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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 2021

The Board of Directors of Yangtzekiang Garment Limited (“**the Company**”) hereby announces the unaudited interim results of the Company and its subsidiaries (together referred to as “**the Group**”) and the Group’s interests in joint ventures for the six months ended 30 September 2021 as follows. The interim results have not been audited, but have been reviewed by the Company’s Audit Committee.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 September 2021 – unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 September	
		2021	2020
	<i>Note</i>	\$'000	\$'000
Revenue	3 & 4	161,671	219,650
Cost of sales		(136,230)	(183,695)
Gross profit		25,441	35,955
Other income		5,371	2,674
Selling and distribution expenses		(14,903)	(18,508)
Administrative expenses		(23,775)	(23,466)
Other operating expenses	5(c)	(6,891)	(5,928)
Loss from operations		(14,757)	(9,273)
Finance costs	5(a)	(1,246)	(2,193)
Share of gains/(losses) of joint ventures		20,587	(10,019)
Net valuation gains/(losses) on investment properties	10(c)	3,866	(402)
Profit/(loss) before taxation	5	8,450	(21,887)
Income tax	7	(347)	(921)
Profit/(loss) for the period		8,103	(22,808)
Attributable to:			
Equity shareholders of the Company		8,494	(22,391)
Non-controlling interests		(391)	(417)
Profit/(loss) for the period		8,103	(22,808)
Earnings/(loss) per share			
Basic and diluted	9	\$0.04	(\$0.11)

Details of dividends payable to equity shareholders of the Company attributable to the period are set out in note 8.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

For the six months ended 30 September 2021 – unaudited

(Expressed in Hong Kong dollars)

	Six months ended 30 September	
<i>Note</i>	2021	2020
	\$'000	\$'000
Profit/(loss) for the period	8,103	(22,808)
Other comprehensive income for the period (after tax and reclassification adjustments)		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Equity investments at fair value through other comprehensive income: net movement in the investment revaluation reserve (non-recycling)	<u>189</u>	<u>(621)</u>
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of:		
- financial statements of subsidiaries outside Hong Kong	<u>1,517</u>	2,987
- share of joint ventures' net assets	<u>8,455</u>	<u>19,902</u>
	9,972	22,889
Release of exchange reserve upon deregistration of a subsidiary	<u>283</u>	-
Release of exchange reserve upon disposal of subsidiaries	<u>427</u>	-
	10,871	22,268
Other comprehensive income for the period	<u>10,871</u>	<u>22,268</u>
Total comprehensive income for the period	18,974	(540)
Attributable to:		
Equity shareholders of the Company	<u>19,369</u>	(130)
Non-controlling interests	<u>(395)</u>	(410)
Total comprehensive income for the period	18,974	(540)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2021 – unaudited

(Expressed in Hong Kong dollars)

	<i>Note</i>	At 30 September 2021 \$'000	At 31 March 2021 \$'000
Non-current assets			
Investment properties	10	237,995	233,718
Other property, plant and equipment	10	46,682	46,821
Interest in leasehold land held for own use		1,186	1,196
		<u>285,863</u>	<u>281,735</u>
Intangible assets		2,748	2,795
Interests in joint ventures		556,886	527,699
Other financial assets		19,706	19,541
Prepayments for other property, plant and equipment		3,716	3,993
		<u>868,919</u>	<u>835,763</u>
Current assets			
Inventories		33,648	22,140
Trade and other receivables	11	94,826	101,076
Current tax recoverable		1,032	1,500
Cash at bank and in hand		261,029	266,085
		<u>390,535</u>	<u>390,801</u>
Current liabilities			
Trade and other payables	12	67,283	53,321
Contract liabilities		6,606	6,762
Lease liabilities		1,315	1,920
Current tax payable		12,943	12,715
		<u>88,147</u>	<u>74,718</u>
Net current assets		<u>302,388</u>	<u>316,083</u>
Total assets less current liabilities		<u>1,171,307</u>	<u>1,151,846</u>
Non-current liabilities			
Provision for long service payments		21,094	18,619
Lease liabilities		759	5,178
Deferred tax liabilities		15,044	14,666
		<u>36,897</u>	<u>38,463</u>
NET ASSETS		<u>1,134,410</u>	<u>1,113,383</u>
CAPITAL AND RESERVES			
Share capital		208,418	208,418
Reserves		925,992	906,623
Total equity attributable to equity shareholders of the Company		<u>1,134,410</u>	<u>1,115,041</u>
Non-controlling interests		<u>-</u>	<u>(1,658)</u>
TOTAL EQUITY		<u>1,134,410</u>	<u>1,113,383</u>

Notes:
(Expressed in Hong Kong dollars)

1. BASIS OF PREPARATION

This interim financial results have 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 (“Stock Exchange”), including compliance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 29 November 2021.

The interim financial results have been prepared in accordance with the same accounting policies adopted in the annual financial statements of the Group for the year ended 31 March 2021, except for the accounting policy changes that are expected to be reflected in the annual financial statements of the Group for the year ending 31 March 2022. Details of these changes in accounting policies are set out in note 2.

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

The interim financial results contain consolidated statement of financial position as at 30 September 2021 and the related consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income for the six months period then ended 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 of the Group for the year ended 31 March 2021. This interim financial results 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”).

The interim financial results are unaudited, but have been reviewed by the Company’s Audit Committee.

The financial information relating to the financial year ended 31 March 2021 that is included in the interim financial results as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 March 2021 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company’s auditor has reported on these financial statements for the year ended 31 March 2021. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group:

- Amendments to HKFRS 16, *Covid-19-Related Rent Concessions beyond 30 June 2021*
- Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, *Interest Rate Benchmark Reform – Phase 2*

None of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE

The principal activities of the Group are the manufacture and sale of garments and textiles, provision of processing services and rental of properties.

Revenue represents the invoiced value of goods supplied to customers, processing service income and rental income. Disaggregation of revenue by category is analysed as follows:

	Six months ended 30 September	
	2021	2020
	\$'000	\$'000
Under the scope of HKFRS 15,		
<i>Revenue from contracts with customers:</i>		
- Manufacture and sale of garments	144,981	192,621
- Manufacture and sale of textiles	165	55
- Processing service income	13,502	24,258
	158,648	216,934
Under the scope of HKFRS 16, Leases:		
- Gross rentals from investments properties	3,023	2,716
	161,671	219,650

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in note 4(c).

4. 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 covers the manufacture and sale of garment and textile products, and provision of garment processing services.
- Interests in joint ventures: the Group's joint ventures engage in the manufacture and sale of textile yarn products.
- Property leasing: this segment leases commercial and industrial premises to generate rental income.

(a) **Information about profit or loss, assets and liabilities**

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 joint ventures		Property leasing		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
For the six months ended 30 September								
Revenue from external customers	158,648	216,934	-	-	3,023	2,716	161,671	219,650
Inter-segment revenue	-	-	-	-	544	544	544	544
Reportable segment revenue	158,648	216,934	-	-	3,567	3,260	162,215	220,194
Reportable segment (loss)/profit (adjusted EBITDA)	(15,978)	(9,825)	20,587	(10,019)	4,507	4,225	9,116	(15,619)
	30 September 2021	31 March 2021	30 September 2021	31 March 2021	30 September 2021	31 March 2021	30 September 2021	31 March 2021
Reportable segment assets	434,809	435,732	556,886	527,699	311,627	305,127	1,303,322	1,268,558
Additions to non-current segment assets during the period	1,106	3,295	-	-	-	-	1,106	3,295
Reportable segment liabilities	96,818	82,536	-	-	-	-	96,818	82,536

The measure used for reporting segment profit/loss is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and finance cost 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 net valuation gains/(losses) on investment properties, auditors' remuneration and other head office or corporate administration costs.

(b) Reconciliations of reportable segment profit or loss

	Six months ended 30 September	
	2021 \$'000	2020 \$'000
Reportable segment profit/(loss) derived from Group's external customers (adjusted EBITDA)	9,116	(15,619)
Finance costs	(1,246)	(2,193)
Interest income	168	747
Depreciation and amortisation	(1,873)	(2,812)
Loss on deregistration of a subsidiary	(283)	-
Gain on disposal of subsidiaries	640	-
Net valuation gains/(losses) on investment properties	3,866	(402)
Unallocated head office and corporate expenses	(1,938)	(1,608)
Consolidated profit/(loss) before taxation	<u>8,450</u>	<u>(21,887)</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 investment properties, other property, plant and equipment and interest in leasehold land held for own use, intangible assets and interests in joint ventures ("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 investment properties, other property, plant and equipment and interest in leasehold land held for own use, the location of the operation to which they are allocated, in the case of intangible assets, the location of operations, in the case of interests in joint ventures.

	Revenue from external customers		Specified non-current assets	
	Six months ended 30 September		30 September	31 March
	2021 \$'000	2020 \$'000	2021 \$'000	2021 \$'000
Hong Kong (place of domicile)	<u>10,395</u>	<u>18,849</u>	<u>247,057</u>	<u>244,406</u>
Europe				
- United Kingdom	31,551	38,316	-	-
- Italy	27,635	48,477	-	-
- Spain	9,773	9,479	-	-
- Germany	29,834	44,021	-	-
- Other European countries	6,307	6,439	-	-
Mainland China	5,122	12,241	597,149	566,993
North America				
- United States	20,745	20,162	-	-
- Canada	599	2,790	-	-
Others	<u>19,710</u>	<u>18,876</u>	<u>1,291</u>	<u>830</u>
	<u>151,276</u>	<u>200,801</u>	<u>598,440</u>	<u>567,823</u>
	<u>161,671</u>	<u>219,650</u>	<u>845,497</u>	<u>812,229</u>

5. PROFIT/(LOSS) BEFORE TAXATION

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

	Six months ended 30 September	
	2021 \$'000	2020 \$'000
(a) Finance costs		
Interest on bank advances (including bank charges)	962	1,468
Interest on lease liabilities	284	725
	<u>1,246</u>	<u>2,193</u>
(b) Other items		
Depreciation		
- owned property, plant and equipment	365	772
- right-of use assets	1,461	1,993
Dividends income and interest income	(662)	(1,247)
Gain on disposal of subsidiaries	(640)	-
Loss on deregistration of a subsidiary	283	-
Gain on disposal of other property, plant and equipment	(424)	(207)
	<u>(424)</u>	<u>(207)</u>
(c) Other operating expenses		
Auditors' remuneration	986	1,066
Security fee	816	811
Insurance	796	761
Other taxes and surcharges	896	600
Motor vehicle expenses	374	452
Repair and maintenance	473	438
Consultancy fee	448	421
Legal and professional fee	776	206
Amortisation of intangible assets	47	47
Sundry expenses	1,385	1,768
Recovery of receivables written off in prior years	(106)	(642)
	<u>6,891</u>	<u>5,928</u>

Note:

Government subsidy from Government's Employment Support Scheme was included in selling and distribution expenses and administrative expenses on the face of the consolidated statement of profit or loss for the six months ended 30 September 2020. There is no unfulfilled conditions or contingencies relating to this subsidy.

6. LOSS ON DEREGISTRATION OF A SUBSIDIARY

On 21 July 2021, Whampoa Garment Manufacturing (Guigang) Co., Ltd., a wholly owned subsidiary of the Group, was deregistered and a one-off non-cash loss of \$283,000 arising from the release of exchange reserve upon deregistration was recognised in profit or loss for the six months ended 30 September 2021.

7. INCOME TAX

Income tax in the consolidated statement of profit or loss represents:

	Six months ended 30 September	
	2021 \$'000	2020 \$'000
Current tax - Hong Kong Profits Tax	-	305
Current tax - Overseas	128	412
Deferred tax relating to the origination and reversal of temporary differences	219	204
	<u>347</u>	<u>921</u>

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2020: 16.5%) to the six months ended 30 September 2021.

During the six months ended 30 September 2020, there is one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first \$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Taxation for subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant countries.

8. DIVIDENDS

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

No interim dividend declared and paid after the interim period end (2020: nil).

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

No final dividend in respect of the year ended 31 March 2021 was approved and paid during the period ended 30 September 2021 (2020: nil).

9. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit attributable to ordinary equity shareholders of the Company of \$8,494,000 (2020: loss of \$22,391,000) and the weighted average number of 206,748,000 (2020: 206,748,000) ordinary shares in issue during the period.

(b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share as there were no dilutive potential ordinary shares in existence during the periods ended 30 September 2021 and 2020.

10. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 September 2021, the Group entered into a number of lease agreements and therefore recognised the additions to right-of-use assets of \$104,000 (six months ended 30 September 2020: \$175,000).

(b) Acquisitions and disposal of owned assets

During the six months ended 30 September 2021, the Group acquired items of other property, plant and equipment with a cost of \$1,002,000 (six months ended 30 September 2020: \$593,000). Items of other property, plant and equipment with a net book value of \$35,000 were disposed of during the six months ended 30 September 2021 (six months ended 30 September 2020: \$24,000), resulting in a net gain on disposal of \$424,000 (six months ended 30 September 2020: net gain on disposal of \$207,000).

(c) Valuation

The valuations of investment properties carried at fair value were updated at 30 September 2021 by the Group's independent valuer using the same valuation techniques as were used by this valuer when carrying out the March 2021 valuations.

As a result of the update, a net profit of \$3,866,000 (six months ended 30 September 2020: net loss of \$402,000) has been recognised in profit or loss for the period in respect of investment properties.

11. TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	30 September 2021 \$'000	31 March 2021 \$'000
Within 1 month	36,562	29,294
Over 1 month but within 2 months	15,073	23,562
Over 2 months but within 3 months	13,488	25,924
Over 3 months but within 4 months	1,397	8,153
Over 4 months	2,562	3,424
Trade debtors and bills receivable, net of loss allowance	69,082	90,357
Deposits, prepayments and other debtors, net of loss allowance	24,459	10,373
Amounts due from related companies	217	184
Derivative financial instruments	1,068	162
	<u>94,826</u>	<u>101,076</u>

Substantially all of the Group's trade and other receivables are expected to be recovered or recognised as an expense within one year.

Trade debtors and bills receivable are due between 0 to 180 days (2020: 0 to 330 days) from the date of billing.

The amounts due from related companies are unsecured, interest-free and recoverable on demand except for those trade related items under normal trade terms.

12. TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade creditors and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

	30 September	31 March
	2021	2021
	\$'000	\$'000
Within 1 month	29,088	11,396
Over 1 month but within 2 months	5,997	5,847
Over 2 months but within 3 months	1,767	1,615
Over 3 months	2,265	2,476
Trade creditors and bills payable	39,117	21,334
Accrued charges and other creditors	27,976	31,796
Amounts due to related companies	177	178
Amounts due to joint ventures	13	13
	67,283	53,321

INTERIM DIVIDEND

The Board has resolved not to declare the payment of interim dividend for the six months ended 30 September 2021 (2020: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Key Performance Indicators

	Six months ended		
	30 September		
	2021	2020	+/-
	HK\$'000	HK\$'000	Change
Revenue	161,671	219,650	-26%
Gross profit	25,441	35,955	-29%
Gross profit margin	16%	16%	-0pp
Loss from operations	(14,757)	(9,273)	+59%
Operating margin	-9%	-4%	-5pp
Profit/(loss) attributable to equity shareholders of the Company	8,494	(22,391)	-138%
Net profit margin	5.3%	-10.2%	+16pp
Earnings before interest income, finance costs, income tax, depreciation and amortisation (EBITDA)	11,401	(17,629)	-165%
EBITDA margin	7%	-8%	+15pp
Earnings/(loss) per share - basic	\$0.04	(\$0.11)	-136%

Business Review and Prospects

During the six months under review, our company recorded an overall profit of HK\$8,103,000 as compared with a loss of HK\$22,808,000 for the same period last year. Though our core garment business incurred a loss for the period under review, the positive return from our investment in the jointly owned entity in Wuxi had contributed to the improvement of our overall performance.

Under the Covid-19 pandemic, our clients had been very cautious with their purchases and as a result, our core business' revenue was decreased by 26% comparing to same period last year.

Our operation costs in Bangladesh had increased significantly due to high inflation there as well as the yearly increase in worker's wages imposed by government laws. Problems caused by the pandemic also delayed the opening of our new factory for many months.

Our operation in Myanmar had been adversely affected not only by the Covid-19 pandemic but also by the political unrests there that deterred our clients from placing orders with our factory. Under the circumstances, the management decided to withdraw our investment in this operation but to maintain it as a source of manufacturing in Myanmar.

Our China operation had recorded positive results for the first half of the year under review. Comparing to the neighboring countries under the Covid-19 pandemic, the manufacturing environment in China had been quite stable and steady. Hence it attracted some fabrics and garments orders to return and profited our factory.

Our Wuxi investment had recorded profit for the period under review. This is due to the facts that China managed to contain the pandemic situation, our Wuxi operation was able to operate fully, and the higher gross profit margin from the lower priced cotton stock that the factory purchased earlier.

As the Covid-19 pandemic shows no sign of receding, global economy continues to face rising commodity prices, high logistic costs and more lockdowns. Our core business will have to endure and tackle these situations for the remaining half of the year and probably to the following year. The profits that we saw in our Wuxi investment might be hampered for the remainder of the year due to the rising cotton prices as well as the unrests in Ethiopia where one of the plants locates. The remaining year as well as the coming year continue to be difficult and challenging.

Liquidity and Financial Position

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

As at 30 September 2021, the cash and bank balances of the Group were approximately HK\$261,029,000 (as at 31 March 2021: HK\$266,085,000). As at 30 September 2021 and 31 March 2021, the Group did not have any short term 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 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 committed future sales denominated in the above foreign currencies against the exchange rate fluctuation when the exposure is significant. As at 30 September 2021, the Group has forward foreign exchange contracts hedging forecast transactions with net fair value of HK\$1,068,000 (assets) (as at 31 March 2021: HK\$162,000 (assets)), recognised as derivative financial instruments.

Pledge of Assets

As at 30 September 2021, none of the assets of the Group was pledged.

Employment and Remuneration Policies

As at 30 September 2021, the Group, including its subsidiaries but excluding joint ventures, employed approximately of 1,700 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.

PURCHASE, SALE OR REDEMPTION OF SHARES

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 2021.

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 2021.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied throughout the period ended 30 September 2021 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 (the "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 the 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 six months ended 30 September 2021 will be dispatched to the shareholders and published on the above websites in due course.

By Order of the Board
YangtzeKiang Garment Limited
Chan Wing Fui, Peter
Chairman

Hong Kong, 29 November 2021

As at the date of this announcement, the Board consists of six executive directors, namely Mr. Chan Wing Fui, Peter, Mr. Chan Wing Kee, Mr. Chan Wing To, Madam Chan Suk Man, Mr. Chan Wing Sun, Samuel and Madam Chan Suk Ling, Shirley and three independent non-executive directors, namely Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming.