



有利集團有限公司[#]
Yau Lee Holdings Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 406)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Yau Lee Holdings Limited (the “**Company**”) will be held at 10th Floor, Tower I, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on 30th August 2005 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following Resolutions:

1. To receive the audited consolidated accounts, Reports of the Directors and Auditors Report for the financial year ended 31st March 2005;
2. To declare a final dividend;
3. To re-elect Directors (please read Note 3);
4. To re-appoint auditors and to fix their remuneration;

As special business to consider and, if thought fit, pass the following Resolutions as Ordinary Resolutions:

5. “**THAT** for the period up until the next annual general meeting each of the Directors is authorised to be paid a director’s fee of such sum not exceeding HK\$300,000 as the board of Directors shall determine.”
6. (Please read Note 4)

(1) “**THAT:**

- a) the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company, including making and granting offers, agreements and options which would or might require shares to be allotted, issued or dealt with whether during or after the end of the Relevant Period, be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of or the requirements of, any recognised regulatory body or any stock exchange in, any territory outside Hong Kong), the additional shares allotted, issued or dealt with, (including shares agreed conditionally or unconditionally to be allotted, issued or dealt with, whether pursuant to an option or otherwise) shall not in aggregate exceed 20 per cent of the nominal amount of the share capital of the Company in issue at the date of this Resolution;
- b) for the purpose of this Resolution:
“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - i. the conclusion of the next annual general meeting of the Company;
 - ii. the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of Bermuda or the bye-laws of the Company (the “**Bye-laws**”) to be held; and
 - iii. the revocation or variation of the authority given under this Resolution by way of Ordinary Resolution of the shareholders of the Company in general meeting; and
- c) the authority contained in this Resolution shall replace the similar authority granted at the general meeting of the Company held on 25th August 2004.”

(2) “**THAT:**

- a) there be granted to the Directors of the Company an unconditional general mandate to repurchase shares in the capital of the Company, and that the exercise by the Directors of the Company of all powers of the Company to purchase shares subject to and in accordance with all applicable laws, rules and regulations be and is hereby generally and unconditionally approved, subject to the following conditions:
 - i. such mandate shall not extend beyond the Relevant Period (as hereinafter defined);
 - ii. such mandate shall authorise the Directors of the Company to procure the Company to repurchase shares at such prices as the Directors of the Company may at their discretion determine;
 - iii. the aggregate nominal amount of the shares repurchased by the Company pursuant to this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution; and

- b) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
- the conclusion of the next annual general meeting of the Company; and
 - the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of Bermuda or the Bye-laws to be held; and
 - the revocation or variation of this Resolution by an Ordinary Resolution of the shareholders of the Company in general meeting.
- c) the authority contained in this Resolution shall replace the similar authority granted at the general meeting of the Company held on 25th August 2004.”
- (3) “**THAT** conditional upon the passing of Resolutions No. 6(1) and 6(2) as set out in the Notice convening this Meeting, the aggregate nominal amount of the shares which are repurchased by the Company pursuant to and in accordance with Resolution No. 6(2) above shall be added to the aggregate nominal amount of the shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to and in accordance with Resolution No. 6(1).”

By Order of the Board
Chui Man Lung, Everett
Company Secretary

Hong Kong, 29th July 2005

Registered Office:–
Clarendon House, Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:–
10th Floor, Tower I
Enterprise Square
9 Sheung Yuet Road
Kowloon Bay
Kowloon, Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s principal place of business at 10th Floor, Tower I, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong at least 48 hours before the time fixed for holding the meeting or any adjournment thereof.
3. Mr. Sun Chun Wai and Mr. Chan, Bernard Charnwut are retiring Directors subject to re-election at the forthcoming general meeting.
4. With regard to the Ordinary Resolutions referred to in agenda items 6(1) and 6(2), approval is being sought from the shareholders for a general mandate to (a) allot shares of the Company and (b) re-purchase shares up to the relevant 20 per cent and 10 per cent limits. These authorities are sought in order that the Directors might take advantage of any relevant circumstances but the Directors have no immediate plans to issue any new shares of the Company or re-purchase any shares of the Company pursuant to such mandates.
5. Members are recommended to read the circular of the Company containing information concerning the Resolutions proposed in this notice.

As at the date hereof, the board of Directors of the Company comprises Mr. Wong Ip Kuen, Mr. Wong Tin Cheung, Mr. Sun Chun Wai, Mr. So Yau Chi, Dr. Yeung Tsun Man, Eric*, Mr. Wu King Cheong* and Mr. Chan, Bernard Charnwut*.

* *independent non-executive Director*