

**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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Lerado Group (Holding) Co. Ltd., you should at once hand this circular to the purchaser, the transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited 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.

---



**LERADO GROUP (HOLDING) COMPANY LIMITED**

**(隆成集團(控股)有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1225)**

**PROPOSALS FOR PROPOSED  
(A) GENERAL MANDATES TO ISSUE SHARES  
AND REPURCHASE SHARES  
(B) REFRESHMENT OF THE SHARE OPTION SCHEME  
MANDATE LIMIT  
(C) RE-ELECTION OF DIRECTORS AND  
NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening an annual general meeting of LERADO GROUP (HOLDING) COMPANY LIMITED to be held at Kennedy Room, 7th Floor, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 16th June, 2008 at 2:30 p.m. is set out on the notice of Annual General Meeting on pages 15 to 19 of this circular. Whether or not shareholders propose to attend the meeting, they are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's Registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the meeting should they so wish.

---

# CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
1. Introduction .....	3
2. General mandates to issue and repurchase Shares .....	4
3. Refreshment of the Share Option Scheme mandate limit .....	4
4. Annual General Meeting .....	6
5. Re-election of retiring Directors .....	7
6. Procedure to demanding a Poll .....	7
7. Action to be taken .....	8
8. Responsibility Statement .....	8
9. Recommendation .....	8
<b>Appendix I – Explanatory Statement</b> .....	9
<b>Appendix II – Directors’ Biographies</b> .....	13
<b>Appendix III – Notice of Annual General Meeting</b> .....	15

---

## DEFINITIONS

---

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

“Annual General Meeting”	an annual general meeting of the Company to be held on 16th June, 2008 at 2:30 p.m.
“Associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Bye-Laws”	the Bye-Laws of the Company
“Company”	Lerado Group (Holding) Company Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the director(s) of the Company
“Eligible Participant”	means any full time employees, executives or officers, directors of the Company or any of its subsidiaries and any suppliers, consultants, agents and advisers who have contributed to the Group
“Employees”	Any employee or executive director of the Company or any of its subsidiaries
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	25 April, 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice of Annual General Meeting
“Repurchase Mandate”	a general mandate to the Directors to exercise the powers of the Company to repurchase Shares during the period as set out in Ordinary Resolution No. 5B up to a maximum of 10 per cent. of the issued share capital of the Company as at the date of passing of Ordinary Resolution No. 5B

---

## DEFINITIONS

---

“Share(s)”	share(s) of HK\$0.1 each in the share capital of the Company
“Share Issue Mandate”	a general mandate to the Directors to exercise the powers of the Company to issue during the period as set out in the Ordinary Resolution No. 5A representing up to 20 per cent. of the issued share capital of the Company as at the date of passing of Ordinary Resolution No. 5A
“Share Option Scheme”	the share option scheme adopted by the Company at the annual general meeting on 30th May, 2002
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	has the meaning ascribed to it under the Listing Rules
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of The People’s Republic of China
“%”	per cent

---

## LETTER FROM THE BOARD

---



### LERADO GROUP (HOLDING) COMPANY LIMITED

(隆成集團(控股)有限公司)\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1225)**

*Directors:*

Mr. HUANG Ying Yuan (*Chairman*)

Mr. YANG Yu Fu (*Vice Chairman*  
*and Chief Executive Officer*)

Mrs. HUANG CHEN Li Chu (*Vice Chairman*)

Mr. CHEN Chun Chieh

Mr. LIM Pat Wah Patrick\*\*

Mr. HUANG Zhi Wei\*\*

Mr. Tyrone LIN\*\*

\*\* *independent non-executive directors*

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Principal place of business*

*in Hong Kong:*

Unit 1-3, 30/F.,

Universal Trade Centre,

3-5A, Arbuthnot Road,

Central, Hong Kong

29th April, 2008

*To the shareholders*

Dear Sir or Madam,

**PROPOSALS FOR PROPOSED  
(A) GENERAL MANDATES TO ISSUE SHARES  
AND REPURCHASE SHARES  
(B) REFRESHMENT OF THE SHARE OPTION SCHEME  
MANDATE LIMIT  
(C) RE-ELECTION OF DIRECTORS AND  
NOTICE OF ANNUAL GENERAL MEETING**

#### 1. INTRODUCTION

This circular contains an explanatory statement to be sent to shareholders of the Company in compliance with the Listing Rules to give all the information reasonably necessary to enable them to make an informed decision on whether to vote for or

\* *for identification purposes only*

---

## LETTER FROM THE BOARD

---

against the resolutions to approve the Share Issue Mandate, Repurchase Mandate, the refreshment of Share Option Scheme mandate limit and re-election of directors.

### 2. GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

It will be proposed at the Annual General Meeting (the “AGM”) an ordinary resolution granting to the directors of the Company (the “Directors”) a general mandate to allot, issue and deal with new shares of the Company not exceeding 20% of the share capital of the Company in issue as at the date of passing the relevant resolution (the “New Issue Mandate”). As at 25th April, 2008 (the “Latest Practicable Date”), the number of issued shares of the Company was 726,968,724. Assuming that the number of issued shares of the Company remains unchanged on the date of passing of the ordinary resolution, the maximum number of shares that may be issued pursuant to the New Issue Mandate will be 145,393,744 shares. In addition, it is further proposed, by way of a separate ordinary resolution, that the New Issue Mandate be extended so that the Directors be given a general mandate to issue further shares in the Company of an aggregate nominal amount equal to the aggregate nominal amount of the shares repurchased by the Company after the granting of the below repurchase mandate in order to provide flexibility for issuing new shares when it is in the interests of the Company.

An ordinary resolution will be proposed to renew the granting to the Directors of a general mandate, in the terms set out in the notice of AGM (the “Buyback Mandate”), allowing the Company to repurchase its own shares up to a limit of 10 per cent in aggregate of the Company’s issued share capital (the “Maximum Number of Shares”) as at the date of passing the relevant resolution during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law and the date upon which such authority is revoked or varied. This will allow the Company to repurchase its own shares, inter alia, on market in accordance with the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

### 3. REFRESHMENT OF THE SHARE OPTION SCHEME MANDATE LIMITED

As a result of the amendments of Chapter 17 of the Listing Rules on 1st September, 2001, certain terms of share option scheme adopted on 2nd December, 1998 (the “1998 Scheme”) are no longer in compliance with the Listing Rules and the Company can no longer grant any further share options under the 1998 Scheme without being in breach of the Listing Rules. Accordingly, the Company terminated the 1998 Scheme and adopted a new share option scheme (the “2002 Scheme”), which was approved at the Company’s annual general meeting held on 30th May, 2002. The purpose of the Share Option Scheme is to enable the Company to attract, retain and motivate Eligible Participants to strive for future developments and expansion of the Group. It is important that the Group should continue to provide such Eligible Participants under

---

## LETTER FROM THE BOARD

---

the Share Option Scheme with an additional incentive and encouragements by offering them an opportunity to obtain an ownership interest in the Company and to enjoy the results of the Company attained through their efforts and contribution.

Except that no further share options may be granted under the 1998 Scheme subsequent to its termination, all the other provisions of the 1998 Scheme will remain in force so as to give effect to the exercise of all outstanding share options granted under the 1998 Scheme prior to 1st September 2001 and all such share options will remain valid and exercisable in accordance with the provisions of the 1998 Scheme.

Since the adoption of the 2002 Scheme, the Company had granted options carry rights to subscribe for 36,000,000 Shares, in which 5,028,000 Shares has been exercised and 934,000 Shares has been cancelled and lapsed. As the maximum number of options that can be granted had been stated at 44,912,872 Shares at the date of adoption, there were 8,912,872 outstanding options not yet issued at the Latest Practicable Date.

Under the 2002 Scheme, the Directors were authorised to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of the options granted. The Company may grant options up to the limit imposed under the 2002 Scheme, i.e. 10% (equivalent to 72,244,872 Shares) of the issued share capital (722,448,724 shares) of the Company. As those share options granted remain valid and exercisable under the 1998 Scheme, the maximum number of options that can be granted became 44,912,872 (72,244,872 shares deducting 27,332,000 shares) as at the date of adoption of the 2002 scheme.

Apart from the 2002 Scheme, the Company has no other share option scheme currently in force. The Directors consider that the Company should refresh the limit under the 2002 Scheme so that the Company could have more flexibility to provide incentives to those Eligible Participants of the Share Option Scheme by way of granting 2002 to them.

In accordance to Listing Rules 17.03(3) note 1 and 2, the Group may seek approval by its shareholders in general meeting for “refreshing” the 10% limit under the scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the Group (or the subsidiary) under the limit as “refreshed” must not exceed 10% of the relevant class of securities in issue as at the date of approval of the limit. Options previously granted under the schemes (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised options) will not be counted for the purpose of calculating the limit as “refreshed”. However, the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other schemes must not exceed 30% of the relevant class of securities of the Group (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the Group (or the subsidiary) if this will result in the limit being exceeded.

---

## LETTER FROM THE BOARD

---

If the refreshment of the 2002 Scheme mandate limit is approved at the Annual General Meeting, based on the 726,968,724 Shares in issue as at the Latest Practicable Date and assume no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to grant further options under the 2002 Scheme for subscription of up to a total of 72,696,872 Shares, representing 10% of the issued share capital (726,968,724 shares) of the Company as at the date of the Annual General Meeting. As there were 40,538,000 outstanding options in issue (1998 Scheme amounting 10,500,000 and 2002 Scheme amounting 30,038,000) at the Latest Practicable Date, grant of 72,696,872 Shares under the Shares Option Scheme would result in 113,234,872 shares and it would not exceed 30% of the issued share capital (726,968,724 Shares).

The Directors consider that the refreshment of the limit under the Share Option Scheme is in the interests of the Group and the shareholders as a whole because it enables the Company to reward and motivate its Employees and other Eligible Participants under the Share Option Scheme.

The refreshment of the limit under the Share Option Scheme is conditional upon:

- (i) the passing of the ordinary resolution at the AGM; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the AGM.

#### **4. ANNUAL GENERAL MEETING**

Notice of the AGM is contained in this circular. A form of proxy for use at the AGM is also enclosed therewith.

The following Ordinary Resolutions, will be respectively proposed at such meeting:

- to grant to the Directors a general mandate to authorise the Directors to issue, allot and deal with Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing Ordinary Resolution 5A;
- to grant to the Directors a general mandate to exercise all powers of the Company to repurchase on the Stock Exchange Shares representing up to 10% of the issued share capital of the Company as at the date of passing Ordinary Resolution 5B;



---

## LETTER FROM THE BOARD

---

- to extend the general mandate which will be granted to the Directors to issue, allot and deal with additional Shares by adding to it the number of Shares repurchased under the Repurchase Mandate after the granting of the Share Issue Mandate; and
- to approve refreshment of the Share Option Scheme mandate limit with effect from the conclusion of the Annual General Meeting.

### 5. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Bye-laws 86 and 87 of the bye-laws of the Company (the “Bye-laws”), Mr. Yang Yu Fu, Mr. Chen Chun Chieh and Mr. Huang Zhi Wei will retire from office as Directors at the AGM and being eligible, offer themselves for re-election. Brief biographical and other details of the above Directors are set out in Appendix II to this circular.

### 6. PROCEDURE TO DEMANDING A POLL

Pursuant to clause 66 of the Company’s Bye-Laws, 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 or on the withdrawal of any other demand for a poll) demanded:

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

In accordance with the requirements of the Listing Rules, the results of the poll will be published by way of an announcement in the websites of the Stock Exchange and the website of the Company ([www.irasia.com/listco/hk/lerado/index.htm](http://www.irasia.com/listco/hk/lerado/index.htm)) on the business day following the meeting.

---

## LETTER FROM THE BOARD

---

### 7. ACTION TO BE TAKEN

Whether or not you intend to attend the AGM, you are requested to complete the accompanying proxy form and return it to the company registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders of the Company from attending and voting in person at the AGM if they so wish.

### 8. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

### 9. RECOMMENDATION

The Directors consider that all the proposed resolutions to be put forward to the Shareholders at the AGM are in the best interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

On behalf of the Board  
**Huang Ying Yuan**  
*Chairman*

*This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of approval for the Repurchase Mandate.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised of 726,968,724 ordinary shares of HK\$0.10 each.

Exercise in full of the Repurchase Mandate, on the basis that no further shares are issued or repurchased prior to 16th June, 2008, being the date of the AGM, could accordingly result in up to 72,696,872 shares (the “Maximum Number of Shares”) being repurchased by the Company during the course of the period from 16th June, 2008 to the earliest of (i) the date of the 2009 annual general meeting, (ii) the date by which the next annual general meeting of the Company is required to be held by law and (iii) the date upon which such authority is revoked or varied.

Concerning Ordinary Resolution 5B, the Directors wish to state that they have no immediate plans to repurchase shares of the Company. Approval is being sought from the Shareholders as a general mandate pursuant to the requirement under the applicable laws of Bermuda and the Listing Rules only.

## **REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its Shareholders to seek a general authority from Shareholders to enable the Directors to purchase shares of the Company in the market. Such purchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per share and will only be made when the Directors believe that such a purchase will benefit the Company and its Shareholders.

## **FUNDING OF REPURCHASES**

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company’s available cash flow or working capital facilities derived from the distributable profits of the Company which would otherwise be available for dividend or other distributions which will be funds legally available for the purpose in accordance with the Bye-laws and the applicable laws of Bermuda.

On the basis of the consolidated financial position of the Company as at 31st December, 2007 (being the date to which the latest published financial statements of the Company have been made up), the Directors consider that the exercise in full of the Repurchase Mandate to

repurchase shares might have a material adverse impact on the working capital position or gearing position of the Company as compared with its position as at 31st December, 2007. No purchase would be made in circumstances that might have a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited financial statements) unless the Directors considered that such purchase will benefit the Company and its Shareholders in the sense of enhanced net asset value or improved earnings per share.

#### **DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquires, any of the associates (as defined in the Listing Rules) of any of the Directors has any present intention, in the event that the proposed Repurchase Mandate is approved by the Company's shareholders, to sell Shares to the Company or its subsidiaries.

No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make repurchases of Shares.

#### **UNDERTAKING OF THE DIRECTORS**

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 repurchase pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Bye-laws and the applicable laws of Hong Kong and Bermuda respectively.

**SHARE PRICES**

The highest and lowest traded prices for the Shares on the Stock Exchange during the previous twelve months preceding the Latest Practicable Date are as follows:

<b>Month</b>	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2007</b>		
April	1.20	0.91
May	1.09	1.00
June	1.12	0.97
July	1.01	0.92
August	1.00	0.77
September	0.96	0.64
October	0.68	0.60
November	0.70	0.62
December	0.76	0.60
<b>2008</b>		
January	0.81	0.65
February	0.91	0.70
March	0.83	0.70
April (up to the Latest Practicable Date)	0.82	0.69

**REPURCHASES MADE BY THE COMPANY**

No purchase of Shares was made by the Company on the Stock Exchange during the six months preceding the Latest Practicable Date.

**EFFECT OF TAKEOVERS CODE**

A repurchase of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rule 26 and 32 of the Hong Kong Code on Takeovers and Mergers (“the Takeovers Code”).

In the case where the Maximum Number of Shares are repurchased, the percentage of shareholdings of the substantial shareholders (as defined in the Listing Rules) in the Company will be as follows:

<b>Substantial shareholders</b>	<b>Percentage of shareholdings as at the Latest Practicable Date</b>	<b>Percentage of shareholdings as if the Maximum Number of Shares are repurchased</b>
Huang Ying Yuan ( <i>Note 1</i> )	14.3%	15.9%
Chen Chun Chieh ( <i>Note 2</i> )	13.4%	15.0%
Huang Chen Li Chu ( <i>Note 1</i> )	6.0%	6.6%

*Notes:*

- Mrs. Huang Chen Li Chu is the spouse of Mr. Huang Ying Yuan. The percentages above indicate their respective shareholdings individually. In the event that Mrs. Huang Chen Li Chu and Mr. Huang Ying Yuan are deemed to be parties acting in concert under the Takeovers Code, they would hold 20.3% in aggregate as at the Latest Practicable Date and 22.5% in aggregate if the Maximum Number of Shares are repurchased.
- Mr. Chen Chun Chieh does not have any relationship with Mr. Huang Ying Yuan and Mrs. Huang Chen Li Chu.

The Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any purchases made pursuant to the Repurchase Mandate.

*The biographical and other details of the Directors standing for re-election at the Annual General Meeting are set out below:*

### **Executive Directors**

**Mr. Yang Yu Fu**, aged 55, was appointed as executive director and vice chairman of the Company on 1st December, 2007. With effect from 14th February, 2008, Mr. Yang has been appointed as the Chief Executive Officer of the Company. Mr. Yang obtained a bachelor's degree in industrial engineering from National Taipei University of Technology and master's degrees in management from both Chao Yang University of Technology, Taiwan, and Regis University, U.S.A. He has worked at China Productivity Center in Taiwan for almost 20 years and acted as the department head to manage the operations in Tai Chung Regional Office before he left the Center. Prior to joining China Productivity Center, Mr. Yang held management positions in various enterprises. Mr. Yang is responsible for the Group's business development. Mr. Yang was appointed as independent non-executive director of the Company during the period from 30th September, 2004 to 1st November, 2006.

Mr. Yang Yu Fu does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. In accordance with the meaning of Part XV of the SFO, Mr. Yang was interested personally in 7,000,000 shares and underlying shares in the Company, representing approximately 1.0% in the issued share capital of the Company as at the Latest Practicable Date.

There is no service contract entered into between Mr. Yang and the Company and his remuneration is determined by the Board. Mr. Yang received an emolument of approximately HK\$1,199,000 for the year ended 31st December, 2007, inclusive of bonus payment of HK\$1,000,000.

**Mr. Chen Chun Chieh**, aged 33, was appointed an executive director of the Company in 3rd April 2008. Mr. Chen obtained a bachelor's degree in international trade from Ling Tung University, Taiwan and master's degree in business administration from Lawrence Technical University, U.S.A. Mr. Chen has been working for Lerado since 2002 and was participating in business development in the PRC market. Mr. Chen is responsible for Group's management and business development in the PRC market.

Mr. Chen is a son of Mrs. Chen Tsai Su Hua who holds 70% shareholding of Hwa Foo Investment Limited ("Hwa Foo"), in which the corporate holding 96,805,800 Shares of the Company. Mr. Chen holds the remaining 30% shareholding of Hwa Foo.

Except for the disclosure above, Mr. Chen does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. In accordance with the meaning of Part XV of the SFO, Mr. Chen was interested in 1,018,000 share and underlying shares of the Company in his personal interest and 96,805,800 shares of the

Company in his attributed interest, representing approximately 13.4% in the issued share capital of the Company as at the Latest Practicable Date.

There is no service contract entered into between Mr. Chen and the Company and his remuneration is determined by the Board. Mr. Chen received no director's emolument for the year ended 31st December, 2007.

#### **Independent Non-Executive Director**

**Mr. HUANG Zhi Wei**, aged 69, is currently the Executive Vice President of Guangdong General Chamber of Commerce. Mr. Huang has spent over a decade in economic-related government sectors in China. He served as the Deputy Director General of Guangdong Department of Foreign Trade & Economic Cooperation and the Director General of Guangdong Board of Investment from 1993 to 2000 respectively. He also served as the Executive Officer of Foshan Economic Committee from 1984 to 1992. Prior to this, he worked as an engineer in Foshan Power Plant for almost 10 years and served as the Chief Engineer and Deputy General Manager of Foshan Household Electrical Appliances Corporation from 1981 to 1984. Mr. Huang graduated from the Central China University of Science and Engineering, majored in electric engineering. Mr. Huang was appointed an Independent Non-executive Director of the Company on 30th September, 2004.

Mr. Huang Zhi Wei does not hold any position with the Company and other member of the Group before the date of his appointment. At the Latest Practicable Date, he did not have any interest in the shares of the Company within the meaning of PART XV of the SFO nor did they have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. The appointment of Mr. Huang is for a fixed term of three years commencing 2005. There is no service contract between Mr. Huang Zhi Wei with the Company. Mr. Huang is entitled to an annual remuneration of \$120,000 plus additional fee of HK\$10,000 for physically attending each full board meeting. Total director's fee paid to Mr. Huang for the year ended 31st December, 2007 amounted to HK\$160,000.

Saved as mentioned above, the remuneration of the above directors is determined with reference to previous experience, duties and performance of each director, and the Company's profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Each of the above directors is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws.

The above Directors confirm that there are no information to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there other matters that need to be brought to the attention of the Shareholders.



**LERADO GROUP (HOLDING) COMPANY LIMITED****(隆成集團(控股)有限公司)\****(Incorporated in Bermuda with limited liability)***(Stock Code: 1225)****NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of Lerado Group (Holding) Company Limited (“the Company”) will be held at Kennedy Room, 7th Floor, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 16th June, 2008 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31st December, 2007.
2. To declare a final dividend for the year ended 31st December, 2007.
3. To re-elect the retiring directors and to authorise the Board of Directors to fix the directors remuneration for the year ending 31st December, 2008.
4. To re-appoint auditors and to authorise the Board of Directors to fix their remuneration.
5. As special business, to consider and if thought fit, pass the following resolutions as Ordinary Resolutions:

**A. “THAT:**

- (a) subject to sub-paragraph (c) of this Resolution, the exercise by the directors of the Company during the relevant period 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, including bonds, warrants and debentures convertible into shares of the Company, which might require the exercise of such powers be and is hereby generally and unconditionally approved;

\* for identification purposes only

- (b) the approval in sub-paragraph (a) above shall authorise the directors of the Company during the relevant period to make or grant offers, agreements and options, including bonds, warrants and debentures convertible into shares of the Company, which might require the exercise of such powers after the end of the relevant period;
- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors pursuant to the approval in sub-paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined below), (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company, (iii) the exercise of options under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees, etc. of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed twenty per cent of the aggregate nominal amount of the issued share capital of the Company, and this approval shall be limited accordingly; and
- (d) for the purpose 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in general meeting; and

“rights issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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).”

**B. “THAT:**

- (a) subject to sub-paragraph (b) below, the exercise by the directors of the Company during the relevant period of all the powers of the Company to purchase its own securities, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the shares to be repurchased by the Company pursuant to sub-paragraph (a) of this resolution during the relevant period shall not exceed 10 per cent of the shares of the Company in issue at the date of this Resolution; and
- (c) for the purpose 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in general meeting.

- C. “THAT,** conditional upon Resolutions 5A and 5B in the notice convening this meeting being passed, the aggregate nominal amount of number of shares which are repurchased by the Company after this resolution becoming effective (up to maximum of 10 per cent of the issued share capital of the Company in issue at the date of this resolution) shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to Resolution 5A in the said notice referred to above.

- D. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** subject to the terms and conditions of the Share Option Scheme (the “Scheme”) approved and adopted at the previous Annual General Meeting of the Company held on 30th May, 2002 and in compliance with Rules 17.03(3) and 17.06 of the Listing Rules and/or such other requirements prescribed under the Listing Rules from time to time, the Scheme Limit (referred to in paragraph 6 of the Scheme) is hereby generally and unconditionally approved for increase and is hereby increased to 10% of the Shares (as defined in the Scheme) in issue as at the date of this shareholders’ approval excluding:

- (a) the number of Shares which would be issued upon the exercise in full of all outstanding Options (as defined in the Scheme) and options granted under the other schemes;
- (b) the number of Shares which have been issued and allotted pursuant to the exercise of any Options or options granted under the other schemes;
- (c) any Cancelled Shares (as defined in the Scheme); and
- (d) any Shares which were the subject of Options which have lapsed in accordance with the Scheme and any shares which were the subject of options which have lapsed in accordance with the other schemes,

provided that such increase in the Scheme Limit shall in no event result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company or any of its Subsidiaries (as defined in the Scheme) exceed 30% of the Shares in issue from time to time.”

By order of the Board  
**Chan Man Fu**  
*Company Secretary*

Hong Kong, 29 April, 2008

*Notes:*

- (1) Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (2) To be effective, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a Member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (3) The register of members of the Company will be closed from Wednesday, 11th June, 2008 to Friday, 13th June, 2008 (both days inclusive) during which period no transfer of shares of the Company will be registered. In order to qualify for the entitlement to the proposed final dividend for the year ended 31st December, 2007 and for attending and voting at the above meeting, unregistered holders of shares of the Company should ensure that all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on 10th June, 2008.
- (4) Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting, the most senior shall alone be entitled to vote, whether in person or by proxy, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.