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## 天虹紡織集團有限公司 TEXHONG TEXTILE GROUP LIMITED

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2678)**

### **POSITIVE PROFIT ALERT**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of Texhong Textile Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a review of the Group’s unaudited management accounts for the five months ended 31 May 2015, the earnings of the Group for the five months ended 31 May 2015 has a substantial increase as compared to that of the six months ended 30 June 2014. As such, it is expected that the Group will result in a substantial increase in profit for the six months ending 30 June 2015 as compared to the financial results of the Group for the corresponding period in 2014. The increase in profit of the Group is mainly attributable to (i) the drop in cotton cost, which was more substantial than the decline in yarn selling prices; (ii) the strong sales volume; and (iii) the decrease in exchange loss.

The Group will continue to pursue its corporate strategy of optimizing its existing product mix, developing new products that cater for the trend and demand of the market and fully leveraging the cost advantages of the production plants of the Group in Vietnam in order to further improve the financial performance of the Group.

The information contained in this announcement is only based on a preliminary assessment by the Board based on information currently available to it, including the unaudited consolidated management accounts of the Group for the five months ended 31 May 2015, which have not been confirmed or reviewed by the Company’s auditors or the audit committee of the Company and finalized as at the date of this announcement. The Directors wish to emphasize that the results of the Group for the six months ending 30 June 2015 will be affected by a number of other factors. Further announcement(s) will be made by the Company if there is any significant change of the Group’s performance for the six months ending 30 June 2015.

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

As at the date of this announcement, the Board comprises the following Directors:

*Executive Directors:*

Mr. Hong Tianzhu  
Mr. Zhu Yongxiang  
Mr. Tang Daoping  
Mr. Hui Tsz Wai

*Independent non-executive Directors:*

Prof. Tao Xiaoming  
Prof. Cheng Longdi  
Mr. Ting Leung Huel, Stephen

By Order of the Board  
**Texhong Textile Group Limited**  
**Hong Tianzhu**  
*Chairman*

Hong Kong, 8 June 2015