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**PACIFIC TEXTILES HOLDINGS LIMITED**

**互太紡織控股有限公司\***

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

**(Stock Code: 01382)**

## **INSIDE INFORMATION**

### **POTENTIAL ACQUISITION**

This announcement is made by the board of directors (the “**Board**”) of Pacific Textiles Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (“**SFO**”) (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

### **THE TRANSACTIONS**

On 9 February 2015, the board of directors of Textured Jersey Lanka PLC (“**TJL**”), a company listed on the Colombo Stock Exchange and 40% owned by the Company, has decided to initiate an independent valuation and due diligence study (together, the “**Study**”) for the purpose of looking at the feasibility on acquiring controlling stakes in Ocean India (Pvt) Ltd (“**Ocean India**”) and Quenby Lanka Prints (Pvt) Ltd (“**Quenby**”) (the “**Transactions**”). This is in pursuance of TJL’s on-going regional expansion and capability enhancement strategy. The decision to proceed with the acquisition will be subject to findings of the study and the ensuing negotiation between all parties concerned.

### **THE PARTIES**

Ocean India is a knit fabric manufacturer based in Visakapatnam, India. TJL has entered into a technical services agreement with Ocean India in October 2013 which is currently in force.

Quenby is a fabric printing company based in Sri Lanka. Quenby is currently a strategic vendor to TJL and is located in the Seethawaka International Industrial Park which is near the production facility of TJL.

### **FORMATION OF A BOARD SUBCOMMITTEE**

Brandix Lanka Limited, which has 30% interest in TJL, also holds an equity interests in Ocean India and Quenby.

The board of TJL has appointed the chairman of TJL – Mr. Bill Lam, two independent directors namely Mr. Amitha Gooneratne and Prof. Malik Ranasinghe, and the managing director of TJL – Mr. Sriyan de Silva Wijeyeratne to form a subcommittee overseeing the progress of the Transactions. The independent valuation will be conducted by M/s Ernst and Young, Chartered Accountants in Sri Lanka. Upon the completion of the Study, the board of TJL will evaluate the Transactions in due course. The Transactions are subject to the final approval by the board of investment and shareholders’ resolution of TJL.

Further announcement will be made by the Company in respect of the Transactions in accordance with the SFO and the Listing Rules if and when required. Shareholders of the Company and/or investors should note that the Transactions may or may not materialize and are advised to exercise caution when dealing in the Company's securities.

By order of the Board  
**Pacific Textiles Holdings Limited**  
**Wan Wai Loi**  
*Chairman*

Hong Kong, 12 February 2015

*As at the date of this announcement, the executive Directors are Mr. WAN Wai Loi (Chairman), Mr. TSANG Kang Po and Mr. LAM Wing Tak, the non-executive Directors are Mr. CHOI Kin Chung, Mr. IP Ping Im and Mr. LAU Yiu Tong and the independent non-executive Directors are Mr. CHAN Yue Kwong, Michael, Mr. NG Ching Wah and Mr. SZE Kwok Wing, Nigel.*

\* *For identification purpose only*