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If you are in any doubt as to any aspect of this circular or as to the action to be taken, 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 Lei Shing Hong Limited, you should at once hand this circular together with the accompanying form of proxy 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.

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LEI SHING HONG LIMITED

利星行有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 238)

**PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2006 Annual General Meeting of Lei Shing Hong Limited to be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on 19 May 2006 at 10:00 a.m. is set out on pages 13 to 16 of this circular. Whether or not you are able to attend the Annual General Meeting, you are advised to read the notice and to complete and sign the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's registered office at 8/F New World Tower I, 18 Queen's Road Central, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the Annual General Meeting or the adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the meeting if they so wish.

25 April 2006

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LEI SHING HONG LIMITED

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(Incorporated in Hong Kong with limited liability)

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Executive Directors:

Gan Khian Seng (*Managing Director*)

Yong Foo San, JP

Lim Mooi Ying, Marianne

Registered Office:

8/F New World Tower I

18 Queen's Road Central

Hong Kong

Non-Executive Directors:

Christopher Patrick Langley, OBE

Victor Yang

Lam Kwong Yu, SBS

Independent Non-Executive Directors:

Fung Ka Pun

Hubert Meier

Alan Howard Smith, JP

25 April 2006

To the shareholders

Dear Sir or Madam,

**PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting for (a) the granting of general mandates to issue shares and to repurchase shares and (b) the proposed re-election of the retiring Directors.

LETTER FROM THE BOARD

I. GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

On 19 May 2005, general mandates were given by the Company to the Board of Directors to exercise the powers of the Company to repurchase shares of HK\$1.00 each (“Shares”) and warrants (“Warrants”) of the Company and to issue new shares. Under the Hong Kong Companies Ordinance and the Listing Rules, such mandates will lapse at the conclusion of the forthcoming annual general meeting of the Company. Ordinary resolutions will therefore be proposed at the forthcoming annual general meeting to be held on 19 May 2006 (the “Annual General Meeting”) to approve the granting of these mandates. The subscription rights attaching to the Warrants of the Company will expire on 19 June 2006. The Company does not intend to seek shareholders’ approval to grant new mandate to repurchase the Warrants when such mandate lapses at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting of the Company to approve the granting of new general mandates to the Directors:

Ordinary resolution no. 6A – to allot, issue or deal with Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution (the “Issue Mandate”);

Ordinary resolution no. 6B – to purchase Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of passing of such resolution (the “Repurchase Mandate”); and

Ordinary resolution no. 6C – to extend the Issue Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issue Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the ordinary resolutions numbered 6A and 6B set out in the notice of the Annual General Meeting. With reference to the Repurchase Mandate and the Issue Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix A of this circular.

LETTER FROM THE BOARD

II. RE-ELECTION OF DIRECTORS

According to article 116 of the Articles of Association of the Company, at each annual general meeting one-third of the Directors for the time being (or if their number is not three or a multiple of three, the number nearest to one-third) shall retire from office. A retiring Director shall be eligible for re-election. Any Directors retire pursuant to the above article shall be, among those Directors subject to retirement by rotation, who have been longest in office since their last re-election and so that as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Mr Yong Foo San, Mr Fung Ka Pun and Mr Victor Yang shall retire by rotation and being eligible, offer themselves for re-election at the Annual General Meeting.

III. RECOMMENDATIONS OF THE NOMINATION COMMITTEE

The Nomination Committee comprising two Independent Non-Executive Directors, Mr Fung Ka Pun and Mr Hubert Meier, and one Non-Executive Director, Mr Victor Yang. The Nomination Committee has nominated, and the Board has recommended the retiring Directors, Mr Yong Foo San, Mr Fung Ka Pun and Mr Victor Yang to stand for re-election as Directors at the Annual General Meeting. The biographical details of the retiring Directors are set out in Appendix C of this circular.

The Nomination Committee has reviewed the individual Director's annual confirmation of independence declared pursuant to Rule 3.13 of the Listing Rules. After considering the biographical details of Mr Fung Ka Pun and taking into account of his annual confirmation of independence, the Nomination Committee considers Mr Fung Ka Pun has fulfilled the independence guidelines set out in Rule 3.13 of the Listing Rules.

IV. ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out on pages 13 to 16 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and the Issue Mandate, the extension of the Issue Mandate by the addition thereto of the aggregate nominal amount of the Shares repurchased by the Company pursuant to the Repurchase Mandate and the re-election of the retiring Directors. A proxy form for use at the Annual General Meeting is enclosed with this circular. You are requested to complete the proxy form and return it to the registered office of the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the meeting or the adjourned meeting (as the case may be), whether or not you intend to be present at the meeting. Completion and return of the proxy form will not prevent you from attending and voting in person at the Annual General Meeting if you so wish.

LETTER FROM THE BOARD

V. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the granting/extension of the Issue Mandate and the proposed re-election of retiring Directors are in the best interests of the Company and the shareholders. Accordingly, the Directors recommend the shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.

VI. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix A (Explanatory Statement on Share Repurchase Mandate), Appendix B (Procedures by which shareholders may demand a poll at general meeting pursuant to the Articles of Association) and Appendix C (Details of Directors proposed to be re-elected at Annual General Meeting) of this circular.

Yours faithfully,
On behalf of the Board
Lei Shing Hong Limited
Gan Khian Seng
Managing Director

This appendix serves as an explanatory statement, as required under Rule 10.06(1)(b) of the Listing Rules, to provide requisite information to the shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the Annual General Meeting.

1. LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' Approval

The Listing Rules provide that all on-market share repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval in relation to specific transactions, which complies with the provisions of Rule 10.06(1)(c) and which has been passed at a general meeting of the company duly convened and held and the company has delivered a copy of such resolution, together with the necessary supporting documentation, to the Stock Exchange in accordance with Rule 10.06(1)(d).

(b) Trading Restrictions

The shares to be repurchased by such company must be fully-paid up.

2. SHARE CAPITAL

As at 21 April 2006, being the latest practicable date for ascertaining certain information in this circular (the "Latest Practicable Date"), the issued share capital of the Company is comprised of 1,060,519,774 Shares. Subject to the passing of the ordinary resolution no. 6B set out in the notice of the Annual General Meeting in respect of the granting of the Repurchase Mandate and on the basis that no further Shares are issued prior to the date of the Annual General Meeting, the Directors would be authorised under the Repurchase Mandate to repurchase an aggregate nominal amount of the shares of up to HK\$106,051,977 (equivalent to 106,051,977 Shares), representing 10% of the aggregate nominal amount of the Shares in issue as at the Annual General Meeting, during the period in which the Repurchase Mandate remains in force.

3. REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings per Share.

The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are purchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

4. FUNDING OF REPURCHASES

Repurchase of Shares would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available for such purpose and in accordance with the Hong Kong Companies Ordinance and the Memorandum and Articles of Association of the Company.

The Hong Kong Companies Ordinance provides that the amount of capital repaid in connection with a share repurchase may only be paid from the distributable profits of the company or from the proceeds of a new issue of shares made for the purpose. The Hong Kong Companies Ordinance further provides that the amount of premium payable on repurchase may only be paid out of the distributable profits of the company. Where the repurchased shares were issued at a premium, any premium payable on repurchase may be paid out of the proceeds of a fresh issue of shares made for the purposes of the share repurchase up to certain limits specified by the Hong Kong Companies Ordinance.

5. IMPACT OF REPURCHASES

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2005) in the event that the Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. MARKET PRICES OF SHARES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date are as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
April	3.3000	3.2500
May	3.3000	3.2000
June	3.3000	3.2000
July	3.3000	3.3000
August	3.3000	3.3000
September	3.3000	2.6000
October	3.5000	2.8000
November	3.5500	3.5000
December	3.6000	3.4000
2006		
January	3.5000	3.5000
February	3.4500	3.2750
March	3.6000	2.0000

7. TAKEOVERS CODE

If as a result of a share repurchase, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Hong Kong Code on Takeovers and Mergers (the "Takeover Code"). Accordingly, a shareholder or a 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 Takeover Code.

As at the Latest Practicable Date, Victon Investment Limited beneficially owned 235,282,761 Shares representing 22.2% of the issued share capital of the Company and Amerdale Investments Limited holds 205,271,883 Shares representing 19.4% thereof. To the best of the knowledge and belief of the Company, Victon Investment Limited and Amerdale Investments Limited are the only two shareholders beneficially interested in Shares representing 10% or more of the issued share capital of the Company. On the basis that the issued share capital of the Company remains unchanged up to the date of the Annual General Meeting and in the event the Directors exercised in full the power to repurchase Shares under the Repurchase Mandate, the interest of Victon Investment Limited and Amerdale Investments Limited would be increased to the respective percentage of 24.7% and 21.5% of the issued share capital of the Company. The Directors believe that such an increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code as a result of

any purchases under the Repurchase Mandate. The number of Shares in the hands of the public will not fall below the prescribed minimum percentage of 25% even if the Directors have exercised in full the power to repurchase Shares under the Repurchase Mandate.

The Directors have no intention to exercise the power of the Company to repurchase any existing Shares which could trigger any provision under the Takeover Code. None of the shareholders hold any controlling interest in the shares of the Company which may trigger the Takeover Code in the event the Repurchase Mandate is exercised.

8. GENERAL

None of the Directors nor, to the best of the knowledge of the Directors having made all reasonable enquiries or any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if such Repurchase Mandate is approved by the shareholders.

No other connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the Hong Kong Companies Ordinance.

9. REPURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares whether on the Exchange or otherwise in the six months preceding the date of this circular.

**APPENDIX B PROCEDURES BY WHICH SHAREHOLDERS MAY DEMAND A POLL AT
GENERAL MEETING PURSUANT TO THE ARTICLES OF ASSOCIATION**

As required by the Listing Rules, set forth below are the procedures by which the Shareholders may demand a poll at general meeting of the Company.

Pursuant to article 80 and article 96 of the Articles of Association of the Company, 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) demanded. A poll may be demanded by:

- (1) the Chairman; or
- (2) at least three Shareholders present in person (or in the case of a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (3) any Shareholder or Shareholders present in person (or in the case of 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 Shareholders having the right to vote at the meeting; or
- (4) a Shareholder or Shareholders present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

In addition, in compliance with the Listing Rules, any vote of shareholders at a general meeting will be taken on a poll where:

- (a) the chairman of the general meeting and/or the directors individually or collectively hold proxies in respect of shares representing 5% or more of the total voting rights at the general meeting, and the meeting votes, on a show of hands, in the opposite manner to that instructed in those proxies unless it is apparent from the total proxies held that a vote taken on a poll will not reverse the vote taken on a show of hands;
- (b) the meeting is to approve connected transactions;
- (c) the meeting is to approve transactions that are subject to independent shareholders' approval pursuant to the Listing Rules;
- (d) the meeting is to approve granting of options to a substantial shareholder or an independent non-executive director of a listed company, or any of their respective associates, as required under the Listing Rules; or
- (e) the meeting is to approve any other transactions in which a shareholder has a material interest and is therefore required to abstain from voting at the general meeting.

Stated below are the details of the directors who will retire and be eligible for re-election at the Annual General Meeting according to the Articles of Association of the Company.

Mr Yong Foo San, JP, aged 63, was appointed as Executive Director of the Company on 8 June 1995. Mr Yong is also the Chairman of Lei Shing Hong Properties Limited. Mr Yong has been employed by the Group for over 10 years and has worked with numerous multinational companies in various industries, including plantation, automobile, property, timber and manufacturing. In the last three years, Mr Yong has not held any directorship in any other listed public companies.

There is no service contract between the Company and Mr Yong. He has no fixed term of service with the Company but will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company. Mr Yong receives a salary of HK\$200,000 per month (with a discretionary bonus) which is determined by the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, the Company's remuneration policy and the current market situation. In the last three years, Mr Yong does not have any relationships with any other directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr Yong has been granted 700,000 options to subscribe for shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed above, there are no other matters concerning Mr Yong that need to be brought to the attention of the shareholders in connection with his re-election.

Mr Fung Ka Pun, aged 60, joined the Company as a Non-Executive Director on 9 October 1992 and subsequently became an Independent Non-Executive Director following the amendment to the Listing Rules on 31 March 2004. He is a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company and also serves as the Chairman of all these three committees. Mr Fung is highly experienced in finance, brokerage, securities trading and corporate finance. He is an associate member of the Association of International Accountants and the Chartered Institute of Secretaries and Administrators. Mr Fung is currently a director of Capital Publications Limited, e2-Capital (Holdings) Limited, GZI Transport Limited, Lee Hing Development Limited and Denway Motors Limited, all of which are listed on the Stock Exchange of Hong Kong Limited; a director of Universal Technology Systems Inc., which is a GTSM (OTC) limited company in Taiwan and a director of PhilWeb Corporation, which is listed on the Philippine Stock Exchange, Inc. Saved as aforesaid, he has not held any directorship in any other listed public companies in the last three years or any other position with the Company or other members of the Group.

There is no service contract between the Company and Mr Fung. He is not appointed for a specific term. Mr Fung is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company. Mr Fung will receive a director's fee of HK\$120,000 per annum plus a fixed fee (HK\$10,000 per annum per Board Committee) to which he serves on, such proposals are recommended by the Remuneration Committee of the Company and subject to the approval by the shareholders of the Company at the Annual General Meeting. The director's fee is determined with reference to the Company's remuneration policy, the remuneration benchmark in the industry and the prevailing market conditions. In the last three years, Mr Fung has no relationships with any other directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr Fung had no interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr Fung has confirmed to the Board his independence under Rule 3.13 of the Listing Rules. Mr Fung has served the Board for more than 9 years, having been appointed in 1992. The Board believes that in order to be independent, non-executive directors should be free from any business or other relationships that might interfere with the exercise of their independent judgement. Mr Fung demonstrates his willingness to exercise independent judgement and provides objective views to management. There is no evidence that length of tenure is having an adverse impact on his independence. The Board considers that Mr Fung remains independent, notwithstanding the length of his tenure.

There is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed above, there are no other matters concerning Mr Fung that need to be brought to the attention of the shareholders in connection with his re-election.

Mr Victor Yang, aged 60, joined the Company as an Independent Non-Executive Director on 31 December 2002 and was re-designated as Non-Executive Director on 16 September 2004. He is also a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company. Mr Yang is presently a Partner with Boughton Peterson Yang Anderson, Solicitors, Hong Kong SAR and also a qualified lawyer in Canada and the United Kingdom. He has over 29 years of practices primarily in the areas of corporate finance and commercial law, mergers, acquisitions and taxation. Mr Yang is currently a director of Ming Pao Enterprise Corporation Limited and China Merchants Dichain (Asia) Limited, both of which are listed on the Stock Exchange of Hong Kong Limited and a director of Eupa International Corporation, which is listed on NASDAQ. In the last three years, he was a former director of Zindart Limited, which is listed on NASDAQ and a director of RG Properties Ltd, which is listed on the Toronto Stock Exchange Limited. Saved as aforesaid, he has not held any directorship in any other listed public companies in the last three years or any other position with the Company or other members of the Group.

There is no service contract between the Company and Mr Yang. He is not appointed for a specific term. Mr Yang is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company. Mr Yang will receive a director's fee of HK\$120,000 per annum plus a fixed fee (HK\$10,000 per annum per Board Committee) to which he serves on, such proposals are recommended by the Remuneration Committee of the Company and subject to the approval by the shareholders of the Company at the Annual General Meeting. The director's fee is determined with reference to the Company's remuneration policy, the remuneration benchmark in the industry and the prevailing market conditions. In the last three years, Mr Yang has no relationships with any other directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr Yang had no interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed above, there are no other matters concerning Mr Yang that need to be brought to the attention of the shareholders in connection with his re-election.



LEI SHING HONG LIMITED

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NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on 19 May 2006 at 10:00 a.m. for the following purposes:

1. To receive and adopt the financial statements and reports of the Directors and Auditors for the year ended 31 December 2005;
2. To declare a final dividend for the year ended 31 December 2005;
3. To elect Directors;
4. To approve Directors' fees;
5. To appoint auditors and to authorise the Directors to fix their remuneration;
6. As special business, to consider and, if thought fit, pass with or without modifications the following resolutions as Ordinary Resolutions:

A. **“THAT**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as defined below) 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 might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or 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 (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a)

NOTICE OF ANNUAL GENERAL MEETING

above, otherwise than pursuant to (i) a Rights Issue; (ii) 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 (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 of the Company in accordance with the Articles of Association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly;

(d) for the purposes of this Resolution:

“Relevant Period” means the period from the date of passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; and
- (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 or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.

“Right Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company 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 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, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

B. “THAT

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of issued shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) above of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly;

(c) for the purposes of this Resolution:

“Relevant Period” means the period from the date of passing of this Resolution until whichever is the earlier of:

(i) the conclusion of the next annual general meeting of the Company; and

(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 or any applicable law to be held; and

(iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

C. “**THAT** conditional upon the passing of Resolutions numbered 6A and 6B above, the general mandate referred to in Resolution numbered 6A above be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the mandate referred to in Resolution numbered 6B above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution.”

7. To transact any other business.

By order of the Board
Lim Mooi Ying, Marianne
Company Secretary

Hong Kong, 25 April 2006

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and on a poll vote instead of him; a proxy need not be a member of the Company. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited with the Company's registered office at 8/F New World Tower I, 18 Queen's Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
2. The transfer books and Registers of Members and Warranholders of the Company will be closed from 13 May 2006 to 19 May 2006 (both days inclusive) to determine entitlements to the final dividend. To rank for the final dividend, shareholders must ensure that transfers are lodged with the Company's Registrar, Tengis Limited, 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 12 May 2006.
3. Concerning item no. 3 of this notice, details of retiring Directors proposed for re-election are set out in Appendix C of this circular.
4. Concerning item no. 6 of this notice, the Directors wish to state that they have no immediate plans to repurchase any existing shares or to issue any new shares of the Company. Approval is being sought from members as a general mandate pursuant to the provisions of the Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.