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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)

ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

The Board of Directors of YangtzeKiang Garment Limited (“the Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (“the Group”) for the six months ended 30 September 2011 as follows. The interim results have not been audited, but have been reviewed by the Company’s Audit Committee.

Consolidated Income Statement - Unaudited
For the six months ended 30 September 2011

(Expressed in Hong Kong dollars)

	Note	Six months ended 30 September	
		2011	2010
		\$'000	\$'000
Turnover	3	769,363	608,620
Cost of sales		<u>(643,996)</u>	<u>(518,281)</u>
Gross profit		125,367	90,339
Other revenue		4,739	4,259
Other net income		6,133	5,454
Selling and distribution expenses		(44,796)	(49,343)
Administrative expenses		(42,700)	(38,172)
Other operating expenses		<u>(11,206)</u>	<u>(8,676)</u>
Profit from operations		37,537	3,861
Finance costs	4(a)	(2,916)	(2,617)
Share of profits less losses of associates		(206)	1,017
Share of profits less losses of jointly controlled entities		16,556	29,993
Impairment losses on interest in associate		-	(1,155)
Profit before taxation	4	50,971	31,099
Income tax	5	<u>(5,810)</u>	<u>(1,852)</u>
Profit for the period		<u>45,161</u>	<u>29,247</u>
Attributable to:			
Equity shareholders of the Company		44,762	29,150
Non-controlling interests		399	97
Profit for the period		<u>45,161</u>	<u>29,247</u>
Earnings per share			
Basic and diluted	7	<u>\$0.21</u>	<u>\$0.14</u>

Details of dividend payable to equity shareholders of the Company attributable to the period are set out in note 6.

Consolidated Statement of Comprehensive Income - Unaudited
For the six months ended 30 September 2011

(Expressed in Hong Kong dollars)

	Six months ended 30 September	
	2011	2010
	\$'000	\$'000
Profit for the period	45,161	29,247
Other comprehensive income for the period (after reclassification adjustments)		
Exchange differences:		
- translation of financial statements of subsidiaries outside Hong Kong	4,219	2,082
- share of associates' and jointly controlled entities' exchange reserves	11,750	11,150
	<u>15,969</u>	<u>13,232</u>
Available-for-sale securities:		
net movement in the investment revaluation reserve	124	(161)
Cash flow hedge:		
net movement in hedging reserve	4,705	(7,518)
	<u>20,798</u>	<u>5,553</u>
Total comprehensive income for the period	<u>65,959</u>	<u>34,800</u>
Attributable to:		
Equity shareholders of the Company	65,623	34,703
Non-controlling interests	336	97
Total comprehensive income for the period	<u>65,959</u>	<u>34,800</u>

Consolidated Balance Sheet - Unaudited

At 30 September 2011

(Expressed in Hong Kong dollars)

		At 30 September 2011		At 31 March 2011	
	Note	\$'000	\$'000	\$'000	\$'000
Non-current assets					
Fixed assets					
Investment properties		105,682		105,056	
Other property, plant and equipment		107,304		101,278	
Interest in leasehold land held for own-use under operating lease		<u>1,784</u>	<u>214,770</u>	<u>1,768</u>	208,102
Construction in progress			1,723		-
Intangible assets			3,117		1,569
Interests in associates			-		203
Interests in jointly controlled entities			612,902		610,400
Prepayment for fixed assets			-		3,273
Other financial assets			7,877		7,854
Deferred tax assets			<u>18,553</u>		<u>17,974</u>
			858,942		849,375
Current assets					
Inventories		171,467		140,153	
Trade and other receivables	8	286,210		236,315	
Current tax recoverable		2,148		2,447	
Cash and cash equivalents		<u>138,651</u>		<u>137,086</u>	
			<u>598,476</u>		<u>516,001</u>
Current liabilities					
Trade and other payables	9	249,893		205,481	
Current tax payable		<u>16,090</u>		<u>11,274</u>	
			<u>265,983</u>		<u>216,755</u>
Net current assets			332,493		299,246
Total assets less current liabilities			1,191,435		1,148,621
Non-current liabilities					
Provision for long service payments		30,319		27,818	
Deferred tax liabilities		<u>31,897</u>	<u>62,216</u>	<u>30,968</u>	<u>58,786</u>
NET ASSETS			1,129,219		1,089,835
CAPITAL AND RESERVES					
Share capital			103,796		105,184
Reserves			<u>1,023,410</u>		<u>982,974</u>
Total equity attributable to equity shareholders of the Company			1,127,206		1,088,158
Non-controlling interests			<u>2,013</u>		<u>1,677</u>
TOTAL EQUITY			1,129,219		1,089,835

Notes:

1. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

The unaudited interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The interim financial report has been prepared in accordance with the same accounting policies adopted in the financial statements for the year ended 31 March 2011, except for the accounting policy changes that are expected to be reflected in the financial statements for the year ending 31 March 2012. Details of these changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 March 2011. The condensed consolidated interim financial statements and notes thereto do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”, which term collectively includes HKASs and Interpretations).

The interim financial report is unaudited, but has been reviewed by the Audit Committee.

The financial information relating to the financial year ended 31 March 2011 that is included in the interim financial report as being previously reported information does not constitute the Company’s statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 March 2011 are available from the Company’s registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 28 June 2011.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of revised standards and amendments of HKFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group’s financial statements:

- HKAS 24 (revised), Related party disclosures
- Improvements to HKFRSs 2010

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

These developments related primarily to clarification of certain disclosure requirements applicable to the Group’s financial statements and have had no material impact on the contents of this interim financial report.

3. SEGMENT REPORTING

The Group manages its business by divisions. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments:

- Manufacture and sale of garments and textiles: this segment operates the manufacture and sale of garment and textile products, and the provision of garment sub-contracting services.
- Interests in jointly controlled entities: the Group's jointly controlled entities engage in the manufacturing and sale of textile yarn products.
- Property leasing: this segment leases commercial and industrial premises to generate rental income.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Manufacture and sale of garments and textiles and property leasing segments

Segment assets include all assets with the exception of intangible assets, interest in associate, other financial assets, deferred tax assets, current tax recoverable and other corporate assets. Segment liabilities include all liabilities managed directly by the segments with the exception of current tax payable, deferred tax liabilities and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and "depreciation and amortisation" is regarded as including impairment losses on non-current assets. To arrive at "adjusted EBITDA", the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as share of profits less losses of associates, directors' and auditors' remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning revenue (including inter-segment sales), interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Interests in jointly controlled entities

The Group's interests in jointly controlled entities are accounted for in the consolidated financial statements under the equity method, and presented as a separate reportable segment. The Group's senior executive management reviews the post-tax results of the interests in jointly controlled entities, which is defined as the reportable segment profit for this particular segment. Reportable segment assets represent the Group's share of net assets of the jointly controlled entities. Revenue of jointly controlled entities is not presented as reportable segment revenue as it is not reviewed by the Group's senior executive management for resource allocation purposes.

(a) **Segment results, assets and liabilities (continued)**

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below:

	Manufacture and sale of garments and textiles		Interests in jointly controlled entities		Property leasing		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
For the six months ended 30 September								
Revenue from external customers	766,429	606,535	-	-	2,934	2,085	769,363	608,620
Inter-segment revenue	-	-	-	-	1,222	1,367	1,222	1,367
Reportable segment revenue	766,429	606,535	-	-	4,156	3,452	770,585	609,987
Reportable segment profit (adjusted EBITDA)	37,156	5,327	16,556	29,993	3,304	2,579	57,016	37,899
Interest income	481	434	-	-	-	-	481	434
Finance costs	(2,916)	(2,617)	-	-	-	-	(2,916)	(2,617)
Depreciation and amortisation	(9,863)	(10,675)	-	-	-	-	(9,863)	(10,675)
	As at	As at	As at	As at	As at	As at	As at	As at
	30 September	31 March	30 September	31 March	30 September	31 March	30 September	31 March
	2011	2011	2011	2011	2011	2011	2011	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reportable segment assets (including interest in associate)	706,905	619,558	612,902	610,400	105,682	105,056	1,425,489	1,335,014
Additions to non-current segment assets during the period	19,796	15,293	-	-	-	-	19,796	15,293
Reportable segment liabilities	279,311	231,474	-	-	-	-	279,311	231,474

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

	Six months ended 30 September	
	2011	2010
	\$'000	\$'000
<i>Revenue</i>		
Reportable segment revenue	770,585	609,987
Elimination of inter-segment revenue	(1,222)	(1,367)
Consolidated turnover	<u>769,363</u>	<u>608,620</u>
	Six months ended 30 September	
	2011	2010
	\$'000	\$'000
<i>Profit</i>		
Reportable segment profit derived from Group's external customers (adjusted EBITDA)	57,016	37,899
Finance costs	(2,916)	(2,617)
Share of profits less losses of associates	(206)	1,017
Impairment losses on interest in associate	-	(1,155)
Other revenue and net income	10,872	9,713
Depreciation and amortisation	(9,863)	(10,675)
Unallocated head office and corporate expenses	(3,932)	(3,083)
Consolidated profit before taxation	<u>50,971</u>	<u>31,099</u>
	30 September	31 March
	2011	2011
	\$'000	\$'000
<i>Assets</i>		
Reportable segment assets	1,425,489	1,335,014
Intangible assets	3,117	1,569
Interests in associates	-	203
Other financial assets	7,877	7,854
Deferred tax assets	18,553	17,974
Current tax recoverable	2,148	2,447
Unallocated head office and corporate assets	234	315
Consolidated total assets	<u>1,457,418</u>	<u>1,365,376</u>
	30 September	31 March
	2011	2011
	\$'000	\$'000
<i>Liabilities</i>		
Reportable segment liabilities	279,311	231,474
Current tax payable	16,090	11,274
Deferred tax liabilities	31,897	30,968
Unallocated head office and corporate liabilities	901	1,825
Consolidated total liabilities	<u>328,199</u>	<u>275,541</u>

(c) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's fixed assets, intangible assets, goodwill, interests in associates and jointly controlled entities and prepayment for fixed assets ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of interests in associates and jointly controlled entities.

	Revenue from external customers		Specified non-current assets	
	Six months ended		30 September 2011	31 March 2011
	30 September 2011	2010		
	\$'000	\$'000	\$'000	\$'000
Hong Kong (place of domicile)	41,705	40,476	109,179	111,448
Europe				
- United Kingdom	159,502	159,073	-	-
- France	1,020	1,362	-	-
- Other European countries	257,657	203,744	-	-
Mainland China	104,614	63,197	720,515	709,468
North America	119,328	70,015	-	-
Others	85,537	70,753	2,818	2,631
	727,658	568,144	723,333	712,099
	769,363	608,620	832,512	823,547

4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 September	
	2011	2010
	\$'000	\$'000
(a) Finance costs:		
Interest on bank loans wholly repayable within five years (including bank charges)	<u>2,916</u>	<u>2,617</u>
(b) Staff costs:		
Salaries, wages and other benefits	106,342	88,132
Contributions to defined contribution retirement schemes	5,009	3,943
Provision for long service payments, net	<u>1,869</u>	<u>928</u>
	<u>113,220</u>	<u>93,003</u>
(c) Other items:		
Amortisation of land lease premium	29	27
Depreciation	9,834	10,648
Auditors' remuneration	828	842
Operating lease charges:		
minimum lease payments - property rentals	4,196	3,319
Loss/(gain) on disposal of fixed assets	75	(558)
Rentals receivable from investment properties less direct outgoings of \$872,000 (2010: \$795,000)	(2,062)	(1,290)
Dividends income and interest income	<u>(2,181)</u>	<u>(569)</u>

5. INCOME TAX

Income tax in the consolidated income statement represents:

	Six months ended 30 September	
	2011	2010
	\$'000	\$'000
Current tax - Hong Kong Profits Tax		
Provision for the period	6,231	1,813
Over-provision in respect of prior years	-	(1)
	<u>6,231</u>	<u>1,812</u>
Current tax - Outside Hong Kong		
Provision for the period	48	68
Under-provision in respect of prior years	-	192
	<u>48</u>	<u>260</u>
Deferred tax		
Reversal of temporary differences	<u>(469)</u>	<u>(220)</u>
	<u>5,810</u>	<u>1,852</u>

The provision for Hong Kong Profits Tax is calculated at 16.5% (2010: 16.5%) of the estimated assessable profits for the period. Taxation for subsidiaries outside Hong Kong are charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

6. CAPITAL AND DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the interim period

	Six months ended 30 September	
	2011 \$'000	2010 \$'000
Interim dividend declared after the interim period end of \$0.02 (2010: \$0.02) per share	4,135	4,207

The interim dividend declared after the interim period end has not been recognised as a liability at the interim period end date.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 September	
	2011 \$'000	2010 \$'000
Final dividend in respect of the previous financial year, approved and paid during the interim period, of \$0.10 (2010: \$0.06) per share	21,037	12,622

(c) Authorised and issued share capital

	Authorised		Issued and fully paid	
	No. of shares '000	Amount \$'000	No. of shares '000	Amount \$'000
Ordinary shares of \$0.50 each				
At 1 April 2010	400,000	200,000	210,369	105,184
At 31 March 2011	400,000	200,000	210,369	105,184
Repurchase of shares	-	-	(2,776)	(1,388)
At 30 September 2011	400,000	200,000	207,593	103,796

Note:

During the six months ended 30 September 2011, the Company repurchased 2,776,000 shares of its own shares through purchases on the Stock Exchange for total consideration of HK\$5,519,000. The repurchased shares had been cancelled subsequently in October and November 2011.

7. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$44,762,000 (2010: \$29,150,000) and the weighted average number of ordinary shares of 210,213,000 (2010: 210,369,000) shares in issue throughout the period, calculated as follows:

	Six months ended 30 September	
	2011 '000	2010 '000
Issued ordinary shares at the beginning of the period	210,369	210,369
Effect of shares repurchased	<u>(156)</u>	<u>-</u>
Weighted average number of ordinary shares at the end of the period	<u><u>210,213</u></u>	<u><u>210,369</u></u>

(b) Diluted earnings per share

The diluted earnings per share is the same as the basic earnings per share as there were no dilutive potential ordinary shares in existence during the periods ended 30 September 2011 and 2010.

8. TRADE AND OTHER RECEIVABLES

	30 September	31 March
	2011 \$'000	2011 \$'000
Current		
Trade debtors	151,117	99,451
Bills receivable	66,796	82,944
Less: allowance for doubtful debts	<u>(6,147)</u>	<u>(6,284)</u>
	211,766	176,111
Loans receivable	-	55
Deposits, prepayments and other debtors	64,804	49,278
Amounts due from related companies	2,930	4,184
Amounts due from jointly controlled entities	1,448	1,413
Amount due from an associate	3,651	3,979
Dividend receivable from a former associate	-	1,295
Derivative financial instruments held as cash flow hedging instruments	<u>1,611</u>	<u>-</u>
	<u><u>286,210</u></u>	<u><u>236,315</u></u>

All of the trade and other receivables are expected to be recovered or recognised as an expense within one year.

The amounts due from related companies, jointly controlled entities and an associate are unsecured, interest-free and repayable on demand.

8. TRADE AND OTHER RECEIVABLES (*continued*)

Included in trade and other receivables are trade debtors and bills receivable (net of allowance for doubtful debts) with the following ageing analysis as of the balance sheet date:

	30 September 2011 \$'000	31 March 2011 \$'000
Current	124,750	132,186
Less than 61 days past due	75,786	37,788
61 to 90 days past due	1,464	1,733
More than 90 days past due	9,766	4,404
Amounts past due	87,016	43,925
	211,766	176,111

Trade debtors and bills receivable are due between 30 to 120 days from the date of billing.

9. TRADE AND OTHER PAYABLES

	30 September 2011 \$'000	31 March 2011 \$'000
Trade creditors	122,123	105,058
Bills payable	13,796	3,909
	135,919	108,967
Accrued charges and other creditors	112,570	89,924
Amounts due to related companies	1,159	1,883
Amount due to a shareholder		
- Chan Family Investment Corporation Limited	245	842
Derivative financial instruments		
held as cash flow hedging instruments	-	3,865
	249,893	205,481

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

The amounts due to related companies and a shareholder are unsecured, interest-free and repayable on demand.

Included in trade and other payables are trade creditors and bills payable with the following ageing analysis as of the balance sheet date:

	30 September 2011 \$'000	31 March 2011 \$'000
Current	94,540	77,246
Less than 61 days past due	35,026	27,975
61 to 90 days past due	602	650
More than 90 days past due	5,751	3,096
Amounts past due	41,379	31,721
	135,919	108,967

INTERIM DIVIDEND

The Board have resolved to pay an interim dividend of HK\$0.02 (2010: HK\$0.02) per share for the six months ended 30 September 2011 to shareholders whose names appears on the register of members of the Company as at the close of business on 20 December 2011. The interim dividend is expected to be paid on or around 23 December 2011.

CLOSURE OF REGISTER OF MEMBER

The register of members of the Company will be closed from 15 December 2011 to 20 December 2011 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Wednesday, 14 December 2011.

BUSINESS REVIEW AND PROSPECTS

The period under review showed an improvement in our core garment business despite of the economic problems in both the U.S. and European markets. The increase of manufacturing for China's domestic market contributed partly to the improvement. Sales revenue generated from this sector increased 26% to HK\$769 million (same period 2010/11 HK\$608 million) and brought about an increase in our operation profits to HK\$37.5 million (same period 2010/11 HK\$3.8 million). However, we expect our core business to be negatively affected by the recession of the western economies during the 2nd half of this fiscal year.

Our own factories in southern China though still showed negative results were able to cut back on their losses through a series of restructuring. On the other hand, our factories in Bangladesh recorded a better than expected profit. Further positive growth is expected for our operations there.

The profits of our Wuxi operation during the period under review reduced considerably due to the drop of raw cotton and cotton yarn prices. We expect profit contribution from Wuxi operation would decrease significantly for the entire fiscal year.

FINANCIAL POSITION AND CAPITAL STRUCTURE

During the period under review, the Group's operations continued to be financed by the internal resources and bank borrowings.

As at 30 September 2011, the cash and bank balances of the Group were approximately HK\$138,651,000 (as at 31 March 2011: HK\$137,086,000). As at 30 September 2011 and 31 March 2011, the Group did not have any short term borrowings and long term borrowings.

The Group adopts a prudent policy to hedge the fluctuation of foreign exchange rates. As most of the Group's sales, purchases, cash and bank balances and bank borrowings are denominated in Hong Kong dollars, United States dollars, Euros, Pounds Sterling or Renminbi, the Group may enter into forward foreign exchange contracts to hedge its receivables and payables denominated in the above foreign currencies against the exchange rate fluctuation when the exposure is significant. As at 30 September 2011, the Group has foreign exchange contracts hedging forecast transactions with a net fair value of HK\$1,611,000, recognised as derivative financial assets.

Details of the Company's share capital are set out in note 6(c).

PLEDGE OF ASSETS

As at 30 September 2011, none of the assets of the Group was pledged.

EMPLOYMENT AND REMUNERATION POLICIES

As at 30 September 2011, the Group, including its subsidiaries but excluding its associates and jointly controlled entities, employed approximately of 5,100 employees. Remuneration packages are determined by reference to employees' performance and the prevailing salary levels in the market. In addition, the Group provides year end double pay, provident fund scheme, medical insurance and training to staff.

SHARE OPTION SCHEME

On 23 September 2004, the Company adopted a share option scheme (the "Share Option Scheme") which will remain in force until 22 September 2014. Pursuant to the terms of the Share Option Scheme, the Company may grant options to directors and employees of the Group and other eligible participants to subscribe for shares in the Company, provided that the total number of shares in the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company does not exceed 10% of the shares of the Company in issue at the date of adoption of the Share Option Scheme, which was 14,024,579 shares. On 19 September 2006, it was approved in the Annual General Meeting that the maximum number of options to be granted under the Share Option Scheme was increased to 21,036,868 shares, representing 10% of the total number of ordinary shares in issue on that day.

No options were granted under the Share Option Scheme during the year.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 September 2011, the Company repurchased 2,776,000 ordinary shares on the Stock Exchange at an aggregate consideration of HK\$5,519,000. The repurchases were effected by the Directors for the enhancement of shareholders' value. Details for the repurchases are as follows:

Month of the repurchase	Total number of the ordinary shares repurchased	Highest price paid per share HK\$	Lowest price paid per share HK\$	Aggregate consideration HK\$'000
September	2,776,000	2.02	1.94	5,519

The repurchased shares had been cancelled subsequently in October and November 2011.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the period ended 30 September 2011.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises three independent non-executive directors of the Company.

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and the unaudited interim financial statements of the Group for the period ended 30 September 2011.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied throughout the period ended 30 September 2011 with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules, except that the non-executive directors were not appointed for a specific term but are subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the Company's articles of association.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a Securities Dealing Code regarding director's securities transactions on terms no less exacting than required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in Appendix 10 of the Listing Rules. All Directors have confirmed, upon specific enquiry by the Company, that they have complied with the required standard set out in the Model Code and its Securities Dealing Code throughout the period under review.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.ygm.com.hk under "Results Announcement". The interim report for the period ended 30 September 2011 will be dispatched to the shareholders and published on the above websites in due course.

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

Hong Kong, 29 November 2011

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 three independent non-executive directors, namely Mr. Leung Hok Lim, Mr. Lin Keping and Mr. Sze Cho Cheung, Michael.