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For Immediate Release



PACIFIC TEXTILES HOLDINGS LIMITED
互太紡織控股有限公司

Pacific Textiles Holdings Limited Hong Kong Public Offer Opens Tomorrow

Hong Kong, May 6, 2007 – **Pacific Textiles Holdings Limited** ("Pacific Textiles" or "the Company"), a leading manufacturer of customized knitted fabrics, today announced details of its proposed listing on the Main Board of the Stock Exchange of Hong Kong Limited ("HKEx").

Pacific Textiles will offer a total of 358,234,000 shares under the Global Offering. The Company has granted an over-allotment option to the underwriters to issue up to an additional 53,735,000 shares, representing approximately 15% of the total number of shares initially available under the Global Offering.

The price range for each share is between HK\$4.15 and HK\$5.50 per share. Based on an offer price of HK\$4.83 (being the mid-point of the above offer price range), the net proceeds of the Global Offering will be approximately HK\$1,622 million assuming that the over-allotment option is not exercised. If the over-allotment option is exercised in full, based on an offer price of HK\$4.83, the net proceeds of the Global Offering will be approximately HK\$1,874 million.

Citigroup Global Markets Asia Limited and Morgan Stanley Dean Witter Asia Limited are the Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Joint Sponsors of the Global Offering.

The Hong Kong Public Offer will open at 9 a.m. on Monday, May 7, 2007 and will close at 12 noon on Thursday, May 10, 2007. Pricing of the shares is expected to be determined on Friday, May 11, 2007. Trading of the shares of the Company is expected to commence on Friday, May 18, 2007 on the Main Board of the HKEx under the stock code 1382.

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Shares will be traded in board lots of 1,000 shares.

Pacific Textiles is a leading manufacturer of customized knitted fabrics with a focus on complex, value-added fabrics. The Company collaborates closely with apparel brand owners to design fabrics that meet customized order particulars. Its finished fabrics comprise more than 3,000 designs and specifications which the Company sells to garment manufacturers worldwide to produce garments for premium apparel brand owners. These fabrics are used in a broad range of garments, including men's, women's and children's clothing, sportswear, swimwear and inner-wear.

Headquartered in Hong Kong, the principal manufacturing facility of Pacific Textiles is a modern, integrated knitting, dyeing and printing facility in Panyu, China. The Company offers warp and weft knitting along with printing services. In 2004, Pacific Textiles acquired a controlling interest in a knitting and dyeing facility in Avissawella, Sri Lanka and has since expanded its annual production capacity. This is part of the Company's strategy to expand its production volume and the geographic scope of our operations.

Mr. Wan Wai Loi, Executive Director (Chairman of the Board) said, "Leveraging our growth prospects through multiple channels as well as an efficient production model, we are seeking to strengthen our position as a leading manufacturer of customized knitted fabrics. These customized and high value-added fabrics enable us to maintain higher margins."

Pacific Textiles intends to use the net proceeds from the Global Offering to fund capital expenditures for the expansion and upgrade of the facilities and operations, and to repay an existing syndicated loan and other bank loans which were used for working capital and other operational purposes.

"Pacific Textiles' primary location in China positions us to capitalize on the continuing migration of the garment industry to Asia. We have planned for significant capital investments for the expansion of our principal production facility located in Panyu to maintain our competitive position and to take advantage of China's strong foothold in the knitted fabric industry. We have also planned to expand our Sri Lanka facility to increase its production output," Mr Wan added.

To further extend the high quality product platform, Pacific Textiles also seeks to partner with and invest in businesses that manufacture different types of fabrics. These partnerships represent opportunities for the Company's future expansion.

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Pacific Textiles was founded in 1997 by Mr. Choi Kin Chung, Mr. Ip Ping Im, Mr. Wan Wai Loi and Mr. Tsang Kang Po, who are now Emeritus Chairman and non-executive Director, non-executive Director, Chairman and Vice Chairman of the Board, respectively. For the eight months ended November 30, 2006, Pacific Textiles had turnover of HK\$2,887 million and net profits of HK\$397.6 million, compared to HK\$2,187 million and HK\$308.3 million, respectively, in the eight-month period ended November 30, 2005. As of November 30, 2006, Pacific Textiles had total assets of HK\$2,817 million.

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