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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in doubt about this circular, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Leeport (Holdings) Limited (the “Company”), you should at once hand this circular and the accompanying form of election to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) 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.

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**LLEEPORT (HOLDINGS) LIMITED**  
**力豐(集團)有限公司\***  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 387)**

*Executive Directors:*

LEE Sou Leung Joseph (*Chairman*)  
TAN, Lisa Marie (*Deputy Chairman*)  
CHAN Ching Huen Stanley

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Independent Non-Executive Directors:*

Dr. LUI Sun Wing  
Mr. PIKE, Mark Terence  
Mr. NIMMO, Walter Gilbert Mearns

*Principal Place of Business:*

1st Floor, Block 1  
Golden Dragon Industrial Centre  
152-160 Tai Lin Pai Road  
Kwai Chung  
New Territories  
Hong Kong

20th October 2006

*Dear Shareholder(s),*

**INTERIM DIVIDEND FOR THE SIX MONTHS ENDED 30 JUNE 2006  
WITH AN OPTION TO RECEIVE SHARES IN LIEU OF CASH DIVIDEND**

**INTRODUCTION**

On 18th September 2006, the board of directors of the Company has declared an interim dividend for the six months ended 30 June 2006 of HK7.5 cents per ordinary share (“Share”) in the share capital of the Company (the “Interim Dividend”).

\* For identification purpose only

The Interim Dividend is payable in cash with a scrip dividend alternative (the “**Scrip Dividend Scheme**”) to the shareholders of the Company (the “**Shareholders**”) whose names appeared on the Register of Members on 6th October 2006 (the “**Record Date**”). The latest time for submission of transfer forms and relevant share certificates to qualify for the Interim Dividend was 4:30 p.m. on 3rd October 2006. The Register of Members of the Company has been closed from 4th October 2006 to 6th October 2006, both days inclusive, during which no transfer of Shares has been effected. Such information has been disclosed in the announcement dated 18th September 2006.

The purpose of this circular is to set out the details and procedures which apply in relation to the Scrip Dividend Scheme.

## **DETAILS OF THE SCRIP DIVIDEND SCHEME**

Shareholders have the choice of receiving in respect of the Interim Dividend:

- (i) a cash dividend of HK7.5 cents per Share; or
- (ii) wholly by way of an allotment of new Shares (“**Scrip Dividend Shares**”) credited as fully paid and having an aggregate market value (as described below) equal to the dividend of HK7.5 cents which the shareholders would otherwise receive in cash, save for adjustment for fractions (as described below); or
- (iii) partly in cash dividend and partly in Scrip Dividend Shares.

For the purpose of calculating the number of Scrip Dividend Shares to be allotted, the market value of a Scrip Dividend Share has been calculated as an amount equal to the average closing prices of the Share on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) for the five consecutive trading days on Friday, 29th September 2006 to Friday, 6 October 2006 (“**Average Closing Price**”). Accordingly, the number of Scrip Dividend Shares which the Shareholders (other than overseas Shareholders) will receive, in respect of the existing Shares registered in their names as at the Record Date and for which elections have been made to receive Scrip Dividend Shares will be calculated as follows:–

$$\begin{array}{l} \text{Number of Scrip} \\ \text{Dividend Shares} \\ \text{to be received} \end{array} = \begin{array}{l} \text{Number of existing} \\ \text{Shares held as at the} \\ \text{Record Date for} \\ \text{which election for} \\ \text{Scrip Dividend} \\ \text{Shares is made} \end{array} \times \frac{\text{HK 7.5 cents}}{\text{HK\$1.722 (Average Closing Price)}}$$

The number of Scrip Dividend Shares to be received will be rounded down to the nearest whole number of Scrip Dividend Shares. Fractional entitlements to Scrip Dividend Shares in respect of the options set out in (ii) and (iii) above will be aggregated and sold and the benefit thereof will accrue to the Company. The Scrip Dividend Shares to be issued pursuant to the Scrip Dividend Scheme will rank pari passu in all respects with the existing Shares except that they shall not rank for the Interim Dividend.

## **STOCK EXCHANGE LISTING AND DESPATCH OF DIVIDEND WARRANTS AND SHARE CERTIFICATES**

Application will be made to the Stock Exchange for listing of, and permission to deal in, the Scrip Dividend Shares. It is expected that cheques for cash entitlements and/or (subject to such application being granted) definitive share certificates for the Scrip

Dividend Shares will be posted to Shareholders at their risks on or about 20th November 2006. The Scrip Dividend Shares will, on allotment and issue, rank pari passu in all respects with the existing Shares save that they will not rank for the Interim Dividend.

Subject to the granting of approval for listing of, and permission to deal in, the Scrip Dividend Shares on the Stock Exchange, such Scrip Dividend Shares will be accepted as eligible securities by Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in the Central Clearing and Settlement System (“CCASS”) with effect from the commencement date of dealings in the Scrip Dividend Shares on the Stock Exchange or such other date as determined by Hong Kong Securities Clearing Company Limited. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek the advice of their licensed securities dealer or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

The Shares are listed and dealt in on the Stock Exchange. Save as disclosed herein, none of the equity or debt securities of the Company are otherwise listed or dealt in on any other stock exchange nor is listing of, or permission to deal in, on any other exchange being or proposed to be sought.

#### **FORM OF ELECTION**

**A form of election prepared for use by shareholders who wish to receive the Interim Dividend wholly in the form of Scrip Dividend Shares or partly in cash and partly in the form of Scrip Dividend Shares is enclosed with this circular.**

**If you wish to receive, in lieu of the cash dividend, in whole or in part, an allotment of Scrip Dividend Shares, you should complete and sign the form of election in accordance with the instructions printed thereon and return it to the branch Share Registrars and Transfer office of the Company, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong (“the Registrars”) so as to arrive no later than 4:30 p.m. on 9th November 2006. No acknowledgement of receipt of the form of election will be issued.**

If you wish to receive the whole of the Interim Dividend in cash, you should NOT complete the form of election.

Shareholders who do not specify the number of Shares in respect of which they are electing to receive an allotment of Scrip Dividend Shares, or if they elect to receive Scrip Dividend Shares in respect of a greater number of Shares than their registered holding on the Record Date, then they will be deemed to have chosen to receive Scrip Dividend Shares in respect of all the Shares of which they were then registered as the holders.

#### **OVERSEAS SHAREHOLDERS**

It is the responsibility of any Shareholder wishing to join the Scrip Dividend Scheme to satisfy themselves as to the full observance of the laws of any relevant jurisdiction, including obtaining any governmental or other consents who may be required. Neither this circular, the Form of Election nor the Scrip Dividend Shares will be registered or filed under the securities laws of equivalent legislation of any jurisdiction. In this respect, the Directors, have exercised their discretion under the Bye-Laws of the Company that no Shareholders whose registered address as shown on the Register of Members as at the Record Date is outside Hong Kong (“**Overseas Shareholders**”) will be permitted to participate in the Scrip Dividend Scheme and accordingly they will receive the interim dividend wholly in cash. No

Forms of Election will be sent to such Overseas Shareholders and no person receiving in any territory outside Hong Kong a copy of this circular and/or the Form of Election may treat the same as an invitation to him/her. It was noted that as at the Record Date, there was no Overseas Shareholder on the Register of Members.

## LISTING AND DEALINGS

The Scrip Dividend Scheme is conditional upon the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Scrip Dividend Shares. Application will be made to the Stock Exchange for the grant of listing of, and permission to deal in, the Scrip Dividend Shares. It is expected that share certificates and cheques for cash entitlements will be posted at the risk of those entitled to their respective registered address on or about 20th November 2006. On this basis, the Scrip Dividend Shares are expected to commence trading after the due dispatch of the share certificates for the Scrip Dividend Shares to the relevant shareholders. In the unlikely event that the Scrip Dividend Shares are not admitted to listing before 23rd November 2006, the Form of Election will be disregarded and the full cash dividend will be paid in the way described above.

## GENERAL

Whether or not it is to your advantage to elect to receive Scrip Dividend Shares instead of cash, in whole or in part, will depend upon your own individual circumstances and the decision in this regard, and all effects resulting therefrom must be solely the responsibility of each shareholder. If you are in any doubt as to what to do, you should consult your professional advisers.

Shareholders who are trustees are recommended to take professional advice as to whether a decision to receive Scrip Dividend Shares is within their powers and as to the effect of such decision having regard to the terms of the trust instrument.

Shareholders should note that the Scrip Dividend Shares may give rise to notification requirements under Part XV of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) for those shareholders who may have notifiable interests in the Company. Shareholders who are in doubt as to how these provisions may affect them are recommended to seek their own professional advice.

## TIMETABLE OF EVENTS

2006

Final date for receipt of forms of election by the Registrars . . . . . 4:30 p.m. on Thursday,  
9th November 2006

Despatch date for dividend warrants and  
certificates for Scrip Dividend Shares . . . . . on or about Monday,  
20th November 2006

Expected first day of dealings in Scrip Dividend  
Shares in Hong Kong (subject to the  
proper receipt of the share certificates  
for the Scrip Dividend Shares  
by the relevant shareholders of the Company) . . . . . on or about Thursday,  
23rd November 2006

Yours faithfully,  
**LEE Sou Leung Joseph**  
Chairman