

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2003 Annual General Meeting of Yau Lee Holdings Limited (the “Company”) will be held on Friday, 22nd August 2003 at 10:00 a.m. at 10th Floor, Tower 1, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong for the following purposes:–

1. To receive and consider the audited consolidated accounts and the Reports of the Directors and Auditors for the year ended 31st March 2003.
2. To re-elect the Directors and to authorise the Board of Directors to fix their remuneration.
3. To re-appoint the Auditors and to authorise the Board of Directors to fix their remuneration.
4. As a special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:–

ORDINARY RESOLUTIONS

(A) **THAT:–**

there be granted to the Directors of the Company an unconditional general mandate to purchase shares of HK\$0.20 each 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 of the Company subject to and in accordance with all applicable laws, and to make or grant offers, agreements and options which might require the exercise of such power be and are hereby generally and unconditionally approved, subject to the following conditions:–

- (a) such mandate shall not extend beyond the Relevant Period;
- (b) the aggregate nominal amount of share capital of the Company to be purchased or agreed conditionally or unconditionally to be purchased by the Directors of the Company during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of this resolution; and
- (c) for the purposes of this resolution:–

“Relevant Period” means the period from the date of 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 the bye-laws of the Company or any applicable law of Bermuda to be held; and

- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the share holders of the Company in general meeting.

(B) **THAT:—**

there be granted to the Directors of the Company an unconditional general mandate to issue, allot and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:—

- (a) such mandate shall not extend beyond the Relevant Period save that the Directors of the Company may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (b) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company, other than pursuant to a Rights Issue or the exercise of the share warrants or any share option scheme or with the consent of the Company in general meeting, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution; and
- (c) for the purposes of this resolution:—

“Relevant Period” means the period from the date of 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 the bye-laws of the Company or any applicable law of Bermuda to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restriction or obligation under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong).

(C) **THAT:—**

conditional upon the passing of Ordinary Resolutions (A) and (B) as set out in the notice of this meeting, the aggregate nominal amount of the shares in the capital of the Company which are purchased by the Company pursuant to and in accordance with Ordinary Resolution (A) aforesaid shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to and in accordance with Ordinary Resolution (B) aforesaid.

5. To transact any other ordinary business of the Company.

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

Hong Kong, 16th July 2003

Notes:—

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy needs not be a member of the Company.
2. In order to be valid, a form of proxy, together with any power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or other authority, must be deposited at the principal place of business of the Company in Hong Kong at 10th Floor, Tower 1, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong not less than 48 hours before the time appointed for the meeting or any adjournment thereof.