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有利集團有限公司*

Yau Lee Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00406)

**ANNOUNCEMENT
PURSUANT TO RULE 13.18 OF THE LISTING RULES**

This announcement is made pursuant to Rule 13.18 of the Listing Rules. Million Wealth Enterprises Limited, a wholly-owned subsidiary of the Company, as borrower entered into the Loan Agreement with a bank in Hong Kong for a term loan facility in the principal amount of up to HK\$475,000,000 on 14 May 2010. The Loan Agreement contains provision which requires Mr. Wong Ip Kuen, the controlling shareholder of the Company, and his family, to maintain a specified minimum shareholding in the Company.

This announcement is made pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 14 May 2010, Million Wealth Enterprises Limited (the “**Borrower**”), a wholly-owned subsidiary of Yau Lee Holdings Limited (the “**Company**”), as borrower and a bank as lender (the “**Lender**”) entered into a loan agreement (the “**Loan Agreement**”) pursuant to which a term loan facility in the principal amount of up to HK\$475,000,000 (the “**Facility**”) is made available by the Lender to the Borrower on the terms and conditions contained therein. The loan under the Facility shall be repaid in one lump sum 36 months after the date of the Loan Agreement or 31 December 2012, whichever shall be the earlier. The Facility is for purpose of refinancing the Borrower’s existing indebtedness and financing or refinancing its property development project.

Pursuant to the Loan Agreement, it shall be an event of default if Mr. Wong Ip Kuen, the controlling shareholder of the Company, and his family, hold directly or indirectly less than 40% of the equity interest and voting shares of the Company.

The occurrence of the aforesaid event of default would render all outstanding liabilities and indebtedness of the Borrower under the Loan Agreement to become immediately due and payable.

* For identification purpose only

At the date of this announcement, Mr. Wong Ip Kuen and his family own approximately 53.89 per cent of the issued share capital of the Company.

By Order of the Board
Wong Ip Kuen
Chairman

Hong Kong, 14 May 2010

As at the date of this announcement, the board of directors of the Company comprises Wong Ip Kuen (Chairman), Wong Tin Cheung, Wong Wai Man, So Yau Chi, Sun Chun Wai, Tsang Chiu Kwan, as Executive Directors and Yeung Tsun Man, Eric, Wu King Cheong, Chan Bernard Charnwut, as Independent Non-executive Directors.