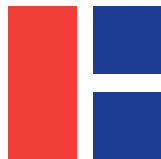


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ICO GROUP LIMITED

揚科集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1460)

POSITIVE PROFIT ALERT

This announcement is made by ICO Group Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2018 and the information currently available, the Group achieved a turnaround and recorded a profit attributable to the owners of the Company of not less than HK\$65 million for the six months ended 30 September 2018 as compared to a loss attributable to the owners of the Company of approximately HK\$6.4 million for the six months ended 30 September 2017.

Based on the information currently available, the turnaround achieved during the six months ended 30 September 2018 was mainly attributable to:

- (a) an increase in revenue of the Group by not less than HK\$40 million due to the increase in revenue arising from the IT infrastructure solutions segment and maintenance and support service segment;
- (b) a decrease in staff cost of the Group of not less than HK\$5 million due to the cost saving effect of the Group’s downsizing exercise;
- (c) share of profit of an associate of not less than HK\$2 million; and
- (d) fair value gain on contingent consideration payables, fair value gain on derivative component of convertible bonds, and gain on conversion of convertible bonds of in aggregate not less than HK\$60 million (the gains were merely results of accounting treatments and do not have any real impacts on the results of the operations and cash flows of the Group).

The Board wishes to remind the Shareholders and potential investors that the information contained in this announcement is only based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2018, which have not yet been finalized and are subject to the review of the Company and its auditors. Detailed financial information will be disclosed in the interim results announcement of the Group for the six months ended 30 September 2018, which is expected to be released by the end of November 2018.

By Order of the Board

ICO Group Limited

Lee Cheong Yuen

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 2 November 2018

As at the date of this announcement, the executive Directors are Mr. Lee Cheong Yuen, and Mr. Pang Yick Him; the non-executive Directors are Mr. Chan Kwok Pui and Mr. Tam Kwok Wah; and the independent non-executive Directors are Dr. Cheung Siu Nang Bruce, Mr. Fong Sing Chak Jack and Ms. Kam Man Yi Margaret.