
IMPORTANT

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Leeport (Holdings) Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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LEEPOR (HOLDINGS) LIMITED
力豐(集團)有限公司*
(Incorporated in Bermuda with limited liability)

PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES AND
AMENDMENTS TO BYE-LAWS

A letter from the board of directors of the Company is set out on pages 1 to 4 of this circular. A notice convening the annual general meeting (the “**2004 Annual General Meeting**”) of the Company to be held at Chater Room II, Function Room Level, The RITZ Carlton, Hong Kong, 3 Connaught Road Central, Hong Kong on 6th May, 2004 at 3:00 p.m. is set out in the 2003 annual report (the “**2003 Annual Report**”) accompanying this circular.

A form of proxy for the 2004 Annual General Meeting is also enclosed with the 2003 Annual Report. Whether or not you desire to attend the 2004 Annual General Meeting, you are requested to complete the form of proxy and return the same to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the 2004 Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the 2004 Annual General Meeting or any adjournment thereof if you so wish.

13th April, 2004

* For the purpose of identification only

LETTER FROM THE BOARD OF DIRECTORS



LEEPORT (HOLDINGS) LIMITED

力豐(集團)有限公司*

(Incorporated in Bermuda with limited liability)

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 :

LUI Sun Wing
PIKE, Mark Terence

Principal Place of Business:

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

13th April, 2004

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES AND
AMENDMENTS TO BYE-LAWS**

1. INTRODUCTION

The Company's existing general mandates to issue shares and to repurchase shares were approved by the Company's then shareholders on 17th June, 2003 prior to the commencement of listing of its shares on the Stock Exchange. Unless otherwise renewed, the existing general mandates to issue shares and to repurchase shares will lapse at the conclusion of the 2004 Annual General Meeting.

In order to ensure flexibility when it is desirable to allot additional shares or to repurchase shares, the directors of the Company (**the "Directors"**) will seek the approval of shareholders to grant new general mandates to issue shares and to repurchase shares at the 2004 Annual General Meeting.

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LETTER FROM THE BOARD OF DIRECTORS

The purpose of this circular is to, inter alia, provide you with information on the proposed renewal of the general mandates to issue shares and to repurchase shares and on the proposed amendments to the bye-laws of the Company, so as to seek your approval of the related ordinary resolutions and special resolution at the 2004 Annual General Meeting.

2. GENERAL MANDATE TO ISSUE SHARES (THE “ISSUE MANDATE”)

Two ordinary resolutions, as set out in the notice of the 2004 Annual General Meeting, will be proposed for the following purposes:–

Ordinary resolution no. 5 – to grant to the Directors a general mandate to issue new shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution; and

Ordinary resolution no. 7 – to increase the aggregate nominal amount of share capital of the Company which the Directors may issue under the general mandate if given in the Ordinary Resolution no. 5 by the aggregate nominal amount of share capital of the Company repurchased under the general mandate if given in the ordinary resolution no. 6.

The Company has in issue an aggregate of 200,000,000 shares of HK\$0.10 each as at 6th April, 2004, (the “**Latest Practicable Date**”), being the latest practicable date before the printing of this circular for ascertaining certain information to be included herein. Subject to the passing of the aforesaid ordinary resolution no. 5 and in accordance with the terms therein, the Company would be allowed to issue additional shares up to the aggregate nominal amount of a maximum of 40,000,000 shares on the basis that no further shares will be issued or repurchased prior to the 2004 Annual General Meeting.

3. GENERAL MANDATE TO REPURCHASE SHARES (THE “REPURCHASE MANDATE”)

The ordinary resolution no. 6 as set out in the notice of the 2004 Annual General Meeting, will be proposed to grant to the Directors a general mandate to exercise the powers of the Company to repurchase the Company’s fully paid up shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution.

The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) contain provisions to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange.

In accordance with the Listing Rules, the appendix to this circular serves as the explanatory statement, to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolutions for granting of the Repurchase Mandate.

LETTER FROM THE BOARD OF DIRECTORS

4. AMENDMENTS TO BYE-LAWS

On 30th January, 2004, the Stock Exchange announced certain amendments to the Listing Rules to take effect from 31st March, 2004 (subject to certain transitional arrangement). For imposing an increasing standard of corporate governance, the aforesaid amendments cover corporate governance issues, continuing obligations and some corresponding amendments to constitutive documents of listed companies.

The Company is required to amend its bye-laws (the “Bye-laws”) in order to conform to the new requirements in the Appendix 3 to the Listing Rules as soon as possible after 31st March 31, 2004 but not later than the holding of the next annual general meeting. For this purpose, the Company would seek shareholders’ approval on the various necessary amendments (the “Amendments”) to its Bye-laws as proposed in the resolution no. 8 set out in the notice of 2004 Annual General Meeting

For your further information, we set out below the background for each of the proposed Amendments to the Bye-laws:–

- | | |
|-----------------|---|
| (a) Bye-law 1 | To adopt a definition of “associate” |
| (b) Bye-law 76 | To reflect the restriction on voting by members as required by the new requirements in Appendix 3 to the Listing Rules |
| (c) Bye-law 88 | To be consistent with the new requirements in Appendix 3 to the Listing Rules which stipulates a minimum period for allowing a member to propose a person (other than a Director) for election as a Director by serving the requisite notices. This minimum period must be fixed for at least seven days and should commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and no later than seven days prior to the date of such meeting. |
| (d) Bye-law 103 | To be consistent with the new requirements in Appendix 3 to the Listing Rules which requires the interests held by a Director’s associate(s) to be taken into account when considering the interests of that Director. Accordingly, subject to certain exceptions, a Director is not allowed to vote on any resolution of the board of Directors approving any contract or arrangement or any other proposal in which he or any his associate has a material interest nor shall he be counted in the quorum present at the meeting. |

LETTER FROM THE BOARD OF DIRECTORS

5. ACTION TO BE TAKEN

The notice convening the 2004 Annual General Meeting to be held at Chater Room II, Function Room Level, The RITZ Carlton, Hong Kong, 3 Connaught Road Central, Hong Kong on 6th May, 2004 at 3:00 p.m. is set out in the Company's 2003 Annual Report.

A form of proxy for the 2004 Annual General Meeting is also enclosed with the 2003 Annual Report. Whether or not you desire to attend the 2004 Annual General Meeting, you are requested to complete the form of proxy and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the 2004 Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the 2004 Annual General Meeting or any adjournment thereof if you so wish.

6. RECOMMENDATION

The Directors believe that the granting of the Issue Mandate and the Repurchase Mandate are in the best interests of the Company and its Shareholders as a whole, and the Amendments to the Bye-laws shall be implemented in compliance with the Listing Rules. Accordingly, the Directors recommend that all shareholders should vote in favour of the related ordinary resolutions and special resolution to be proposed at the 2004 Annual General Meeting.

Yours faithfully,
By Order of the Board
Leeport (Holdings) Limited
LEE Sou Leung, Joseph
Chairman

This appendix serves an explanatory statement, as required by the Listing Rules, to provide requisite information to shareholders of the Company for their consideration as to whether to vote for or against the ordinary resolution to be proposed at the 2004 Annual General Meeting for granting the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to rule 10.06 of the Listing Rules which is set out as follows:–

SHARE CAPITAL

As at the Latest Practicable Date, the Company has in issue an aggregate of 200,000,000 shares of HK\$0.10 each which are fully paid.

Subject to the passing of the ordinary resolution no. 6 as set out in the notice of 2004 Annual General Meeting and in accordance with the terms therein, the Company would be allowed under the Repurchase Mandate to repurchase fully paid shares up to the aggregate nominal amount of a maximum of 20,000,000 shares on the basis that no further shares will be issued or repurchased prior to the 2004 Annual General Meeting.

REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of repurchasing any shares of the Company, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its shareholders. Trading conditions on the Stock Exchange have sometimes been volatile. At any time in the future when shares are trading at a discount to their underlying value, the ability of the Company to repurchase shares will be beneficial to those shareholders who retain their investment in the Company since their interests in the assets of the Company would increase in proportion to the number of shares repurchased by the Company and thereby resulting in an increase in net asset value and/or earnings per share of the Company. Such repurchases will only be made when the Directors believe that the repurchases will benefit the Company and its shareholders as a whole.

FUNDING OF REPURCHASES

The Company is empowered by its memorandum of association and bye-laws to repurchase its shares. In repurchasing shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and bye-laws and the applicable laws of Bermuda. In repurchasing shares, the Directors will only apply funds out of the capital paid up on the relevant shares or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose in accordance with Bermuda laws. Regarding the amount of premium (if any) payable on a repurchase, the Directors will only apply funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company. The shares so repurchased will be treated as cancelled but the aggregate amount of authorized share capital will not be reduced.

SHARE PRICES

Since the Company has commenced trading of its shares on the Stock Exchange 10th July, 2003, the highest and lowest prices at which shares of the Company were traded during each of the following months are as follows:–

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2003		
July	0.86	0.75
August	0.86	0.80
September	0.87	0.84
October	0.97	0.84
November	0.87	0.87
December	0.98	0.85
2004		
January	0.90	0.85
February	0.88	0.86
March	0.97	0.85

REPURCHASES MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries has purchased any of the Company's shares since commencement of trading of the Company's shares on the Stock Exchange on 10th July, 2003.

POSSIBLE MATERIAL ADVERSE IMPACT

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 for the year ended 31st December, 2003) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the Company's working capital requirements or the gearing levels. The number of shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and laws of Bermuda and in accordance with the regulations set out in the memorandum of association and bye-laws of the Company.

EFFECT OF HONG KONG CODES ON TAKEOVERS AND MERGERS

If as a result of share repurchase by the Company, a substantial shareholder's proportionate interest in voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "Code"). Accordingly, a shareholder, or group of shareholders acting in concert, could, depending on the level of increase of the increase, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Code.

As at the Latest Practicable Date and to the best of knowledge and belief of the Company, the following person(s) were directly or indirectly interested in 5% or more of the nominal value of the ordinary shares that carry a right to vote in all circumstances at general meetings of the Company:-

Name	Number of shares held	Approximate Percentage of Shareholding
Peak Power Technology Limited	133,700,000 (<i>note 1</i>) Long position	66.85%

Note 1: The 133,700,000 shares are held by Peak Power Technology Limited in its capacity as the trustee of The Lee Family Unit Trust holding the same for the benefit of holders of units issued by The Lee Family Unit Trust. Of the entire 100,000 units in issue, 99,999 units are held by HSBC International Trustee Limited in the capacity of the trustee of The LMT Trust and the remaining 1 unit is held by Ms. Loretta Tong Yuk Yin (an aunt of Ms. Tan, Lisa Marie, director). HSBC International Trustee Limited is the trustee of The LMT Trust whose discretionary objects are Ms. Tan, Lisa Marie and Mr. Lee Sou Leung, Joseph's family members.

In the event that the Directors exercised in full the power to repurchase shares of the Company in accordance with the terms of the ordinary resolution no. 6 to be proposed at the 2004 Annual General Meeting, the aforesaid interests of Peak Power Technology Limited in the existing issued share capital of the Company would be proportionally increased to approximately 74.28%. As at the Latest Practicable Date, the Directors are not aware of the consequences of such increases or as a result of repurchases of shares that would result in any of the aforesaid persons or any shareholder, or group of shareholders acting in concert, becoming obliged to make a mandatory offer under the Code. Moreover, the Directors have no present intention to exercise the Repurchase Mandate to such extent as would give rise to an obligation to make a mandatory offer under the Code or if the repurchase would result in less than 25% of the issued share capital of the Company being held in public hands.

DIRECTORS' DEALINGS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates presently intends to sell shares to the Company under the Repurchase Mandate in the event that such mandate as proposed in the ordinary resolution no. 6 is approved by the shareholders of the Company.

CONNECTED PERSONS

The Company has not been notified by any connected persons of the Company that they have a present intention to sell any shares to the Company, or that they have undertaken not to sell any shares held by them to the Company in the event that such mandate as proposed in the ordinary resolution no. 6 is approved by the shareholders of the Company.

Leeport

LEEPOR (HOLDINGS) LIMITED

力豐(集團)有限公司*

(Incorporated in Bermuda with limited liability)

FORM OF PROXY FOR USE AT THE ANNUAL GENERAL MEETING (THE "MEETING") TO BE HELD ON 6TH MAY, 2004 (OR AT ANY ADJOURNMENT THEREOF)

I/We ^(Note 1) _____
of _____
being the registered holder(s) of _____ shares ^(Note 2) of HK\$0.10 ("Shares")
each in the capital of Leepor (Holdings) Limited (the "Company"), HEREBY APPOINT THE CHAIRMAN OF THE MEETING
or ^(Note 3) _____
of _____
as my/our proxy to (a) attend on my/our behalf at the Meeting (and at any adjournment thereof) of the Company to be held at Chater Room II, Function Room Level, The RITZ Carlton, Hong Kong, 3 Connaught Road Central, Hong Kong on 6th May, 2004 at 3:00 p.m. for the purpose of considering and, if thought fit, passing the resolutions set out in the notice convening the Meeting and at such Meeting (and at any adjournment thereof) to vote for me/us and in my/our name(s) in respect of the resolutions as indicated below ^(Note 4):-

ORDINARY RESOLUTIONS ^(Note 5)	FOR ^(Note 4)	AGAINST ^(Note 4)
1. To receive and consider the audited financial statements and the reports of the directors and of the auditors for the year ended 31st December 2003.		
2. To declare the final dividend of HK9 cents per share for the year ended 31st December, 2003.		
3a. To re-elect the following persons as directors:		
(i) PIKE, Mark Terence	(i)	(i)
(ii) LUI Sun Wing	(ii)	(ii)
3b. To authorize the board of directors to fix directors' remuneration until the conclusion of the next annual general meeting.		
4. To re-appoint Messrs. PricewaterhouseCoopers as the Company's Auditors and to authorise the board of directors to fix their remuneration.		
5. To give a general mandate to the directors to allot, issue, and deal with additional shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of this resolution.		
6. To give a general mandate to the directors to purchase shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of this resolution.		
7. To extend the general mandate granted to the directors to issue shares in the capital of the Company by an additional amount representing the aggregate nominal amount of the share capital of the Company repurchased pursuant to the foregoing resolution no. 6.		
SPECIAL RESOLUTION ^(Note 5)	FOR ^(Note 4)	AGAINST ^(Note 4)
8. To amend the bye-laws of the Company regarding i) adoption of definition of "associate"; ii) voting of members, iii) notice period for nominating director by member and iv) interests of associate(s) of directors.		

Dated this _____ day of _____, 2004 Signature _____

Notes:

- Full name(s) and address(es) to be inserted in **BLOCK LETTERS**.
- Please insert the number of shares registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s).
- If any proxy other than the Chairman is preferred, please strike out words "**THE CHAIRMAN OF THE MEETING**" and insert the name and address of the proxy desired in the space provided. You may appoint one or (if holding two or more shares) more proxies to attend the Meeting. **IF NO NAME IS INSERTED, THE CHAIRMAN OF THE MEETING WILL ACT AS PROXY. ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALED BY THE PERSON WHO SIGNS IT.**
- IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, TICK THE APPROPRIATE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST A RESOLUTION, PLEASE TICK THE APPROPRIATE BOX MARKED "AGAINST".** Failure to complete any of the boxes will entitle your proxy to cast his vote at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the meeting other than those referred to in the notice convening the Meeting.
- The full text of each resolution referred to above appears in the notice of the Meeting dated 27th March, 2004.
- This form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either under its common seal or under the hand of an officer or attorney duly authorized.
- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s), and for this purpose seniority will be determined by the order in which the names stand in the Register of Members.
- To be valid, this form of proxy, together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch share registrars in Hong Kong, Tricor Investor Services Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding the Meeting or any adjournment thereof.
- The proxy need not be a member of the Company but must attend the Meeting in person to represent you.
- Completion and delivery of the form of proxy will not preclude you from attending and voting at the Meeting if you so wish.

* For identification purposes only