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ELEGANCE INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board announces that the net profit of the Group for the year ended 31 March 2011 is expected to decrease substantially.

It is not based on any figures or information that has been audited or reviewed by the Company's auditors. The audited financial statements of the Group for the year ended 31 March 2011 are expected to be announced in June 2011.

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

This announcement is made by Elegance International Holdings Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rules 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that based on the preliminary review of the unaudited management accounts of the Group, the net profit of the Group for the year ended 31 March 2011 is expected to decrease significantly as compared with that of the previous year ended 31 March 2010. The range of factors attributable to the decrease includes, inter alia, (i) a significant increase in labour costs due to the further increase of minimum wages in the Mainland China; (ii) an increase in production costs due to high inflation rate in the Mainland China and the appreciation of Renminbi; and (iii) the limited extent available to pass the increased costs to customers through price increase.

As the Company is still in the process of finalizing the results of the Group for the year ended 31 March 2011, the information contained in this announcement is a preliminary estimate given by the management of the Company. It is not based on any figures or information that has been audited or reviewed by the Company's auditors. The audited financial statements of the Group for the year ended 31 March 2011 are expected to be announced in June 2011.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
ELEGANCE INTERNATIONAL HOLDINGS LIMITED
Hui Leung Wah
Chairman

Hong Kong, 19 May 2011

As at the date of this announcement, the executive directors of the Company are Mr. Hui Leung Wah, Mr. Poon Sui Hong, and Mr. Leung Shu Sum, the non-executive directors are Ms. Barbara Lissi and Ms. Paola Marchisio and the independent non-executive directors are Mr. Poon Kwok Fai, Ronald, Dr. Tam Hok Lam, Tommy, PhD, JP and Mr. Wong Chung Mat, Ben, JP.