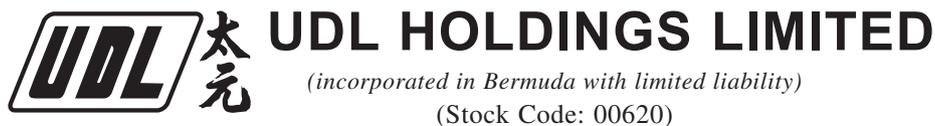

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **UDL HOLDINGS LIMITED**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



PROPOSALS FOR PROPOSED
(A) GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE SHARES
(B) REFRESHMENT OF THE
SHARE OPTION SCHEME MANDATE LIMIT
(C) RE-ELECTION OF DIRECTORS
AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of UDL HOLDINGS LIMITED to be held at Room 706, 7th Floor, Hong Kong International Trade & Exhibition Centre, No. 1 Trademart Drive, Kowloon Bay, Hong Kong on 29th December 2008 at 10:00 a.m. is set out on the notice of Annual General Meeting on pages 15 to 18 of this circular. Whether or not shareholders propose to attend the meeting, they are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the meeting should they so wish.

Hong Kong, 28th November 2008

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context requires otherwise:

“Annual General Meeting”	an annual general meeting of the Company to be held on 29th December 2008 at 10:00 a.m.
“Associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company or a duly authorised committee thereof
“Bye-Laws”	the Bye-laws of the Company
“Company”	UDL HOLDINGS LIMITED, an exempted company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company for the time being
“Eligible Participant”	means (i) any full-time employees of the Company or of any of its Subsidiaries; (ii) any directors (including non-executive directors and independent non-executive directors) of the Company or of any of its Subsidiaries; (iii) any advisers, consultants, suppliers and agents to the Company or to any of its Subsidiaries; and (iv) such other persons who have contributed to the Group, the assessment criteria of which are: (a) contribution to the development and performance of the Group; (b) quality of work performed for the Group; (c) initiative and commitment in performing his/her duties; and (d) length of service or contribution to the Group
“Employees”	any employee or executive director of the Company or any of its Subsidiaries
“Group”	the Company and its Subsidiaries
“Latest Practicable Date”	24th November 2008 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Option(s)”	an option to subscribe for shares granted pursuant to the Share Option Scheme

DEFINITIONS

“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice of Annual General Meeting
“Repurchase Mandate”	a general mandate to the Directors to exercise the powers of the Company to repurchase Shares during the period as set out in Ordinary Resolution No. 7 up to a maximum of 10 per cent. of the issued share capital of the Company as at the date of passing of Ordinary Resolution No. 7
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Share Issue Mandate”	a general mandate to the Directors to exercise the powers of the Company to issue during the period as set out in the Ordinary Resolution No. 8 representing up to 20 per cent. of the issued share capital of the Company as at the date of passing of Ordinary Resolution No. 8
“Share Option Scheme”	the share option scheme adopted by the Company at the annual general meeting on 31st December 2002
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance of Hong Kong or The Companies Act 1981 of Bermuda (as amended)) of the Company
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of The People’s Republic of China
“S\$”	Singapore dollars, the lawful currency of Singapore
“%”	per cent.

LETTER FROM THE BOARD



UDL HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 00620)

Executive Directors:

Mr. Leung Yat Tung (*Chief Executive Officer*)
Mrs. Leung Yu Oi Ling, Irene (*Chairman*)
Miss Leung Chi Yin, Gillian
Mr. Leung Chi Hong, Jerry

Registered Office:

Crawford House
4th Floor
50 Cedar Avenue
Hamilton HM11
Bermuda

Independent Non-executive Directors/Audit Committee:

Mr. Pao Ping Wing, JP
Prof. Yuen Ming Fai, Matthew
Ms. Tse Mei Ha

*Head Office and Principal Place
of Business:*

Room 702, 7th Floor
Aitken Vanson Centre
61 Hoi Yuen Road
Kwun Tong
Hong Kong

28th November 2008

To the shareholders of the Company

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING TOGETHER WITH
(A) PROPOSED GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE SHARES
(B) PROPOSED REFRESHMENT OF THE
SHARE OPTION SCHEME MANDATE LIMIT AND
(C) RE-ELECTION OF DIRECTORS**

1. INTRODUCTION

This circular contains an explanatory statement to be sent to shareholders of the Company in compliance with the Listing Rules to give all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolutions to approve the Repurchase Mandate, Share Issue Mandate and the refreshment of Share Option Scheme mandate limit.

2. GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

At the Annual General Meeting of the Company to be held on 29th December 2008, an Ordinary Resolution will be proposed to renew a general mandate previously granted to the Directors, on the terms set out in the notice of the Annual General Meeting, allowing them to exercise all powers of the Company

LETTER FROM THE BOARD

to repurchase its fully-paid Shares. Under such a mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the issued share capital of the Company at the date of passing the Ordinary Resolution. The Company's authority shall be restricted to repurchase made on the Stock Exchange.

The mandate allows the Company to make repurchases only during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required by any applicable law or the Company's Bye-Laws to be held or the date upon which such mandate is revoked or varied by an ordinary resolution of shareholders of the Company in general meeting.

It will also be proposed to grant a general mandate to the Directors, in the terms set out in the notice of the Annual General Meeting, allowing them to exercise all powers of the Company to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company at the date of passing the related Ordinary Resolution, to provide flexibility to the Directors if desirable.

An Ordinary Resolution will also be proposed at the Annual General Meeting to authorise the extension of the Share Issue Mandate by adding to the mandate the number of Shares to be repurchased by the Company under the Repurchase Mandate in the terms set out in the notice of Annual General Meeting.

An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Mandate is set out in Appendix I hereto.

3. REFRESHMENT OF THE SHARE OPTION SCHEME MANDATE LIMIT

Pursuant to the resolution passed by the shareholders at the annual general meeting of the Company held on 31st December 2002, the new Share Option Scheme was adopted. The purpose of the Share Option Scheme is to enable the Company to attract, retain and motivate Eligible Participants to strive for future developments and expansion of the Group. It is important that the Group should continue to provide such Eligible Participants under the Share Option Scheme with an additional incentive and encouragements by offering them an opportunity to obtain an ownership interest in the Company and to enjoy the results of the Company attained through their efforts and contribution.

Since the adoption of the Shares Option Scheme, the Company had granted options carry rights to subscribe for 82,828,000 Shares, in which 80,920,000 Shares has been exercised and the remaining options of 1,908,000 Shares has been cancelled and lapsed. As such, there were no outstanding options in issue at the Latest Practicable Date.

LETTER FROM THE BOARD

Details of refreshment of the mandate limit and movements of Options granted under the Share Option Scheme are summarized as follows:–

Date of adoption (A) or refreshment (R) of Share Option Scheme	Scheme Mandate Limit	Date of grant	No. of Options granted	No. of Options exercised	No. of Options lapsed or cancelled	Options outstanding as at the Latest Practicable Date
31.12.2002 (A)	90,830,230	27.03.2003	45,408,000	(43,500,000)	(1,908,000)	–
31.12.2003 (R)	93,551,130	02.12.2004	37,420,000	(37,420,000)	–	–
29.12.2006 (R)	336,335,582	–	–	–	–	–
28.12.2007 (R)	504,503,373	–	–	–	–	–
			<u>82,828,000</u>	<u>(80,920,000)</u>	<u>(1,908,000)</u>	<u>–</u>

The Scheme Mandate Limit was last refreshed to 504,503,373 on 28th December 2007, under which no Options has been granted, exercised, lapsed and cancelled. Accordingly, unless the Share Option Scheme mandate limit is refreshed, the maximum number of Shares which can be granted under the Share Option Scheme is only 504,503,373 Shares. As at the Latest Practicable Date, the Company does not have any other share option scheme apart from the Share Option Scheme adopted on 31st December 2002.

The Directors propose to refresh the mandate limit of the Share Option Scheme so that the Company will have more flexibility to give incentives and recognition to Eligible Participants for their contribution to the Group, and enable the Group to attract and retain high-calibre employees that are valuable to the Group.

Under the Share Option Scheme, the Directors were authorised to grant Options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of the Options granted. The Company may grant Options up to the limit imposed under the Share Option Scheme, i.e. 10% (equivalent to 1,009,006,747 Shares) of the issued share capital (10,090,067,478 shares) of the Company as at the date of adoption of the Share Option Scheme.

In accordance to Listing Rules 17.03(3) note 1 and 2, the Group may seek approval by its shareholders in general meeting for “refreshing” the 10% limit under the Share Option Scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the Group (or the subsidiary) under the limit as “refreshed” must not exceed 10% of the relevant class of securities in issue as at the date of approval of the limit. Options previously granted under the schemes (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised Options) will not be counted for the purpose of calculating the limit as “refreshed”. However, the limit on the number of securities which may be issued upon exercise of all outstanding Options granted and

LETTER FROM THE BOARD

yet to be exercised under the scheme and any other schemes must not exceed 30% of the relevant class of securities of the Group (or the subsidiary) in issue from time to time. No Options may be granted under any schemes of the Group (or the subsidiary) if this will result in the limit being exceeded.

If the refreshment of the Share Option Scheme mandate limit is approved at the Annual General Meeting, based on the 10,090,067,478 Shares in issue as at the Latest Practicable Date and assume no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to grant further Options under the Share Option Scheme for subscription of up to a total of 1,009,006,747 Shares, representing 10% of the issued share capital (10,090,067,478 shares) of the Company as at the date of the Annual General Meeting. As there is no outstanding Options in issue at the Latest Practicable Date, grant of 1,009,006,747 Shares under the Shares Option Scheme would not exceed 30% of the issued share capital (10,090,067,478 Shares).

The Directors consider that the refreshment of the limit under the Share Option Scheme is in the interests of the Group and the shareholders as a whole because it enables the Company to reward and motivate its Employees and other Eligible Participants under the Share Option Scheme.

Conditions

The refreshment of the limit under the Share Option Scheme is conditional upon:

- (i) the passing of the ordinary resolution at the Annual General Meeting; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the Annual General Meeting.

Application for Listing

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which fall to be issued upon the exercise of any Options that may be granted pursuant to the Share Option Scheme under the refreshed Share Option Scheme mandate limit.

4. ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is contained in this circular. A form of proxy for use at the Annual General Meeting is also enclosed therewith.

The following Ordinary Resolutions, will be respectively proposed at such meeting:

- to grant to the Directors a general mandate to exercise all powers of the Company to repurchase its Shares on the Stock Exchange representing up to 10% of the issued share capital of the Company as at the date of passing Ordinary Resolution No. 7;

LETTER FROM THE BOARD

- to grant to the Directors a general mandate to authorise the Directors to issue, allot and deal with Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing Ordinary Resolution No. 8;
- to extend the general mandate which will be granted to the Directors to issue, allot and deal with additional Shares by adding to it the number of Shares repurchased under the Repurchase Mandate after the granting of the Share Issue Mandate; and
- to approve refreshment of the Share Option Scheme mandate limit with effect from the conclusion of the Annual General Meeting.

5. RE-ELECTION OF DIRECTORS

Pursuant to clause 99(A) as amended by clause 182(vi) of the Company's Bye-Laws, Mr. Pao Ping Wing, JP and Miss Leung Chi Yin Gillian will retire and, being eligible, offer themselves for re-election in the Annual General Meeting.

In accordance with clause 102(B) of the Company's Bye-Laws, Mr. Leung Yat Tung holds office only until the forthcoming annual general meeting and, being eligible, will offer himself for re-election.

Brief biographical and other details of the above Directors are set out in Appendix II to this circular.

6. PROCEDURE TO DEMANDING A POLL

Pursuant to clause 70 of the Company's Bye-Laws, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the Meeting; or
- (ii) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

LETTER FROM THE BOARD

In accordance with the requirements of the Listing Rules, the results of the poll will be published by way of an announcement in the websites of the Stock Exchange and the Company (www.udl.com.hk) on the business day following the meeting.

7. ACTION TO BE TAKEN

Whether or not you intend to attend the Annual General Meeting, you are requested to complete the accompanying proxy form and return it to the company registrar of the Company in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders of the Company from attending and voting in person at the Annual General Meeting if they so wish.

8. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

9. RECOMMENDATION

The Directors believe that the granting of the Repurchase Mandate, Share Issue Mandate, and the refreshment of Share Option Scheme mandate limit are all in the best interests of the Company and its shareholders and so recommend you to vote in favour of the related resolutions at the Annual General Meeting. The Directors will exercise their voting rights in respect of all of their shareholdings (if any) in favour of the resolutions.

Yours faithfully,
For and on behalf of the Board
Leung Yu Oi Ling
Chairman

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of approval for the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares in issue was 10,090,067,478. On the basis of such figure, assuming that no Shares would be issued or repurchased thereafter and prior to the Annual General Meeting, the Directors would be authorized to repurchase Shares up to a limit of 1,009,006,747 Shares (representing 10% of 10,090,067,478 issued share capital).

REASON FOR REPURCHASES

The Directors have no present intention to make any repurchase of the Company's own Shares but consider that the mandate will provide the Company the flexibility to make such repurchases when appropriate and beneficial to the Company and its shareholders. Such repurchases may enhance the net asset value of the Company and/or earnings per Share. Based on the financial position of the Company as at 31st July 2008 (being the date of its latest published audited accounts), there could be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period. However, the Directors do not propose to make any repurchases in the circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

FUNDING FOR REPURCHASES

Repurchases must be funded out of funds legally available for the purpose in accordance with the laws of Bermuda, the Memorandum of Association and the Bye-Laws of the Company. It is envisaged that the Company will derive the funds for repurchase of its shares in accordance therewith.

The Company is empowered by its Memorandum of Association and Bye-Laws to repurchase its own Shares. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or out of the funds of the company that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on the repurchases, if any, may only be paid out of either the funds of the Company that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. Further, the Company may not purchase its own Shares if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is or, after the purchase would be, unable to pay its liabilities as they become due.

DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, nor any of their Associates has any present intention, in the event that the proposed general mandate is approved by shareholders, to sell Shares to the Company.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has any present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorized to make repurchases of its own Shares.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Bermuda and the regulations, and the Memorandum of Association and Bye-Laws of the Company.

EFFECT OF TAKEOVER CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a shareholder, or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of Directors, Mrs. Leung Yu Oi Ling, Irene ("Mrs. Leung"), the Chairman of the Company and her children and their Associates together hold approximately 74.09% of the issued share capital of the Company. In the event that the Directors would exercise the power in full to repurchase Shares which is proposed to be granted pursuant to the relevant Ordinary Resolution and if there is no other change in issued share capital of the Company, total interests of Mrs. Leung and her children and Associates in the issued shares would be increased to approximately 82.32% of the total issued share capital of the Company. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchase pursuant to the Repurchase Mandate. The Company is not aware of any Takeover Code implication in respect of the Repurchase Mandate. The Directors will not exercise the Repurchase Mandate that will result in the number of Shares held by the public being reduced to less than 25%. The Directors do not have any present intention to exercise the proposed Repurchase Mandate to such an extent as would give rise to such an obligation. Save as disclosed above, the Directors, to the best of their knowledge and belief, are not aware of any other substantial shareholders holding 5% or more of the issued share capital of the Company as at the Latest Practicable Date.

REPURCHASES AND SHARE PRICES

During each of the six months preceding the date of this circular, the Company has not repurchased any of its Shares. During each of the previous twelve months from 1st November 2007 to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
November	0.147	0.103
December	0.114	0.075
2008		
January	0.083	0.043
February	0.093	0.050
March	0.086	0.050
April	0.079	0.060
May	0.077	0.060
June	0.061	0.038
July	0.056	0.037
August	0.040	0.030
September	0.035	0.021
October	0.029	0.011
1st November up to Latest Practicable Date	0.021	0.015

The biographical and other details of the Directors standing for re-election at the Annual General Meeting are set out below:

EXECUTIVE DIRECTORS

Mr. Leung Yat Tung, aged 55, is appointed as the Chief Executive Officer (CEO) and Executive Director of the Company in May 2008. Mr. Leung has extensive experience in the development and management of marine offshore engineering, shipbuilding and structural steel portfolios. He holds a degree in Law from the Polytechnic of Newcastle-upon-Tyne in England. He is the father of two other executive directors of the Company, Miss Leung Chi Yin Gillian, Mr. Leung Chi Hong Jerry; and the spouse of the executive director of the Company, Mrs. Leung Yu Oi Ling Irene.

Mr. Leung is connected to the substantial and controlling shareholders of the Company. He is related to the beneficiaries of the trust, in which the trustee of the trust is the substantial and controlling shareholders of the Company pursuant to Listing Rules 13.51(2)(e). As such, Mr. Leung's family has interest in 7,557,550,608 shares (representing approximately 74.9% of the issued shares capital of the Company as at the Latest Practicable Date) of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. Leung has not held any directorship in other listed public companies in the last three years and does not have any relationship with any other directors, senior management, substantial or controlling shareholders of the Company.

Mr. Leung has entered into a service contract with the Company in respect of his appointment as an Executive Director and the CEO of the Company in a term of three years, subject to re-election at the next following general meeting of the Company. Pursuant to his service contract, Mr. Leung is entitled to an annual remuneration of approximately HK\$2.4 million with Mandatory Provident Fund and an annual performance bonus, in which the annual performance bonus shall be determined/reviewed annually by the Remuneration Committee of the Company. He is also entitled to participate in the Company's share option scheme. Such remuneration is determined by reference to the scope of his responsibilities, the remuneration benchmark in the industries and the prevailing market conditions.

He was the executive director and CEO of the Company from 1991 to 2001. He was bankrupted in 2001 and was discharged on 1st March 2008. Mr. Leung was director of the Company and its subsidiaries which all undertook Schemes of Arrangement with their respective creditors pursuant to Section 166 of the Companies Ordinance which were sanctioned by the Court of First Instance in 2000, which have effectively been satisfactorily settled in 2006; and was the director of Willie Development Company Limited, one of the subsidiaries of the Company was put into liquidation in 1998 prior to the Schemes of Arrangement as a result of the Asian financial crisis.

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules nor are there any other matters that need to be brought to the attention of the shareholders of the Company.

Miss Leung Chi Yin, Gillian, aged 28, was redesignated in September 2002 as an Executive Director. Miss Leung graduated in Commerce from Queen's University, Canada and also completed MSc Law and Accounting from the London School of Economic and Political Science, London, Miss Leung is responsible for financial management and administration of the Group.

She is related to three executive directors of the Company being the daughter of Mr. Leung Yat Tung and Mrs. Leung Yu Oi Ling, Irene and the sister of Mr. Leung Chi Hong, Jerry. Miss Leung has interest in 7,539,843,834 shares (representing 74.7% of the issued share capital of the Company as at the Latest Practicable Date) of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as the above, Miss Leung did not hold any directorship in other listed public companies in the last three years. Miss Leung is and was not connected with any director, senior management of the Company. She is connected to the substantial or controlling shareholders of the Company.

Miss Leung has a service contract with the company for no specific term of appointment subject to re-election at the next general meeting; and will receive salary of HK\$40,000 and S\$2,550 (equivalent to HK\$13,770) per month with Mandatory Provident Fund, which was reviewed/determined by the Remuneration Committee and the Board based on authorisation to be granted by the shareholders at the Annual General Meeting and with reference to her duties and responsibility with the Company, the Company's performance and current market condition. She is also entitled to participate in the Company's share option scheme.

There is no information relating to Miss Leung that is required to be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters that need to be brought to the attention of the shareholders of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Pao Ping Wing, JP, aged 60, was appointed to the Board in August 1997, holds a Master of Science degree in human settlements planning and development. In the past 20 years, he has been actively serving on government policy and executive bodies, especially those of town planning, urban renewal, public housing and environment matters. He was elected as one of the Ten Outstanding Young Persons of Hong Kong in 1982 and one of the Ten Outstanding Young Persons of the World in 1983. Mr. Pao has been appointed as a Justice of the Peace for Hong Kong since 1987. He is also the non-executive director of Oriental Press Group Limited (stock code: 018), Sing Lee Software (Group) Limited (stock code: 8076), Zhuzhou CSR Times Electric Co., Limited (Stock code: 3898), Maoye International Holdings Limited (stock code: 848) and Hembly International Holdings Limited (stock code: 3989), which are listed on the Hong Kong Stock Exchange. Save as the above, Mr. Pao has not held any directorship in other listed public companies.

Mr. Pao has no personal interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Pao did not hold any directorship in other listed public companies in the last three years. Mr. Pao does not have any relationship with any director, senior management, the substantial or controlling shareholders of the Company pursuant to Listing Rules 13.51(2)(e).

Mr. Pao will receive fee of HK\$60,000 per year plus HK\$10,000 allowance per attendance of director meeting, which was reviewed/determined by the Remuneration Committee and the Board based on authorisation to be granted by the shareholders at the Annual General Meeting and with reference to his duties and responsibility with the Company, the Company's performance and current market situation.

Mr. Pao has entered into a supplemental services contract with the Company for a specific term, which less than three years that will retire on 31st December 2009 subject to retirement by rotation and re-election in accordance with the provision of the Bye-Laws.

There is no information relating to Mr. Pao that is required to be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters that need to be brought to the attention of the shareholders of the Company.

Save as the above, there are no other matters in respect of the re-election of these directors that need to be brought to the attention of the shareholder of the Company.

NOTICE OF ANNUAL GENERAL MEETING



UDL HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 00620)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Room 706, 7th Floor, Hong Kong International Trade & Exhibition Centre, No. 1 Trademart Drive, Kowloon, Hong Kong on 29th December 2008 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and reports of the Directors and the auditors of the Company for the year ended 31st July 2008.
2. To re-elect Mr. Leung Yat Tung, a retiring director, as an executive director.
3. To re-elect Miss Leung Chi Yin, Gillian, a retiring director as an executive director.
4. To re-elect Mr. Pao Ping Wing, JP, a retiring director, as an independent non-executive director.
5. To authorise the board of directors of the Company to fix the remuneration of the directors.
6. To re-appoint CCIF CPA Limited as the Company's auditors and to authorise the Directors to fix their remuneration.
7. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period of all the powers of the Company to purchase shares of HK\$0.01 each in the capital of the Company be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders in general meeting; and
 - (iii) 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 laws to be held.”

NOTICE OF ANNUAL GENERAL MEETING

8. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which may require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a rights issue; (ii) 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 of the Company; or (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-Laws of the Company, shall not exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders in general meeting; and
 - (iii) 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 laws to be held,

“rights issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares on the register on a fixed record date in proportion to their 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 restrictions or obligations under the laws of any relevant jurisdiction, or of the requirements of any recognised regulatory body or any stock exchange.”

NOTICE OF ANNUAL GENERAL MEETING

9. To consider as special business and, if thought, fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon Resolutions 7 and 8 set out in the notice convening this meeting above being duly passed, the general mandate granted to the Directors of the Company to exercise the powers of the Company to issue, allot and dispose of shares pursuant to Resolution 8 above be and is hereby extended by the addition to the total nominal amount of share capital and any shares which may be issued, allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate an amount representing the total nominal amount of shares in the capital of the Company which has been purchased by the Company since the granting of such general mandate pursuant to Resolution 7 above, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”

10. To consider as special business and, if thought, fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** subject to the terms and conditions of the Share Option Scheme (the “Scheme”) approved and adopted at the previous Annual General Meeting of the Company held on 31st December 2002 and in compliance with Rules 17.03(3) and 17.06 of the Listing Rules and/or such other requirements prescribed under the Listing Rules from time to time, the Scheme Limit (referred to in paragraph 9.1 of the Scheme) is hereby generally and unconditionally approved for increase and is hereby increased to 10% of the Shares (as defined in the Scheme) in issue as at the date of this shareholders’ approval excluding:

- (a) the number of Shares which would be issued upon the exercise in full of all outstanding Options (as defined in the Scheme) and options granted under the other schemes;
- (b) the number of Shares which have been issued and allotted pursuant to the exercise of any Options or options granted under the other schemes;
- (c) any Cancelled Shares (as defined in the Scheme); and
- (d) any Shares which were the subject of Options which have lapsed in accordance with the Scheme and any shares which were the subject of options which have lapsed in accordance with the other schemes,

provided that such increase in the Scheme Limit shall in no event result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company or any of its Subsidiaries (as defined in the Scheme) exceed 30% of the Shares in issue from time to time.”

By Order of the Board
Leung Yu Oi Ling
Chairman

Hong Kong, 28th November 2008

NOTICE OF ANNUAL GENERAL MEETING

Executive Directors:

Mr. Leung Yat Tung
Mrs. Leung Yu Oi Ling, Irene
Miss Leung Chi Yin, Gillian
Mr. Leung Chi Hong, Jerry

Independent Non-Executive Directors:

Mr. Pao Ping Wing, JP
Prof. Yuen Ming Fai, Matthew
Ms. Tse Mei Ha

Notes:

1. A shareholder of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and, vote on his behalf. A proxy need not be a shareholder of the Company.
2. In order to be valid, the form of proxy must be deposited at the Company's Registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, not less than 48 hours before the time for holding the Annual General Meeting.