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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/>

ANNOUNCEMENT OF REVISION OF MAXIMUM AGGREGATE ANNUAL VALUE OF CONTINUING CONNECTED TRANSACTIONS

The Board wishes to announce the following:

TENANCY AGREEMENTS

- (1) On 25 March 2009, Mountain Rich Limited as landlord and Tianjin Dafu Friendship Baleno Company Limited as tenant have entered into a tenancy agreement for the lease of Tianjin Bin Jiang Fu Shi Commercial Building (天津濱江服飾商廈) at Tianjian City, He Ping Qu, Bin Jiang Road 282-286, Tianjin, China (中國天津市和平區濱江道 282 號 - 286 號).
- (2) On 25 March 2009, Latex (Hong Kong) Limited as landlord and Win Ready Industrial Limited as tenant have entered into a tenancy agreement for the lease of 22 Perkin's Road, Jardine's Lookout, Hong Kong.
- (3) On 25 March 2009, Winson Link Enterprises Limited as landlord and Win Ready Industrial Limited as tenant have entered into a tenancy agreement for the lease of Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong.

** For identification purpose only*

Each of Mountain Rich, Latex and Winson Link is a connected person of the Company within the meaning of the Listing Rules by virtue of its being a wholly-owned company of Mr. Poon who is the chief executive officer, an executive director and a controlling shareholder of the Company. Accordingly, each of the Tenancy Agreements constitutes a continuing connected transaction of the Company under Rule 14A.34 of the Listing Rules. As one or more of the relevant percentage ratios (other than the profits ratio) as represented by the maximum aggregate annual value (as set out herein) in respect of each of the Tenancy Agreements is / are more than 0.1% but less than 5%, the transactions are only subject to the reporting and announcement set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40 and are exempt from the independent shareholders' approval requirements under the Listing Rules.

TENANCY AGREEMENTS

A. Backgrounds

Reference is made to the announcement of the Company dated 27 March 2009 in respect of the Tenancy Agreements which constituted continuing connected transactions of the Company under the Listing Rules.

1. Tenancy Agreement for the lease of Tianjin Bin Jiang Fu Shi Commercial Building (天津濱江服飾商廈) at Tianjian City, He Ping Qu, Bin Jiang Road 282-286, Tianjin, China (中國天津市和平區濱江道 282 號 - 286 號)

On 25 March 2009, Mountain Rich as landlord and Tianjin Dafu as tenant have entered into a tenancy agreement for the lease of Tianjin Bin Jiang Fu Shi Commercial Building (天津濱江服飾商廈) at Tianjian City, He Ping Qu, Bin Jiang Road 282-286, Tianjin, China (中國天津市和平區濱江道 282 號 - 286 號). The term of the tenancy agreement is for a period of 3 years commencing from 1 April 2009. The monthly rent (exclusive of management fee and utilities expenses) payable under the tenancy agreement is RMB748,000, RMB785,000 and RMB824,000, respectively, for the first, second and third year during the term of the tenancy agreement.

2. Tenancy Agreement for the lease of 22 Perkin's Road, Jardine's Lookout, Hong Kong

On 25 March 2009, Latex as landlord and Win Ready as tenant have entered into a tenancy agreement for the lease of 22 Perkin's Road, Jardine's Lookout, Hong Kong. The term of the tenancy agreement is for a period of 3 years commencing from 1 April 2009. The monthly rent (exclusive of utilities expenses) payable under the tenancy agreement is HK\$360,000 during the term of the tenancy agreement.

3. Tenancy Agreement for the lease of Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong

On 25 March 2009, Winson Link as landlord and Win Ready as tenant have entered into a tenancy agreement for the lease of Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong. The term of the tenancy agreement is for a period of 3 years commencing from 1 April 2009. The monthly rent (exclusive of crown rent, rates, management fee and utilities expenses) payable under the tenancy agreement is HK\$38,000 during the term of the tenancy agreement.

B. Maximum Aggregate Annual Value

In view of the current and anticipated appreciation of RMB, the maximum aggregate annual value in respect of the Tenancy Agreements for the financial year ending on 31 March 2012 is revised from HK\$17,000,000 to HK\$20,000,000.

C. Connected Transaction

Each of Mountain Rich, Latex and Winson Link is a connected person of the Company within the meaning of the Listing Rules by virtue of its being a wholly-owned company of Mr. Poon who is the chief executive officer, an executive director and a controlling shareholder of the Company. Accordingly, each of the Tenancy Agreements constitutes a continuing connected transaction of the Company under Rule 14A.34 of the Listing Rules. As one or more of the relevant percentage ratios (other than the profits ratio) as represented by the maximum aggregate annual value (as set out above) in respect of each of the Tenancy Agreements is / are more than 0.1% but less than 5%, the transactions are only subject to the reporting and announcement set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40 and are exempt from the independent shareholders' approval requirements under the Listing Rules.

PRINCIPAL BUSINESS ACTIVITIES OF THE GROUP

The principal activities of the Group include the production, dyeing and sale of knitted fabric and yarn; the retailing and distribution of casual apparel and accessories; the provision of franchise services; and the provision of repair and maintenance services for motor vehicles.

INFORMATION FOR THE SHAREHOLDERS

The details of the transactions under the Tenancy Agreements as required under Rule 14A.45 of the Listing Rules will be included in the Company's next published annual report and accounts.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

“Board”	means the board of Directors;
“Company”	means Texwinca Holdings Limited, a limited liability company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 321);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	means the director(s) of the Company;
“Group”	means the Company and its subsidiaries from time to time;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Latex”	means Latex (Hong Kong) Limited, a company wholly-owned by Mr. Poon;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;

“Mountain Rich”	means Mountain Rich Limited, a company wholly-owned by Mr. Poon;
“Mr. Poon”	means Mr. Poon Bun Chak;
“percentage ratios”	has the meaning ascribed to it in the Listing Rules;
“PRC”	means the People's Republic of China;
“profits ratio”	has the meaning ascribed to it in the Listing Rules;
“RMB”	means Renminbi, the lawful currency of the PRC;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning ascribed to it in Section 2 of the Companies Ordinance (Chapter 32 of the laws of Hong Kong);
“Tenancy Agreements”	means: <ul style="list-style-type: none"> (a) the tenancy agreement dated 25 March 2009 entered into between Mountain Rich as landlord and Tianjin Dafu as tenant for the lease of Tianjin Bin Jiang Fu Shi Commercial Building (天津濱江服飾商廈) at Tianjian City, He Ping Qu, Bin Jiang Road 282-286, Tianjin, China (中國天津市和平區濱江道 282 號 - 286 號); (b) the tenancy agreement dated 25 March 2009 entered into between Latex as landlord and Win Ready as tenant for the lease of 22 Perkin’s Road, Jardine’s Lookout, Hong Kong; and (c) the tenancy agreement dated 25 March 2009 entered into between Winson Link as landlord and Win Ready as tenant for the lease of Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong;
“Tianjin Dafu”	means Tianjin Dafu Friendship Baleno Company Limited, a non-wholly-owned subsidiary of the Company principally engaging in retailing and distribution of casual apparel and accessories;

“Win Ready”	means Win Ready Industrial Limited, a wholly-owned subsidiary of the Company principally engaging in investment and property holding;
“Winson Link”	means Winson Link Enterprises Limited, a company wholly-owned by Mr. Poon; and
"% "	per cent.

By Order of the Board
Poon Bun Chak
Chairman

Hong Kong, 5th August 2011

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.