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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)

ANNOUNCEMENT

HIGH CONCENTRATION OF SHAREHOLDING

Reference is made to the announcement issued by the Company dated 1 June 2007 in respect of the high concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 2 May 2007.

Reference is also made to the announcement issued by the Company dated 5 November 2007, indicating that trading in the Company's shares would be suspended pending the release of a follow-up announcement to the Company's announcement dated 1 June 2007.

The Company has now received further information which indicates that the public float of the Company's shares is less than 25% as required by Rule 8.08 of the Listing Rules.

As at the date hereof 937,386,803 Shares representing approximately 88.39% of the issued share capital of the Company are held directly or indirectly by two substantial shareholders of the Company, namely Mr. Yaw Teck Seng and Mr. Lau Gek Poh. Consequently, the number of Shares held by the public falls short of the minimum percentage of Shares required to be in public hands in accordance with Rule 8.08 of the Listing Rules.

In light of the number of Shares held by the public falling below the minimum prescribed by Rule 8.08 of the Listing Rules, and the percentage of its public float falling below 15%, trading in the Shares will continue to be suspended. The Company shall take steps to ensure compliance with the minimum percentage prescribed by Rule 8.08 of the Listing Rules at the earliest possible moment having regard to all applicable laws, regulations and codes.

Reference is made to the announcement issued by the Company dated 1 June 2007 in respect of the high concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 2 May 2007.

Reference is also made to the announcement issued by the Company dated 5 November 2007, indicating that trading in the Company's shares would be suspended pending the release of a follow-up announcement to the Company's announcement dated 1 June 2007.

As stated in the Company's announcement dated 1 June 2007, the Board was informed by the Stock Exchange that on the basis of information provided by the SFC, as at 2 May 2007, the Company's two substantial shareholders, namely, Victon Investment Limited and Amerdale Investments Limited, held in aggregate 440,554,644 Shares, representing approximately 41.54% of the issued share capital of the Company, while another 17 entities in aggregate held 570,480,004 Shares, representing approximately 53.79% of the issued share capital of the Company. This implied that only 49,553,640 Shares or approximately 4.67% of the Company's issued share capital were in the hands of other investors.

The Company has carried out an investigation pursuant to section 329 of the Securities and Futures Ordinance (Cap 571) by issuing letters of enquiry on 8 September 2007 to a number of shareholders of the Company concerning their beneficial ownership. The Company received the following information in response to its letters of enquiry:-

- (i) a joint response dated 21 September 2007 from Beauty Year Limited, Pacific City Investments Limited and SCF Investment Limited, which have a total shareholding of 50,341,178 Shares representing approximately 4.75% of the issued share capital of the Company, confirming that they are beneficially owned by Mr. Lau Chor Lok;
- (ii) a response from Amerdale Investments Limited dated 2 October 2007 stating that Mr. Lau Gek Poh had made a voluntary disclosure to the SFC on or about 8 September 2007 that he was the ultimate beneficial owner of Amerdale Investments Limited, Global Range Investments Limited, Grand Haywood Limited, Long-Term Market Limited, Manningvale Limited, Ondori Enterprises Limited, Weeluk Trading Limited, Elmsgate Limited, Bolker Investments Limited, Unicorn International Holdings Limited, Ansoon Limited, Diwat Investments Limited and Onwick Profits Limited (collectively the "Lau Gek Poh Companies"), with a total shareholding of approximately 63% of the issued share capital of the Company.

On 13 November 2007, various notices pursuant to Section 324 of Part XV on the Securities and Futures Ordinance (Cap 571) were filed on behalf of Mr. Lau Gek Poh with the Company which disclosed and confirmed that Mr. Lau Gek Poh has been beneficially interested in Shares in the period from 1 September 1991 to the present, and has since 7 April 2005 been beneficially interested in 663,143,816 Shares representing approximately 62.53% of the issued share capital of the Company. Mr. Lau Gek Poh's interests are disclosed as being held through the Lau Gek Poh Companies.

On 20 November 2007 and 22 November 2007, various notices pursuant to Section 324 of Part XV on the Securities and Futures Ordinance (Cap 571) were filed on behalf of Mr. Yaw Teck Seng with the Company which disclosed and confirmed that Mr. Yaw Teck Seng has been beneficially interested in Shares in the period from 1 April 2003 to the present, and has since 19 June 2006 been beneficially interested in 274,242,987 Shares representing approximately 25.86% of the issued share capital of the Company. Mr. Yaw Teck Seng's interests are disclosed as being held through Victon Investment Limited, Yetime Nominees Ltd and Starway Nominee Inc.

Accordingly, as at the date hereof 937,386,803 Shares representing approximately 88.39% of the issued share capital of the Company are held directly or indirectly by two substantial shareholders of the Company, namely Mr. Yaw Teck Seng and Mr. Lau Gek Poh. Consequently, the number of Shares held by the public falls short of the minimum percentage of Shares required to be in public hands in accordance with Rule 8.08 of the Listing Rules.

In light of the number of Shares held by the public falling below the minimum prescribed by Rule 8.08 of the Listing Rules, and the percentage of its public float falling below 15%, trading in the Shares will continue to be suspended. The Company shall take steps to ensure compliance with the minimum percentage prescribed by Rule 8.08 of the Listing Rules at the earliest possible moment having regard to all applicable laws, regulations and codes.

Made by the order of the Company, the board of directors of which jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts contained in this announcement the omission of which would make any statement in this announcement misleading.

Definitions

In this announcement, the following expressions have the meanings set out below unless otherwise indicated in the context:

"Board"	the board of Directors of the Company
"Company"	Lei Shing Hong Limited
"Directors"	the directors of the Company
"Share"	an ordinary share, with a nominal value of HK\$1.00, in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"SFC"	the Securities and Futures Commission of Hong Kong

By Order of the Board
Lei Shing Hong Limited
Lim Mooi Ying, Marianne
Executive Director

Hong Kong, 29 November 2007

As at the date of this announcement, the executive directors of the Company are Mr. David Park, Mr. Gan Khian Seng, Mr. Yong Foo San and Ms. Lim Mooi Ying, Marianne; the non-executive directors of the Company are Mr. Christopher Patrick Langley, Mr. Victor Yang and Mr. Lam Kwong Yu; and the independent non-executive directors of the Company are Mr. Fung Ka Pun, Mr. Hubert Meier and Mr. Alan Howard Smith.