YUGANG

YUGANG INTERNATIONAL LIMITED
(渝港國際有限公司)*

(Incorporated in Bermuda with limited liability)
(Stock code: 00613)

PROFIT WARNING

This announcement is made by Yugang International Limited (the "Company", 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 (Chapter 571 of the Laws of Hong Kong).

The board (the "Board") of directors (the "Directors") of the Company wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts (the "Management Accounts") of the Group and the information currently available to the Board, the Group is expected to record a profit attributable to Shareholders for the six months ending 30 June 2019 (the "Period") in the amount of approximately HK$23 million as compared to a profit of approximately HK$61 million for the six months ended 30 June 2018, representing a drop in profit by approximately 62%. The Board considers that the decrease is primarily attributable to (i) the decline in the Group's income from listed equity investments (a drop by approximately HK$8 million year-on-year); (ii) no more share of profit of an associate (approximately HK$12 million in the corresponding period last year) after the Company's distribution of the shares in the associate to the Shareholders in Quarter 4 of 2018; and (iii) no expectation of having a property valuation gain comparable to that recorded in the corresponding period last year (approximately HK$14 million in the corresponding period last year).

The information presented in this announcement is only based on the preliminary assessment by the Board of the Management Accounts and the information currently available to the Board, which have not been confirmed or reviewed by the Company's auditors or the audit committee of the Company and may be subject to adjustments. The Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the interim results of the Group for the six months ending 30 June 2019, which is expected to be published before the end of August 2019 in compliance with the Listing Rules.

* *For identification purposes only*

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

By Order of the Board
Yugang International Limited
Cheung Ka Yee
Executive Director

Hong Kong, 24 June 2019

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:
Mr. Lam Hiu Lo
Mr. Liang Kang
Ms. Cheung Ka Yee
Ms. Tsang Wing Man

Independent Non-Executive Directors:
Mr. Chan Sze Hung
Mr. Ha Kee Choy, Eugene
Mr. Kwong Kai Sing, Benny