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## **TEXWINCA HOLDINGS LIMITED**

**德永佳集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 321)

Websites : <http://www.texwinca.com/>

<http://www.irasia.com/listco/hk/texwinca/>

### **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group, it is expected that the Group may record a significant decrease in net profit for the six months ending 30 September 2012 as compared with the corresponding period in 2011.

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

This announcement is made by Texwinca Holdings Limited (the “Company”, together with its subsidiaries collectively known as the “Group”) pursuant to Rule 13.09 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 and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group, it is expected that the Group may record a significant decrease in net profit for the six months ending 30 September 2012 as compared with the corresponding period in 2011.

*\* For identification purpose only*

Based on the information currently available, the Board considers that the decrease in net profit is primarily attributable to the decline in gross profit in the textile business of the Group. Such decline was mainly due to the deterioration in the market conditions of the textile industry of the Mainland China as caused by the incompetitiveness of its cotton price compared with that of the other countries. The Board believes that this unfair price difference will be corrected by the market in the near term and the Group will regain its momentum in achieving better financial results after the correction.

As the first half of 2012/2013 financial year of the Company has not yet ended, the interim results of the Group for the six months ending 30 September 2012 are not yet available. The information contained in this announcement is only based on a preliminary assessment of the information currently available and the consolidated management accounts of the Group, which have neither been audited nor reviewed by the Company's auditors. The interim results of the Group for the six months ending 30 September 2012 are expected to be announced before the end of November 2012.

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

By Order of the Board

**Poon Bun Chak**

*Chairman*

Hong Kong, 13 August 2012

*As at the date of this announcement, the executive directors of the Company are Mr. Poon Bun Chak, Mr. Poon Kei Chak, Mr. Poon Kai Chak, Mr. Ting Kit Chung and Mr. Poon Ho Wa; and the independent non-executive directors of the Company are Mr. Au Son Yiu, Mr. Cheng Shu Wing and Mr. Law Brian Chung Nin.*