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YGM TRADING LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 00375)

PROFIT WARNING

This announcement is made 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 of YGM Trading Limited (the “**Company**”, together with its subsidiaries and associates, the “**Group**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that the financial results of the Group for the year ended 31 March 2015 is expected to show a substantial decline in profit, as compared to the corresponding period in 2014. The substantial decline in profit is mainly attributable to (i) the significant decrease in sales in the retail and wholesale of branded garments, leather goods and accessories caused by a decline in the retail markets in which the Group operates, particularly in China; and (ii) the absence of any exceptional gain in the year ended 31 March 2015 whereas an one-off exceptional gain of HK\$30.0 million was recorded in the corresponding period last year as a result of the reversal of indemnity liabilities arising from the disposal of interest in an associate. In addition, while the Company recorded a net valuation gain on the investment properties of the Group amounting to HK\$28.7 million in the year ended 31 March 2014, the impact of such valuation remains to be ascertained closer to the finalisation of the Company’s audited results for the year ended 31 March 2015.

The information contained in this announcement is solely based on the information currently available and the preliminary review by the Group’s management of the unaudited sales and other financial information of the Group for the ten months ended 31 January 2015, which are subject to finalisation and necessary adjustments and have not yet been audited, confirmed or reviewed by the Company’s independent auditor or its audit committee. Therefore, the actual results of the Group for the year ended 31 March 2015 may differ from the information contained in this announcement.

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

By Order of the Board
YGM TRADING LIMITED
Chan Wing Fui Peter
Chairman

Hong Kong, 31 March 2015

As at the date of this announcement, the Board comprises seven executive directors, namely Mr. Chan Wing Fui Peter, Mr. Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley, Mr. Fu Sing Yam William, Mr. Chan Wing Kee, Mr. Chan Wing To and Mr. Andrew Chan; and four independent non-executive directors, namely Mr. Leung Hok Lim, Mr. Lin Keping, Mr. Sze Cho Cheung Michael and Mr. Choi Ting Ki.