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Paul Y. Engineering Group Limited

保華建業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 577)

POLL RESULTS OF THE SPECIAL GENERAL MEETING

Reference is made to the announcement of Paul Y. Engineering Group Limited (“PYE”) and PYI Corporation Limited dated 19 November 2012 and the circular of PYE dated 5 January 2013 (the “Circular”) in relation to the Transactions. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

The board of directors (the “Board”) of PYE is pleased to announce that each of the ordinary resolutions as set out in the notice of the PYE SGM was duly passed by way of poll at the PYE SGM held on 21 January 2013. The poll results were as follows:

Ordinary Resolutions		Number of votes (%)	
		For	Against
1.	To approve the Distribution in Specie of 49% of Paul Y. Engineering (BVI) Limited, a private company incorporated in the British Virgin Islands and a wholly-owned subsidiary of PYE	89,136,159 (99.04%)	861,096 (0.96%)
2.	To approve the Falloncroft SPA and the Acquisition	439,136,159 (99.80%)	861,096 (0.20%)
3.	To authorise the Capital Increase, approve the creation and issue of the Convertible Bonds, approve the Placing Agreement, the Contingent Placing Agreements and the Specific Mandate to allot and issue new shares of HK\$0.20 per share pursuant to the Placing Agreement, and such number of new shares as may be required to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds pursuant to the Placing Agreement, the Contingent Placing Agreements and pursuant to the Exchange Right	439,136,159 (99.80%)	861,096 (0.20%)

Ordinary Resolutions		Number of votes (%)	
		For	Against
4.	To approve the Cash Dividend of HK\$0.26 per share and arrangements for the Scrip Alternative in lieu of the Cash Dividend	439,997,255 (100%)	0 (0%)
5.	To elect each of Mr. Stephen Hung and Mr. Peter Lee Coker Jr. as executive directors and joint chairmen of PYE, and Mr. Walter Craig Power as an executive director and chief executive officer of PYE, and to fix their remuneration	439,133,582 (99.80%)	863,673 (0.20%)

Note: This summary of the resolutions is for reference only. Please refer to the full text of the resolutions as set out in the notice of the PYE SGM dated 5 January 2013.

As at the date of the PYE SGM, PYE had a total of 606,954,322.8 Shares in issue, which represented the total number of shares entitling the holders to attend and vote for or against resolutions no. 2 to 5 at the PYE SGM. No holders of these Shares were required to abstain from voting as regards any of the resolutions no. 2 to 5.

As stated in the Circular, PYI Corporation Limited and its associates holding a total of 375,826,317 Shares (representing approximately 61.92% of PYE's issued share capital) abstained from voting in respect of resolution no. 1 at the PYE SGM. Accordingly, the total number of Shares entitling the holders thereof to attend and vote for or against resolution no. 1 at the PYE SGM was 231,128,005.8 Shares (representing approximately 38.08% of PYE's issued share capital).

Tricor Standard Limited, the Company's share registrar in Hong Kong, acted as scrutineers for vote-taking at the PYE SGM.

Notwithstanding the passing of all necessary shareholders' approvals on the part of PYE, there is no assurance that the Transactions will complete. According to the proposed timetable set out in the Circular, the first day for dealing in the Shares ex-entitlement to the Distribution in Specie, Cash Alternative and the Cash Dividend will be on 30 January 2013; the Record Date for which is scheduled on 4 February 2013. However, Shareholders and potential investors should note that the Shares will most probably be traded on the ex-entitlement basis before the Placing Agreement and the Acquisition are completed. According to the proposed timetable, the Placing is proposed to complete and the Acquisition is proposed to close, in each case, on or before 8 February 2013 and under the terms of the Placing Agreement and the Falloncroft SPA, the long stop date for completion of the Placing and the Acquisition is 1 March 2013. If owing to volatile market conditions or for any other reason, the Placing and the Acquisition cannot be achieved, the Distribution in Specie, with the Cash Alternative, and the Cash Dividend will not be made. In that case, PYE will remain in its present form and, other things being equal, is likely to trade on the same basis as it did before the Transactions Announcement. Accordingly, Shareholders and potential investors should exercise caution when dealing in the Shares.

As completion of the various Transactions is, in each case, subject to the fulfillment of a number of conditions precedent and effectively all inter-conditional, apart from the Distribution in Specie, the various Transactions may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

By Order of the Board of
Paul Y. Engineering Group Limited
Mui Ching Hung, Joanna
Company Secretary

Hong Kong, 21 January 2013

As at the date of this announcement, the directors of the Company are as follows:

Ir James Chiu, <i>OBE, JP</i>	: Chairman (Independent Non-Executive Director)
Mr Lau Ko Yuen, Tom	: Deputy Chairman (Non-Executive Director)
Mr Chan Fut Yan	: Deputy Chairman (Executive Director)
Ir Dr Wong Kam Cheong, Stanley	: Executive Director & Chief Executive Officer
Professor Lee Chack Fan, <i>SBS, JP</i>	: Independent Non-Executive Director
Mr Iain Ferguson Bruce	: Independent Non-Executive Director

* *For identification purpose only*