	–	–	–

APPENDIX II INFORMATION OF RETIRING DIRECTORS TO BE RE-ELECTED

Save as disclosed herein and as at the Latest Practicable Date, none of the Retiring Directors had any interests in the Shares within the meaning of Part XV of the SFO.

Notes:

- (i) The Shares are registered under the names of the Directors who are the beneficial owners.
- (ii) 48,032,240 Shares were held by Chan Family Investment Corporation Limited (which is owned by Dr. Chan Sui Kau, Mr. Chan Wing Fui, Peter, Mr. Chan Wing Kee, Mr. Chan Wing To, Mr. Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley and Madam Chan Suk Man and other members of the Chan family) and its subsidiaries.
- (iii) 1,577,388 Shares were held by Hearty Development Limited, which is indirectly owned by Mr. Chan Wing Fui, Peter, Mr. Chan Wing Kee, Mr. Chan Wing To, Mr. Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley and Madam Chan Suk Man and other members of the Chan family.
- (iv) 2,383,500 Shares were held by Super Team International Limited, which is indirectly owned by Mr. Chan Wing Kee, Mr. Chan Wing To, Madam Chan Suk Man and other members of the Chan family.

As at the Latest Practicable Date, the Retiring Directors had not entered into any service contract with the Company. There is no fixed term or proposed length of service except that they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. All the Retiring Directors will receive a director's fees to be fixed by the Board after reviewing recommendations from the Remuneration Committee which will be with reference to the qualification, experience and duties of the relevant Retiring Directors and the prevailing market rate, if the Board are so authorised by the Shareholders at the AGM. Their directors' remunerations will be disclosed pursuant to the Listing Rules when they are fixed by the Board. In addition, the total emoluments for the year ended 31 March 2011 received by Madam Chan Suk Man, Madam Chan Suk Ling, Shirley, Mr. Leung Hok Lim and Mr. Lin Keping were HK\$2,754,000, HK\$30,000, HK\$160,000 and HK\$80,000 respectively (as disclosed in note 8 of the financial statements of the Company for the year ended 31 March 2011). The emoluments received by the Retiring Directors were mutually agreed upon between the Board and the relevant Retiring Directors with reference to the prevailing market conditions and past contributions of the Retiring Directors to the Group.

Save as disclosed herein, the Board is not aware of any other matter relating to the re-election of the Retiring Directors that needs to be brought to the attention of the Shareholders, nor is there any other information in relation to Rules 13.51(2) of the Listing Rules that needs to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING

長江製衣有限公司 YANGTZEKIANG GARMENT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00294)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of YangtzeKiang Garment Limited (the “**Company**”) will be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong, on Thursday, 1 September 2011 at 12:00 noon for the following purposes:

1. To receive and consider the audited consolidated financial statements, the report of the directors and the independent auditor’s report for the year ended 31 March 2011;
2. To approve and declare a final dividend for the year ended 31 March 2011;
3. To re-elect the retiring directors of the Company named below:
 - (a) Madam Chan Suk Man as Executive Director;
 - (b) Madam Chan Suk Ling, Shirley as Executive Director;
 - (c) Mr. Leung Hok Lim as Independent Non-executive Director; and
 - (d) Mr. Lin Keping as Independent Non-executive Director;

and to authorise the board of directors (the “**Directors**”) to fix the remuneration of the Directors and any committees of Directors;

4. To re-appoint KPMG as auditors of the Company and to authorise the board of directors to fix their remuneration; and
5. To consider as special business and, if thought fit, pass with and without modification, the following resolutions as ordinary resolutions of the Company:
 - (A) “**THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined herein below) of all the powers of the Company to purchase shares in the capital of the Company (the “**Shares**”) be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of Shares which may be purchased on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(c) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the memorandum and articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

(B) **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined hereinbelow) of all the powers of the Company to allot, issue and otherwise deal with additional Shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined hereinbelow), (ii) the exercise of rights of subscription or conversion under the terms any warrants issued by the Company or any securities which are convertible into Shares, (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to such eligible participants recognised by the Company of shares or rights to acquire Shares, or (iv) any scrip dividend or similar arrangement providing for

NOTICE OF ANNUAL GENERAL MEETING

the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed the aggregate of: (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution plus (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution), and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the memorandum and articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting;

“**Right Issue**” means the allotment, issue or grant of shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”; and

(C) “**THAT** conditional upon the passing of resolutions set out in paragraphs (A) and (B) above, the Directors be and they are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the resolution set out in paragraph (B) above in the notice of this meeting in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph 5(B)(c) of such resolution.”

By Order of the Board
Yangtzekiang Garment Limited
Hui Sau Ling
Secretary

Hong Kong, 26 July 2011

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (a) For the purpose of ascertaining the right of the shareholders to attend and vote at the AGM, the transfer books and register of members of the Company will be closed from Friday, 26 August 2011 to Thursday, 1 September 2011, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the right to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 25 August 2011.
- (b) A member entitled to attend and vote at the above meeting may appoint more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
- (c) In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be deposited at the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (d) The transfer books and register of members of the Company will be closed from Wednesday, 7 September 2011 to Friday, 9 September 2011, both days inclusive, during which period no transfer of Shares will be effected for the purpose of ascertaining the entitlement of the shareholders to the proposed final dividend, if approved by the shareholders at the AGM. In order to qualify for the final dividend payable on or around Monday, 19 September 2011 to be approved at the AGM to those shareholders whose names appear on the register of members of the Company as at the close of business on Friday, 9 September 2011, all transfers accompanied by the relevant share certificates must be lodged with the share registrar, of the Company Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 6 September 2011.
- (e) With regard to paragraph 5 of the above notice, attention is drawn to the circular regarding the general mandates to repurchase Shares and to issue Shares which will be sent to shareholders of the Company in due course.

As at the date of this notice, the Board comprises 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 three Independent Non-executive Directors, namely Mr. Leung Hok Lim, Mr. Lin Keping and Mr. Sze Cho Cheung, Michael.