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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 by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record a net loss for the six months ended 30 September 2012 as compared to a profit for the six months ended 30 September 2011.

**Shareholders and potential investors should exercise caution when dealing in the shares of the Company.**

This announcement is made by YANGTZEKIANG GARMENT LIMITED (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Company and its subsidiaries (collectively, the “**Group**”) is expected to record a net loss for the six months ended 30 September 2012 as compared to a profit for the six months ended 30 September 2011.

Such loss is mainly attributable to the global economic slowdown in the last six months, in particular the weak European and U.S. markets, which affected the performance of the Group’s garment business, as well as the poor performance of the yarn business operated by a jointly controlled entity of the Group, due to the persistent low yarn prices and drop in demand from Europe.

The information contained in this profit warning announcement is only based on information currently available to the Group and the review of the unaudited management accounts of the Group for the six months ended 30 September 2012. The results for the same period remain subject to finalisation and necessary adjustments. Details of the interim results of the Group for the six months ended 30 September 2012 are expected to be published in November 2012.

**Shareholders and potential investors should exercise caution when dealing in the shares of the Company.**

By order of the Board  
YangtzeKiang Garment Limited  
Chan Sui Kau  
Chairman

Hong Kong, 9 November 2012

*As at the date of this announcement, 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.*