
FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties, including, but not limited to, the risk factors described in this prospectus. These forward-looking statements include, but are not limited to, statements relating to:

- our operations and business prospects;
- future developments, trends and competition in the global textile and fabric industry;
- products under development or planning;
- our strategy, business plans, objectives and goals;
- our capital expenditure plans;
- our dividend distribution plans;
- our future financial condition and operations;
- the amount and nature of, and potential for, future development of our business;
- general economic conditions in the the PRC; and
- changes in the regulatory environment and operating conditions in the markets in which we operate.

In some cases we use words such as “believe,” “seek,” “intend,” “anticipate,” “project,” “plan,” “potential,” “will,” “may,” “should,” “going forward,” “expect” and other similar expressions to identify forward-looking statements. All statements other than statements of historical facts included in this prospectus, including statements regarding our future financial position, strategy, projected costs and plans and objectives of management for future operations, are forward-looking statements. Although we believe that the expectations reflected in those forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct, and you are cautioned not to place undue reliance on such statements.

Furthermore, these forward-looking statements merely reflect our current view with respect to future events and are not a guarantee of future performance. Our financial condition may differ materially from the information contained or implied in the forward-looking statements as a result of a number of factors, including, but not limited to, factors disclosed under “Risk Factors” and elsewhere in this prospectus and the following:

- demand for new products;
- changes in the general operating environment of the PRC textile and fabric manufacturing industry;
- general economic, market and business conditions in the PRC and globally;
- the effects of competition on the demand for and the prices of our products;

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- the development of new products or technologies affecting our current and future business;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices; and
- other factors beyond our control.

Subject to the requirements of applicable laws, rules and regulations, we do not have any obligation and do not intend to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. Because of these risks, uncertainties or assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking statements. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.