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

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

DISCLOSEABLE TRANSACTION
ON-MARKET DISPOSAL OF SHARES
IN QUALIPAK INTERNATIONAL HOLDINGS LIMITED

The Board wishes to announce that on 18 November 2014, Regulator, an indirect wholly-owned subsidiary of the Company, disposed of the Sale Shares on the market through the Main Board of the Stock Exchange at a total consideration of approximately HK$59,875,000 (representing an average price of approximately HK$6.30 per Sale Share). Apart from the Disposal, the Group has not disposed of any other shares of the Listed Issuer in the twelve-month period immediately preceding the date of this announcement.

As one or more of the applicable percentage ratios in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

THE DISPOSAL

The Board wishes to announce that on 18 November 2014, Regulator, an indirect wholly-owned subsidiary of the Company, disposed of the Sale Shares on the market through the Main Board of the Stock Exchange at a total consideration of approximately HK$59,875,000 (representing an average price of approximately HK$6.30 per Sale Share). The consideration of approximately HK$6.30 per Sale Share was arrived at after taking into account the prevailing market price of the Sale Shares.

Apart from the Disposal, the Group has not disposed of any other shares of the Listed Issuer in the twelve-month period immediately preceding the date of this announcement. All transactions under the Disposal took place on the open market and the Company was not aware of the identities of the buyers. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the buyers are third parties independent of the Company and its connected persons.

Immediately after completion of the Disposal, Regulator holds 4,840,442 shares in the Listed Issuer (representing approximately 3.37% of the issued share capital of the Listed Issuer as at the date of this announcement.

INFORMATION ON THE LISTED ISSUER

The Listed Issuer is a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange. The principal activities of the Listed Issuer are investment holding and provision of corporate management services. The Listed Issuer and its subsidiaries are principally engaged in the design, development, manufacture and sale of packaging products and point-of-sales display units.

Set out below are the audited consolidated financial information of the Listed Issuer for the two financial years ended 31 December 2012 and 2013 prepared in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the unaudited financial information of the Listed Issuer for the six months ended 30 June 2014:

	As at 31 December 2012 (*HK$'000*)	**As at 31 December 2013 (*HK$'000*)**	**As at 30 June 2014 (*HK$'000*)**
Total assets	311,137	321,159	326,831
Net asset	249,308	262,134	265,546

	For the year ended 31 December 2012 (*HK$'000*)	**For the year ended 31 December 2013 (*HK$'000*)**	**For the six months ended 30 June 2014 (*HK$'000*)**
Profit before taxation & non-controlling interests	26,171	19,712	4,313
Profit attributable to equity holders	20,341	13,435	2,257

USE OF PROCEEDS

Based on the total consideration of HK$59,875,000, the seller's Hong Kong ad valorem stamp duty and the direct cost associated with the Disposal, it is expected that the Group will record a gain on disposal of approximately HK$53,484,629 from the Disposal. The Group intends to apply the estimated net proceeds of the Disposal of approximately HK$59,659,630 as the general working capital of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Reference is made to the composite document dated 30 October 2014 jointly issued by or for and on behalf of Amazing Bay and the Listed Issuer in connection with the Offer. Pursuant to the Offer, Regulator has been offered to tender all the 14,340,442 shares in the Listed Issuer held by it at the offer price of HK$4.50 per share. Whilst the Directors consider that the terms of the Offer are fair and reasonable, it would be more beneficial for the Group to realise its investment at the consideration of approximately HK$6.30 per Sale Share which is also higher than the closing price of HK$6.21 per share in the Listed Issuer as quoted on the Stock Exchange as at the date of this announcement and generates a higher return for the Group.

The Directors consider that the terms of the Disposal (including the consideration) are fair and reasonable so far as the Company and its shareholders are concerned and the Disposal is in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE COMPANY AND REGULATOR

The Company is a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange. The Group is principally engaged in (i) treasury management; (ii) property investment; and (iii) trading of scrap metals and other materials.

Regulator is an investment holding company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company. Regulator held 14,340,442 shares in the Listed Issuer (representing approximately 9.97% of the issued share capital of the Listed Issuer as at the date of this announcement) immediately before the Disposal.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Disposal is/are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

"Amazing Bay"	Amazing Bay Limited, a company incorporated in the British Virgin Islands with limited liability and the offeror of the Offer
"Board"	Board of Directors
"Company"	Yugang International Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock code: 00613)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Disposal"	the disposal of the Sale Shares by Regulator on the Main Board of the Stock Exchange on 18 November 2014
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Listed Issuer"	Qualipak International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 01332)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Offer"	the conditional mandatory cash offer made by Get Nice Securities Limited for and on behalf of Amazing Bay for all the issued shares in the Listed Issuer (other than those already owned by Amazing Bay and parties acting in concert with it) pursuant to Rule 26.1 of The Codes on Takeovers and Mergers and Share Buy-backs
"Regulator"	Regulator Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company and holding 14,340,442 shares in the Listed

	Issuer (representing approximately 9.97% of the issued share capital of the Listed Issuer as at the date of this announcement) immediately before the Disposal
"Sale Shares"	9,500,000 ordinary shares of HK$0.10 each in the share capital of the Listed Issuer (representing approximately 6.61% of the total issued shares of the Listed Issuer) which were disposed of by Regulator under the Disposal
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"%"	percent

By order of the Board
Yugang International Limited
Yuen Wing Shing
Managing Director

Hong Kong, 18th November, 2014

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