



News Release

Paul Y. Engineering Shareholders Support the Acquisition of a HK\$2.0 Billion Luxury Hotel Site in Cotai, Macau

21 January 2013, Hong Kong – Paul Y. Engineering Group Limited (“PYE” or “the Group”) (0577.HK) announced that its shareholders have approved the HK\$2,000 million acquisition of a private company, Falloncroft Investments Limited (“Falloncroft”), with a plot of land in Cotai Strip, Macau at the PYE special general meeting (“SGM”) held today. All other resolutions regarding the related transactions were also approved.

Shareholders voted in favour of the acquisition being funded by a proposed placing of a minimum of HK\$800 million of shares plus HK\$2,400 million of shares or convertible bonds (“CB”), with an upside option for additional HK\$400 million of shares and HK\$1,200 million of CB and contingent placing of HK\$1,600 million of CB. A cash dividend of HK\$0.26 per share has been approved to be paid to the existing PYE shareholders. A specific mandate for the issue of up to 882 million new PYE shares to the management of Falloncroft in exchange for their interest in Falloncroft was also approved. In addition, the distribution in specie of 49% of PYE BVI, the intermediate holding company of PYE’s entire existing businesses was approved.

The detailed results of the voting on the resolutions taken by poll at the SGM were as follows:

Summary of Resolutions	No. of Votes (%)	
	For	Against
1. To approve the distribution in specie of 49% of PYE BVI	89,136,159 (99.04%)	861,096 (0.96%)
2. To approve the acquisition of Falloncroft	439,136,159 (99.80%)	861,096 (0.20%)
3. To approve the placing of shares and convertible bonds and a specific mandate to allot shares	439,136,159 (99.80%)	861,096 (0.20%)
4. To approve the cash dividend of HK\$0.26 per share	439,997,255 (100%)	0 (0%)
5. To elect Mr. Stephen Hung and Mr. Peter Coker as executive directors and joint chairmen of PYE, and Mr. Walt Power as executive director and chief executive officer of PYE	439,133,582 (99.80%)	863,673 (0.20%)

Upon completion of the acquisition, Mr. Stephen Hung, Mr. Peter Coker and Mr. Walt Power will become executive directors of PYE. Mr. Hung and Mr. Coker will take up the position of Joint Chairmen while Mr. Power will act as the CEO. Their election was approved at today’s SGM.

As completion of the various transactions is, in each case, subject to the fulfillment of a number of conditions precedent which are all inter-conditional, the various transactions may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of PYE.

For the poll results of SGM issued by Paul Y. Engineering Group Limited on 21 January 2013, please click [here](#).

For the circular and the notice of SGM issued by Paul Y. Engineering Group Limited on 5 January 2013, please click [here](#).

For the news release issued by PYI Corporation Limited and Paul Y. Engineering Group Limited on 5 January 2013, please click [here](#).

For the official announcement issued by PYI Corporation Limited and Paul Y. Engineering Group Limited on 19 November 2012, please click [here](#).

For the news release issued by PYI Corporation Limited and Paul Y. Engineering Group Limited on 19 November 2012, please click [here](#).

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About Paul Y. Engineering Group Limited (0577.HK)

Established in 1946, PYE is an international engineering and property services group, with three core business functions: management contracting, property development management and property investment in Hong Kong, Macau and the Mainland China. PYE serves a wide spectrum of distinguished clients, including the government and major enterprises. For over 60 years, PYE has played a significant role in shaping Hong Kong's skyline and its world-class infrastructure. For more information, please refer to www.pyengineering.com.

About PYI Corporation Limited (0498.HK)

Based in Hong Kong, PYI Corporation Limited focuses on ports and infrastructure development and investment, and the operation of ports and logistics facilities, in the Yangtze River region of China. It also engages in land and property development and investment in association with ports and infrastructure development. In addition, PYI provides comprehensive engineering and property-related services through Paul Y. Engineering Group Limited (0577.HK). For more information about PYI, please visit www.pyicorp.com.