YUGANG

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

(incorporated in Bermuda with limited liability)

ANNOUNCEMENT

EXPIRY OF SUBSCRIPTION RIGHTS ATTACHING TO THE 2003 WARRANTS (Stock Code: 556)

This is an announcement about the expiry of subscription rights attaching to the 2003 warrants. The relevant dates are as follows:

- **subscription rights attaching to the 2003 Warrants will expire on 18 July 2003.**
- **trading in the 2003 Warrants will cease immediately after close of business on 15 July 2003.**
- **the latest time to exercise the subscription rights will be no later than 4:00 p.m. on 18 July 2003.**
- **date of last listing: 18 July 2003.**

The Directors of YUGANG INTERNATIONAL LIMITED (the "Company") wish to remind holders of existing 2003 warrants (the "Warrants") carrying rights to subscribe for shares of HK$0.01 each ("Shares") in the Company on or before 18 July 2003 at a subscription price of HK$0.09 per Share that **the subscription rights attaching to the Warrants will expire on 18 July 2003 and thereafter any subscription rights which have not been exercised will lapse and the Warrants certificates will cease to be valid for any purpose.**

Trading in the Warrants on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") will cease immediately after close of business on **15 July 2003** and the listing of the Warrants will be withdrawn from the Stock Exchange at the close of business on **18 July 2003**.

Registered holders of the Warrants who wish to exercise the subscription rights attaching to their Warrants are requested to lodge the certificates for their Warrants with the subscription forms duly completed and signed, together with the relevant subscription monies, with the Company's branch registrars, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong (the "Registrars") by **no later than 4:00 p.m. on 18 July 2003**.

Persons who are not registered as holders of the Warrants and wish to exercise the subscription rights attaching to the Warrants are requested to lodge the relevant certificates for the Warrants, together with the duly executed and stamped forms of transfer and/or other documents of title, duly completed and signed subscription forms (which can be obtained from the Registrars) and the relevant subscription monies with the Registrars at the above address by **no later than 4:00 p.m. on 18 July 2003**.

Holders of the 2003 Warrants may wish to note that the closing price of the Shares and the 2003 Warrants on the Stock Exchange on 24 June 2003 being the date of this announcement, was HK$0.036 and HK$0.010 respectively.

Subscription forms lodged with the Registrars after 4:00 p.m. on 18 July 2003 will not be regarded as valid and will not be accepted. The Shares to be issued will be allotted not later than 28 days after relevant date of subscription and will rank pari passu in all respects with the then existing Shares of the Company.

Application has been made for the Warrants to be withdrawn from listing on the Stock Exchange with effect from the close of business on 18 July 2003.

A Circular regarding the expiry of the Warrants will be despatched to the Warrantholders and for information only, to shareholders as soon as practicable.

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

On behalf of the Board
Yuen Wing Shing
Director

24 June, 2003

* *For identification purposers only*

Please also refer to the published version of this announcement in The Standard.