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This announcement, for which the directors (the “Directors”) of Yusei Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprises Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Yusei Holdings Limited. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:– (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



YUSEI HOLDINGS LIMITED
友成控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8319)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Yusei Holdings Limited (the “Company”) will be held at No. 8 Youcheng Road, Xiaoshan Economic & Technological Development Zone, Zhejiang, the People’s Republic of China on Monday, 19 January 2009 at 4:00 p.m. for the purpose of considering and, if thought fit, passing with or without modification the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “THAT

- (a) the acquisition agreement dated 15 December 2008 entered into between the Company as purchaser and Yusei Machinery Corporation (“**Yusei Japan**”) as vendor (the “**Acquisition Agreement**”) pursuant to which the Company has agreed to acquire 30% equity interest in 杭州友成實業有限公司 (Hangzhou Yusei Industrial Company, Limited) (“**Yusei Industrial**”) from Yusei Japan at the consideration of US\$3 million (equivalent to approximately HK\$23.3 million), which will be satisfied by way of issue of a redeemable convertible note (the “**Convertible Note**”) for the principal amount of US\$3 million by the Company to Yusei Japan upon completion (a copy of the Acquisition Agreement is produced to this meeting marked “A” and initialed by the chairman of this meeting for the purpose of identification), be and is hereby approved, confirmed and ratified and the transactions contemplated thereunder be and are hereby approved;

- (b) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, new shares of the Company (the “**Shares**”) to be allotted and issued upon the exercise of the conversion rights attached to the Convertible Note, the directors of the Company (the “**Directors**”) be and are hereby authorised to issue the Convertible Note and to allot and issue Shares upon the exercise of the conversion rights attached to the Convertible Note in accordance with the terms and conditions of the Convertible Note; and
- (c) the board of the Directors (the “**Board**”) be and are hereby authorised for and on behalf of the Company to do all acts and things, and to execute all documents, instruments and supplemental agreements or deeds whether under hand or seal of the Company as it consider necessary or desirable to give effect to the Acquisition Agreement and to complete the transactions contemplated thereunder with such changes as it may consider necessary, desirable or expedient.”

2. “THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and otherwise deal with additional ordinary Shares or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares and to make or grant offers, agreements or options which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby approved generally and unconditionally;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued, or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (d) below); or
 - (ii) the grant or exercise of any option under the share option scheme of the Company or similar arrangement for the time being adopted or to be adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries, of options to subscribe for, or rights to acquire Shares; or

- (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time;

any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:

- (i) 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution; and
 - (ii) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution), and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly;
- (d) for the purpose of this Resolution:

“**Relevant Period**” means the period from 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 articles of association of the Company, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors under this Resolution;

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares 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 may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any relevant jurisdiction, or any recognized regulatory body or any stock exchange in any territory applicable to the Company.”

By order of the Board of
Yusei Holdings Limited
Katsutoshi Masuda
Chairman

PRC, 31 December 2008

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311215
The People’s Republic of China

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the articles and association of the Company, vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 48 hours before the time of the meeting or any adjourned meeting.
3. Delivery of an instrument appointing a proxy should not preclude member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. As at the date of this notice, the board of directors of the Company comprises Keisuke Murakoshi and Xu Yong as executive Directors, Katsutoshi Masuda, Akio Suzuki, Toshimitsu Masuda and Toshinobu Ito as non-executive Directors and Lo Ka Wai, Fan Xiaoping and Hisaki Takabayashi as independent non-executive Directors.

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** for identification purpose only*