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Unless otherwise defined herein, terms in this announcement shall have the same meanings as those terms defined in the prospectus dated 26 January 2006 (the “Prospectus”) issued by Yorkey Optical International (Cayman) Ltd.

YORKEY

YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD.

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2788)

EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option referred to in the Prospectus has been fully exercised by SinoPac on behalf of the Placing Underwriters on 1 March 2006 requiring the Company to allot and issue 30,000,000 additional Shares (the “**Over-allotment Shares**”) (representing 15% of the Shares initially offered under the International Offering) to cover over-allocations in the Placing.

The Over-allotment Shares will be issued and allotted by the Company at HK\$2.20 per Share, being the Offer Price per Share under the International Offering (exclusive of brokerage fee, SFC transaction levy and Stock Exchange trading fee).

The Company announces that the Over-allotment Option referred to in the Prospectus has been fully exercised by SinoPac on behalf of the Placing Underwriters on 1 March 2006 requiring the Company to allot and issue the Over-allotment Shares (representing 15% of the Shares initially offered under the International Offering) to cover over-allocations in the Placing. The Over-allotment Shares will be allotted and issued by the Company at HK\$2.20 per Share, being the Offer Price per Share under the International Offering (exclusive of brokerage fee, SFC transaction levy and Stock Exchange trading fee). The listing of and permission to deal in the Over-allotment Shares have already been granted by the Stock Exchange.

The shareholding structure of the Company immediately before and after the issue of the Over-allotment Shares are as follows:

Shareholders	Before the issue of the Over-allotment Shares		After the issue of the Over-allotment Shares	
	Number of Shares	Approximate % of the issued share capital	Number of Shares	Approximate % of the issued share capital
Asia Promotion	242,000,000	30.25%	242,000,000	29.16%
Ability Enterprise BVI	198,000,000	24.75%	198,000,000	23.85%
Fortune Lands	120,000,000	15.00%	120,000,000	14.46%
Richman International	40,000,000	5.00%	40,000,000	4.82%
Public	200,000,000	25.00%	230,000,000	27.71%
	<u>800,000,000</u>	<u>100.00%</u>	<u>830,000,000</u>	<u>100.00%</u>

The aggregate net proceeds to the Company from the issue of the Over-allotment Shares are approximately HK\$64.35 million. The Company intends to use such additional net proceeds in accordance with the proportions set out in the section headed “Use of proceeds” of the Prospectus for the following purposes:

- approximately HK\$48.26 million will be used for the enhancement of production facilities in various divisions of the Group (of which approximately HK\$23.16 million for acquisition of additional plastic molding equipment, approximately HK\$8.36 million for acquisition of additional pressing equipment, approximately HK\$10.3 million for acquisition of additional mould design and manufacture equipment, approximately HK\$3.22 million for acquisition of additional painting equipment and approximately HK\$3.22 million for acquisition of additional assembly equipment and miscellaneous equipment);
- approximately HK\$6.435 million would be used for the purchase of quality control equipment to meet the requirements of international customers;
- approximately HK\$3.22 million will be used for the introduction of computerized systems to enhance management efficiency and integration of resources; and
- approximately HK\$6.435 million will be used for the general working capital and other general uses.

By order of the Board
YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD.
Cheng Wen-Tao
Chairman

Hong Kong, 1 March 2006

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Cheng Wen-Tao, Mr. Tong Ching-Hsi and Mr. Liao Kuo-Ming, two non-executive Directors, namely, Mr. Lai I-Jen and Ms. Wu Shu-Ping, and three independent non-executive Directors, namely, Mr. Chiang Hsiang-Tsai, Mr. Chou Chih-Ming and Mr. Lai Chung-Hsiung.

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