YUGANG

**YUGANG INTERNATIONAL LIMITED**

**(**渝港國際有限公司**)***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 00613)

# POSITIVE PROFIT ALERT

This announcement is made by Yugang International Limited (the ñ**Company**ò, together with its subsidiaries, the ñ**Group**ò) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the ñ**Listing Rules**ò) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the ñ**Board**ò) wishes to inform shareholders of the Company and potential investors that, based on the Boardõs preliminary review and assessment of the Groupõs unaudited consolidated management accounts for the year ended 31 December 2017 (ñ**Financial Year**ò), the Group is expected to record a substantial increase in its consolidated profit attributable to equity holders of the Company for the Financial Year by close to 500% as compared to the profit of HK$21.8 million recorded for the year ended 31 December 2016. The expected substantial increase in profit for the Financial Year is mainly attributable to an estimated substantial unrealized fair value gain of approximately HK$100 million on the revaluation of listed equity investments for the Financial Year. Details of the Groupõs financial performance for the Financial Year will be disclosed in its annual results announcement, which is expected to be published in late March 2018.

This announcement is made based on, among other information, the Boardõs preliminary review and assessment of the Groupõs unaudited consolidated management accounts for the Financial Year, which are subject to review by the Companyõs auditors and further review by the Company.

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

For and on behalf of
**Yugang International Limited**
Yuen Wing Shing
*Managing Director*

Hong Kong, 7 February 2018

*As at the date of this announcement, the Board comprises nine Directors, namely Mr. Cheung Chung Kiu (Chairman), Mr. Yuen Wing Shing (Managing Director), Mr. Zhang Qing Xin, Mr. Lam Hiu Lo and Mr. Liang Kang as executive Directors; Mr. Lee Ka Sze, Carmelo as non-executive Director; and Mr. Luk Yu King, James, Mr. Leung Yu Ming, Steven and Mr. Ng Kwok Fu as independent non-executive Directors.*

* For identification purposes only