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YANGTZEKIANG GARMENT MANUFACTURING COMPANY LIMITED

長江製衣廠有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 294)

RESULTS OF THE ANNUAL GENERAL MEETING RELATING TO THE ADOPTION OF NEW SHARE OPTION SCHEME; RESULTS OF THE EXTRAORDINARY GENERAL MEETING AND DESPATCH OF PROSPECTUS DOCUMENTS

- The Shareholders approved the adoption of the New Share Option Scheme at the AGM held on 20 September 2004.
- The Shareholders approved the Capital Increase at the EGM held on 20 September 2004.
- Printed copies of the Rights Issue prospectus, together with the PAL and the EAF, are expected to be despatched on 21 September 2004 to the Qualifying Shareholders and, for information purposes only (without the PAL and the EAF), to the Excluded Shareholders.

Reference is made to (i) an announcement of the Company dated 30 August 2004 in relation to, among other matters, the Rights Issue and the Capital Increase (“Announcement”); (ii) a circular of the Company dated 26 August 2004 regarding, among other matters, the proposal for the adoption of the new share option scheme (“New Share Option Scheme”) by the Company at the AGM; and (iii) a circular of the Company dated 2 September 2004 regarding the Capital Increase. Unless otherwise defined, terms used herein shall have the same meanings as defined in the Announcement.

RESULTS OF THE AGM

The Board is pleased to announce that at the AGM held on 20 September 2004, all resolutions proposed, including the ordinary resolution proposed for the approval and adoption of the New Share Option Scheme, were duly passed by the Shareholders.

RESULTS OF THE EGM

The EGM was held on 20 September 2004 to consider the Capital Increase. As at the date of the EGM, there were a total of 140,245,792 Shares in issue, entitling the holders thereof to attend and vote at the EGM. The chairman of the EGM demanded for voting of the resolution proposed to approve the Capital Increase (“EGM Resolution”) by poll.

The Board is pleased to announce that at the EGM, an aggregate of 70,280,626 Shares, representing 100% of the Shares held by the Shareholders present and vote at the EGM, either in person or by proxy, were voted in favour of the EGM Resolution. None of the Shareholders present at the EGM, either in person or by proxy, voted against the EGM Resolution. Accordingly, the EGM Resolution was duly passed by way of a poll at the EGM. Computershare Hong Kong Investor Services Limited, the Company’s share registrar, was appointed as the scrutineer for the vote-taking at the EGM.

DESPATCH OF PROSPECTUS DOCUMENTS

Following the approval of the Capital Increase by the Shareholders at the EGM, it is expected that the registration and filing of the Rights Issue prospectus (the “Prospectus”) and other related documents with the Registrar of Companies in Hong Kong will take place on 21 September 2004. Printed copies of the Prospectus, together with the PAL and the EAF, are expected to be despatched thereafter on the same day to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date of 20 September 2004. Copies of the Prospectus (without the PAL and the EAF) will also be despatched, for information purposes only, to the Excluded Shareholders.

Qualifying Shareholders are reminded that the latest time for acceptance and payment in respect of the Rights Shares is 4:00 p.m. on Thursday, 7 October 2004. Details of the procedures for acceptance and payment and the expected timetable for the Rights Issue are set out in the Prospectus Documents.

It should be noted that the Rights Issue is conditional on, among other things, the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms of the Underwriting Agreement. Details of the circumstances under which the Underwriter may terminate the Underwriting Agreement are set out in the Prospectus. Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares up to the date when the conditions of the Rights Issue are fulfilled (which is expected to be 4:00 p.m. on Monday, 11 October 2004) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed.

GENERAL

As at the date of this announcement, the executive Directors are Chan Sui Kau, Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To, Chan Suk Man, Chan Wing Sun Samuel, Chan Wing Chak David and Chan Suk Ling Shirley; the non-executive Director is Yeung Wing Tak; and the independent non-executive Directors are Leung Hok Lim, Wong Lam and Lin Keping.

By Order of the Board
**YangtzeKiang Garment
Manufacturing Company Limited**
Chan Wing Fui Peter
Vice Chairman

Hong Kong, 20 September 2004

Please also refer to the published version of this announcement in China Daily.