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

A notice convening the 2007 Annual General Meeting of Lei Shing Hong Limited to be held at Pheasant Room, 1/F Mandarin Oriental Hong Kong, 5 Connaught Road, Central, Hong Kong on 22 May 2007 at 10:00 a.m. is set out on pages 15 to 18 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 at its 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 holding 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 and the adjourned meeting (as the case may be) if they so wish.

27 April 2007

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Pheasant Room, 1/F Mandarin Oriental Hong Kong, 5 Connaught Road, Central, Hong Kong on 22 May 2007 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of annual general meeting which is set out on pages 15 to 18 of this circular;
“Articles of Association”	the articles of association of the Company, and “Article” shall mean an Article of the Articles of Association;
“Board”	the board of Directors;
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the laws of Hong Kong;
“Company”	Lei Shing Hong Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the main board of the Stock Exchange;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Latest Practicable Date”	24 April 2007, being the latest practicable date for ascertaining certain information referred to in this circular prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong;

DEFINITIONS

“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing of their own securities on the Stock Exchange;
“Shareholders”	holders of Shares;
“Shares”	ordinary shares of HK\$1.00 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission in Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD



LEI SHING HONG LIMITED

利星行有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 238)

Executive Directors:

David Park, *AMN (Chairman)*

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*

27 April 2007

To the Shareholders

Dear Sir or Madam,

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

I. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting relating to (a) the granting of general mandates to repurchase the Company's fully paid up Shares and to issue new Shares; and (b) the proposed re-election of the retiring Directors.

LETTER FROM THE BOARD

II. GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

On 19 May 2006, general mandates were given to the Directors to exercise the powers of the Company to repurchase Shares of the Company and to issue new Shares of the Company respectively. Under the Companies Ordinance and the Listing Rules, such mandates will lapse at the conclusion of the Annual General Meeting, unless renewed at that meeting.

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

- (a) Ordinary resolution no. 6.A: to purchase Shares of the Company 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 at the date of the Annual General Meeting (i.e. HK\$106,058,828 comprising 106,058,828 Shares on the basis that as at the Latest Practicable Date, the issued share capital of the Company was HK\$1,060,588,288 comprising 1,060,588,288 Shares and no Shares are issued or repurchased by the Company prior to the date of Annual General Meeting);
- (b) Ordinary resolution no. 6.B: to allot, issue or deal in Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the Annual General Meeting (i.e. HK\$212,117,657 comprising 212,117,657 Shares on the basis that as at the Latest Practicable Date, the issued share capital of the Company was HK\$1,060,588,288 comprising 1,060,588,288 Shares and no Shares are issued or repurchased by the Company prior to the date of Annual General Meeting); and
- (c) Ordinary resolution no. 6.C: to extend the new general issuance mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the new general repurchase mandate.

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 proposed repurchase mandate. The explanatory statement as required by the Listing Rules in connection with the proposed repurchase mandate is set out in Appendix A of this circular.

III. RE-ELECTION OF DIRECTORS

Pursuant to Article 116 of the Articles of Association, 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, then 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

LETTER FROM THE BOARD

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 became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Article 99 of the Articles of Association of the Company provides that any Director appointed by the Board either to fill a casual vacancy or as an additional Director shall hold office until the next annual general meeting of the Company and shall then be eligible for re-election.

In accordance with Article 99 of the Articles of Association, Mr. David Park shall retire and being eligible, offer himself for re-election at the Annual General Meeting. Also, in accordance with Article 116 of the Articles of Association, Ms. Lim Mooi Ying, Marianne, Mr. Lam Kwong Yu and Mr. Hubert Meier shall retire by rotation and being eligible, offer themselves for re-election at the Annual General Meeting. Details of Mr. David Park, Ms. Lim Mooi Ying, Marianne, Mr. Lam Kwong Yu and Mr. Hubert Meier are set out in Appendix B of this circular.

IV. RECOMMENDATIONS OF THE NOMINATION COMMITTEE

The Nomination Committee comprising two independent non-executive Directors, Mr. Fung Ka Pun, 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. David Park, Ms. Lim Mooi Ying, Marianne, Mr. Lam Kwong Yu and Mr. Hubert Meier to stand for re-election as Directors at the Annual General Meeting.

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

V. ANNUAL GENERAL MEETING

The notice of Annual General Meeting is set out on pages 15 to 18 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, inter alia, the granting of the general mandates to repurchase Shares and to issue new Shares and the re-election of the retiring Directors.

A proxy form for use at the Annual General Meeting is enclosed with this circular and such proxy form is also published on the website of the Stock Exchange (www.hkex.com.hk). 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 Annual General 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 preclude you from attending and voting in person at the Annual General Meeting and the adjourned meeting (as the case may be) if you so wish.

LETTER FROM THE BOARD

VI. RECOMMENDATION

The Directors believe that the general mandates and the proposed re-election of retiring Directors are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of the resolutions to be proposed at the Annual General Meeting.

VII. GENERAL INFORMATION

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

Yours faithfully,
On behalf of the Board
Lei Shing Hong Limited
David Park
Chairman

This Appendix A serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the proposed general mandate for the repurchase of Shares and also constitutes the memorandum required under section 49BA of the Companies Ordinance.

1. SHARE REPURCHASE RULES

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

(a) Shareholders' Approval

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 to the directors of the company to make such repurchase or by a specific approval in relation to specific transactions.

(b) Trading Restrictions

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

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised of 1,060,588,288 Shares. Subject to the passing of the ordinary resolution no. 6.A set out in the notice of Annual General Meeting in respect of the granting of the general repurchase mandate and on the basis that no further Shares will be issued or repurchased prior to the date of the Annual General Meeting, the Directors would be authorised under the general repurchase mandate to repurchase a maximum of 106,058,828 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date.

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 earnings per Share.

The Directors are seeking the granting of the general 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 Company's constitutive documents and the laws of Hong Kong.

The 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 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 Companies Ordinance.

5. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the financial position disclosed in its latest audited financial statements contained in the annual report for the year ended 31 December 2006) in the event that the general repurchase mandate were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the general 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 and up to the Latest Practicable Date were as follows:

Month	Price Per Share	
	Highest HK\$	Lowest HK\$
2006		
April	3.60	3.50
May	3.50	3.40
June	3.50	3.40
July	3.60	3.25
August	3.60	3.60
September	3.60	3.60
October	3.60	3.60
November	3.60	3.60
December	3.60	3.60
2007		
January	3.60	3.40
February	3.50	3.30
March	3.50	3.40
1 April to 24 April, being the Latest Practicable Date	3.50	3.50

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 Takeovers 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 Takeovers Code for all the Shares not already owned by such Shareholders or group of Shareholders.

As at the Latest Practicable Date, Victon Investment Limited held 235,282,761 Shares representing approximately 22.2% of the issued share capital of the Company and Amerdale Investments Limited held 205,271,883 Shares representing approximately 19.4% of the issued share capital of the Company. To the best of the knowledge and belief of the Company, Victon Investment Limited and Amerdale Investments Limited are the only two shareholders 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 general repurchase mandate, the interest of Victon Investment Limited and Amerdale Investments Limited would be

increased to the respective percentage of approximately 24.6% 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 Takeovers Code as a result of any purchases under the general 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 general 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 Takeovers Code. None of the Shareholders hold any controlling interest in the Shares of the Company which may trigger the Takeovers Code in the event the general 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) any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the general repurchase mandate is approved by the Shareholders.

No 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 general 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 general repurchase mandate in accordance with the Listing Rules and the laws of Hong Kong.

9. REPURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares whether on the Stock Exchange or otherwise in the six months prior to the Latest Practicable Date.

Pursuant to the Listing Rules, the details of the Directors who will retire at the Annual General Meeting according to the Articles of Association of the Company and will be proposed for re-election at the Annual General Meeting are provided below.

Mr. David Park, aged 68, joined the Company as an executive Director and Chairman of the Board on 1 March 2007. He is a fellow of the Association of Chartered Certified Accountants, United Kingdom and is a member of the Malaysian Institute of Accountants. Mr. Park has over 30 years of experience in senior management and has been employed by the Group for over 10 years. He is a dealer principal of Caterpillar Inc and is currently the chairman of the Machinery Division of the Group.

In the last three years, Mr. Park served as managing director and executive chairman of Malaysian Mosaics Berhad and Hap Seng Consolidated Berhad. He was also a director of Paos Holdings Berhad. The aforesaid three companies are listed on the main board of the Bursa Malaysia Securities Berhad in Malaysia. Save as aforesaid, he did not hold any directorship in any other listed public companies in the last three years.

Mr. Park entered into a service contract with the Company for a fixed term of one year commencing from 1 March 2007 to 29 February 2008, and thereafter shall be renewable on a year by year basis automatically until terminated by giving three months' notice in writing served by either party to the other. The appointments are subject to the provisions of retirement by rotation and re-election under the Articles of Association. In accordance with the Articles of Association, Mr. Park will hold office until and will be eligible for re-election at the Annual General Meeting.

Mr. Park will be entitled to an annual remuneration of estimated HK\$6,162,000 including basic salary and 3 months' guaranteed bonus upon completion of 12 months' service with the Company, or pro-rata if less than 12 months' service. His emoluments were 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 benchmark.

Mr. Park does not have any relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Park was interested in 700,000 Shares of the Company upon exercise of 700,000 share options granted to him by the Company. Save as aforesaid, Mr. Park is not interested or deemed to be interested in any Shares or underlying 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 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Park that need to be brought to the attention of the Shareholders in connection with his re-election.

Ms. Lim Mooi Ying, Marianne, aged 52, joined the Company as an executive Director on 18 April 2002. She is also the Finance Director and Joint Company Secretary of the Company. Ms. Lim has been employed by the Group for over 10 years and she is responsible for all corporate planning and development, finance, controlling, treasury and company secretarial matters of the Group. Ms. Lim holds a Bachelor's degree in Accounting and Law and is an associate member of the Institute of Chartered Accountants in England and Wales. In the last three years, Ms. Lim did not hold any directorship in any other listed public companies.

There is no service contract between the Company and Ms. Lim. She 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. Ms. Lim received an annual remuneration of HK\$4,482,268 including basic salary and a 3 months' discretionary bonus for the year ended 31 December 2006 which were determined by the Remuneration Committee of the Company with reference to her duties and responsibilities with the Company, the Company's remuneration policy and the current market benchmark.

Ms. Lim does not have any relationships with any other directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. Lim was interested in 72,000 Shares of the Company and 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 13.51(2)(v) of the Listing Rules and there are no other matters concerning Ms. Lim that need to be brought to the attention of the shareholders in connection with her re-election.

Mr. Lam Kwong Yu, aged 63, joined the Company as an executive Director on 4 August 2004 and he was re-designated as a non-executive director on 4 August 2005.

Mr. Lam specializes in air transportation and civil aviation management. He is a recipient of a Silver Bauhinia Star Award by the Hong Kong SAR on 1 July 2004. Mr. Lam has extensive experience in policy formulation, project implementation, business strategy development, liaison and co-ordination. Mr. Lam is an independent non-executive director of Hong Kong Aircraft Engineering Company Limited, a company listed on the Stock Exchange in Hong Kong. He was a former independent non-executive director of China Resources Peoples Telephone Company Limited, a company listed on the Stock Exchange in Hong Kong. Save as aforesaid, he did not hold any directorship in any other listed public companies in the last three years.

There is no service contract between the Company and Mr. Lam. He is not appointed for a specific term. Mr. Lam is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Lam is entitled to a director's fee as approved from time to time by the Shareholders at annual general meetings

of the Company. Mr. Lam was entitled to a director's fee of HK\$120,000 for the year ended 31 December 2006. The director's fee was determined with reference to his duties and responsibilities with the Company, the Company's remuneration policy and the current market benchmark.

Mr. Lam does not have any relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the shares of the Company within the meanings 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 13.51(2)(v) of the Listing Rules and, there are no other matters concerning Mr. Lam that need to be brought to the attention of the Shareholders in connection with his re-election.

Mr. Hubert Meier, aged 60, was appointed as an independent non-executive Director of the Company on 17 September 2004. Mr. Meier has over 30 years of experience in the electronic high technology market. He has extensive experience in providing consultation service in research, development, production, marketing and sales in the electronic high technology field. Mr. Meier is a director of Advanced ID Corporation, which is listed on NASDAQ. Save as aforesaid, he did not hold any directorship in any other listed public companies in the last three years.

There is no service contract between the Company and Mr. Meier. He is not appointed for a specific term. According to the Articles of Association, Mr. Meier is subject to retirement by rotation and re-election at the annual general meeting of the Company. Mr. Meier is entitled to a director's fee as approved from time to time by the Shareholders at annual general meetings of the Company. He was entitled to a director's fee of HK\$150,000 for the year ended 31 December 2006. The director's fee was determined with reference to his duties and responsibilities with the Company, the Company's remuneration policy and the current market benchmark.

Mr. Meier does not have any relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, he does not have any interests in the shares of the Company within the meanings 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 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Meier that need to be brought to the attention of the Shareholders in connection with his re-election.

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

Set out below is the procedure by which Shareholders may demand a poll at the Annual General Meeting.

Pursuant to the Articles of Association, 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.

NOTICE OF ANNUAL GENERAL MEETING



LEI SHING HONG LIMITED

利星行有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 238)

NOTICE IS HEREBY GIVEN that an annual general meeting of shareholders of Lei Shing Hong Limited (the “Company”) will be held at Pheasant Room, 1/F Mandarin Oriental Hong Kong, 5 Connaught Road, Central, Hong Kong on 22 May 2007 at 10:00 a.m. for the purpose of transacting the following business:

As ordinary business:

1. To receive and adopt the audited financial statements and the reports of the directors and auditors for the year ended 31 December 2006;
2. To declare a final dividend for the year ended 31 December 2006;
3. To re-elect directors;
4. To approve directors’ fees;
5. To re-appoint auditors and to authorise the directors to fix their remuneration;

As special business, to consider and, if thought fit, pass with or without modifications the following resolutions as ordinary resolutions:

6.A “**THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase shares in the capital of the Company 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/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or 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 purchased by the Company pursuant to the approval in paragraph (a) 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; and

- (c) for the purposes 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; 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 an ordinary resolution of the shareholders of the Company in general meeting.”

6.B “THAT

- (a) subject to paragraph (c) of this resolution, 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 or securities convertible into shares or options, warrants or similar rights to subscribe for any shares in 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) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants or similar rights to subscribe for any shares in the Company) 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) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (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

NOTICE OF ANNUAL GENERAL MEETING

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 the aggregate of:

- (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution; plus
- (bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of 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 at the date of passing this resolution);

and the said approval shall be limited accordingly; and

- (d) for the purposes 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; 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 an ordinary resolution of the shareholders of the Company in general meeting.

“Right Issue” means an offer of shares open for a period fixed by the Company or 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).”

NOTICE OF ANNUAL GENERAL MEETING

- 6.C “**THAT** subject to resolutions nos. 6.A and 6.B of the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with any additional shares of the Company pursuant to resolution no. 6.B set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 6.A of the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of share capital of the Company in issue at the date of passing of this resolution.”

By order of the Board
Lei Shing Hong Limited
Lim Mooi Ying, Marianne
Company Secretary

Hong Kong, 27 April 2007

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice 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 register of members of the Company will be closed from 16 May 2007 to 22 May 2007 (both days inclusive) during which period no transfer of shares of the Company will be effected. In order to qualify for a final dividend, shareholders must ensure that all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrar, Tengis Limited at 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 15 May 2007.
3. In relation to resolution 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.