

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



PROFIT WARNING

The Board wishes to inform the Shareholders and potential investors that it is expected that the Group will continue to record a loss for its unaudited consolidated interim results for the six months ended 30 June 2011.

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

This announcement is made by Carry Wealth Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 (1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group will continue to record a loss for its unaudited consolidated interim results for the six months ended 30 June 2011. Based on the information currently available, the Group’s loss is mainly due to a number of factors, including (a) facing with the uncertain economic outlook in the US, the Group’s principal export market, the Group’s US customers stay cost-conscious and keen price competition for bulk orders of basic items placed by the US customers further squeezes the Group’s gross profit margin. The US customers tend to place smaller orders for more stylish items which hinder the production efficiency of the Group’s factories in Indonesia and Lesotho which are the major production bases for fulfilling the US customers’ orders; and (b) rising production costs due to high fabric prices, the increase in minimum wages, the severe inflation and the appreciation in Indonesian Rupiah and South African Rand against US dollars.

Amid the challenging business environment, the Group sees a drop in and a further squeeze on the gross profit margin of the orders on hand received from the US customers for the second half of year 2011 and thus it is expected to adversely affect the business performance of the Group's factories in Indonesia and Lesotho.

As the Company is still in the process of finalizing the Group's unaudited consolidated interim results for the six months ended 30 June 2011, the information contained in this announcement is only a preliminary assessment by the management of the Company and it is not based on any figures or information which has been audited or reviewed by the Company's auditor. Shareholders and potential investors are advised to read carefully the unaudited interim results announcement of the Company for the six months ended 30 June 2011 which is expected to be published around late August 2011.

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

By order of the Board of
Carry Wealth Holdings Limited
Li Haifeng
Chairman

Hong Kong, 12 July 2011

As at the date of this announcement, the Board of the Company comprises Messrs Li Haifeng (Chairman), Lee Sheng Kuang, James (Managing Director), Huang Xuxian, Flynn, Tang Chak Lam, Charlie and Xiao Yong, being executive directors; and Messrs Kwok Lam Kwong, Larry, B.B.S., J.P., Lau Siu Ki, Kevin, Yau Wing Yiu and Zhang Feng, being independent non-executive directors.