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有利集團有限公司*

Yau Lee Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 0406)

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

On 27 March 2012, two wholly-owned subsidiaries of the Company, namely (i) Yau Lee Construction Company Limited and (ii) Yau Lee Wah Concrete Precast Products Company Limited as borrowers entered into a facility letter with a bank in Hong Kong in which there is a term imposing specific performance obligations on the controlling shareholder of the Company Mr. Wong Ip Kuen and his family to maintain a specified minimum shareholding in the Company and maintain control over the management of the Company.

This announcement is made in compliance with the disclosure requirements under rule 13.18 of the Listing Rules.

This announcement is made by the board of directors (the “**Board**”) of Yau Lee Holdings Limited (the “**Company**”) in compliance with the disclosure requirements under Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

BANKING FACILITIES

On 27 March 2012, two wholly-owned subsidiaries of the Company, namely (i) Yau Lee Construction Company Limited (“**Borrower 1**”) and (ii) Yau Lee Wah Concrete Precast Products Company Limited (“**Borrower 2**”) as borrowers (collectively the “**Borrowers**”) entered into a facility letter (the “**Facility Letter**”) with a bank in Hong Kong (the “**Lender**”) in respect of general banking facilities up to an aggregate amount of HK\$50,000,000 (the “**Facilities**”). The Facilities comprise various types of facilities including a revolving term loan in the principal facility limit of up to HK\$25,000,000 (the “**Revolving Term Loan Facility**”) and other facilities namely, letter of credit, letter of credit (cargo receipt), trust receipt, account payable financing and account receivable financing. While the Revolving Term Loan Facility shall be available to Borrower 1 only, the rest of the Facilities is available to both Borrower 1 and Borrower 2.

Notwithstanding the foregoing, it is expressly provided in the Facility Letter that the Facilities (including the Revolving Term Loan Facility) are repayable on demand by the Lender, which has the overriding right at any time to require immediate payment of all principal, interest and other monies outstanding thereunder.

* For identification purpose only

SPECIFIC PERFORMANCE OBLIGATION

The Facility Letter contains a specific performance obligation on the Borrowers to ensure that Mr. Wong Ip Kuen, the controlling shareholder of the Company, and his direct family members shall remain as the single largest shareholder of the Company holding at least 40 per cent of the equity interest of the Company and maintain control over the management of the Company (the “**Specific Performance Obligation**”).

GENERAL

At the date of this announcement, Mr. Wong Ip Kuen and his family own approximately 59.50 per cent of the issued share capital of the Company.

In accordance with rule 13.21 of the Listing Rules, disclosure will be included in subsequent interim and annual reports of the Company for so long as the Specific Performance Obligation continues to exist.

By Order of the Board
Wong Ip Kuen
Chairman

Hong Kong, 27 March 2012

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