
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 Sing Lee Software (Group) Limited, you should at once hand this circular and 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.

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.

**SING LEE SOFTWARE (GROUP) LIMITED****新利軟件(集團)股份有限公司****(Incorporated in Bermuda with limited liability)***(Stock Code: 8076)****ISSUE OF NEW SHARES
AND
CONNECTED TRANSACTIONS****Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders****CIMB-GK Securities (HK) Limited**

A letter from the Board is set out on pages 4 to 10 of this circular. A letter from the Independent Board Committee is set out on page 11 of this circular. A letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on page 12 to 19 of this circular.

A notice convening the SGM to be held at Plaza I-III, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 11th January, 2008 at 10:00 a.m. is set out on pages 25 to 27 of this circular. A form of proxy for use at the SGM is also enclosed.

Whether or not you are able to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at 32/F, Morrison Plaza, 5-9A Morrison Hill Road, Wanchai, Hong Kong as soon as possible and, in any event, not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof should you so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of posting and on the Company's website at www.singlee.com.cn.

* For identification purposes only

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular and the appendices to it, unless the context otherwise requires, the following expressions have the following meanings:

“Announcement”	the announcement of the Company dated 3 December 2007 in relation to, amongst other things, the Subscription;
“Announcement Date”	3 December 2007;
“associate(s)”	has the meaning as ascribed to it under the Listing Rules;
“Board”	the board of directors of the Company;
“Business Day”	any day other than a Saturday or Sunday on which banks generally are open for business in Hong Kong;
“BVI”	the British Virgin Islands;
“Company”	Sing Lee Software (Group) Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Growth Enterprise Market of the Stock Exchange;
“connected person”	the meaning ascribed to it in the Listing Rules;
“Connected Subscriber(s)”	the Subscribers other than Limex Co;
“Directors”	the directors of the Company;
“GEM”	Growth Enterprise Market of the Stock Exchange;
“Goldcorp Industrial”	Goldcorp Industrial Limited, a company incorporated in BVI and, as at the Latest Practicable Date, the controlling shareholder of the Company with holding of approximately 50.7% of the Shares in issue;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	the independent committee of the Board established by the independent non-executive Directors to advise the Independent Shareholders in respect of the Subscription by each of the Connected Subscribers;
“Independent Financial Adviser”	CIMB-GK Securities (HK) Limited;

DEFINITIONS

“Independent Shareholders”	Shareholders other than Goldcorp Industrial and its associates;
“Latest Practicable Date”	18th December, 2007, the latest practicable date for ascertaining certain information for inclusion in this circular;
“Limex Co”	Limex Co., a company incorporated in Hong Kong. To the best of the knowledge, information and belief of Directors having made all reasonable enquiry, Limex Co and its ultimate beneficial owners are third parties independent of and not connected with the Company and connected persons of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange;
“Mr. Hung”	Mr. Hung Yung Lai, an executive Director, who currently owns 50% of the entire issued share capital of Goldcorp Industrial;
“Ms. Li”	Ms. Li Kei Ling, current owner of 50% of the entire issued share capital of Goldcorp Industrial;
“PRC”	the People’s Republic of China;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) of a nominal value of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Sing Lee International”	Sing Lee International Trading Limited, a company incorporated in Hong Kong, the entire issued share capital of which is equally owned by Mr. Hung and Ms. Li;
“Sing Lee Pharmaceutical”	Sing Lee Pharmaceutical Import & Export Co. Limited., a company incorporated in Hong Kong, the entire issued share capital of which is equally owned by Mr. Hung and Ms. Li;
“SGM”	the special general meeting of the Company to be held at Plaza I-III, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 11th January, 2008 at 10:00 a.m. to consider and, if thought fit, to approve the matters in relation to the Subscription;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“Subscriber(s)”	any of, or collectively, (i) Sing Lee International; (ii) Sing Lee Pharmaceutical; (iii) Mr. Hung and Ms. Li; and (iv) Limex Co;
“Subscription”	subscription of the Subscription Shares pursuant to the Subscription Agreements;
“Subscription Agreement(s)”	any of, or collectively, the subscription agreements dated 3 December 2007 entered into between the Company and (i) Sing Lee International; (ii) Sing Lee Pharmaceutical; (iii) Mr. Hung and Ms. Li; and (iv) Limex Co respectively;
“Subscription Price”	the subscription price of HK\$0.271 per Subscription Share;
“Subscription Share(s)”	60,200,000 new Shares to be issued under the Subscription Agreements; and
“%”	per cent.

LETTER FROM THE BOARD



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8076)

Executive Directors:

Hung Yung Lai (*Chairman*)

Cui Jian

Xu Shu Yi

*Head Office and Principal Place of
Business in Hong Kong:*

32nd Floor, Morrison Plaza

5-9A Morrison Hill Road

Wanchai

Hong Kong

Independent Non-Executive Directors:

Pao Ping Wing

Tam Kwok Hing

Lo King Man

Registered Office:

Clarendon House, 2 Church Street

Hamilton, HM11

Bermuda

20th December, 2007

To the Shareholders

Dear Sir or Madam,

ISSUE OF NEW SHARES AND CONNECTED TRANSACTIONS

INTRODUCTION

The Company stated in the Announcement that it has entered into the Subscription Agreements with each of the Subscribers. Pursuant to the Subscription Agreements, the Company agreed to issue and allot an aggregate of 60,200,000 Subscription Shares at the price of HK\$0.271 per Subscription Share to the Subscribers as consideration for full and final settlement of the loans owing by the Company to the Subscribers.

The purpose of this circular is to provide you with further information on (i) the details of the Subscription Agreements; (ii) the letter from the Independent Financial Adviser in respect of the Subscription by the Connected Subscribers; (iii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Subscription by the Connected Subscribers; and (iv) the notice of the SGM.

* *For identification purposes only*

LETTER FROM THE BOARD

SUBSCRIPTION OF NEW SHARES

On 3 December 2007, the Company entered into the Subscription Agreements in relation to the issue and allotment of an aggregate of 60,200,000 Subscription Shares at a price of HK\$0.271 per Subscription Share. The issue and allotment of the Subscription Shares by the Company is in consideration of full and final settlement of loans owing by the Company to each of the Subscribers respectively. Except for the number of Shares to be subscribed under each of the Subscription Agreements and the identity of the Subscribers, all the Subscription Agreements have substantially the same terms. Particulars of the Subscription and the amount of loans outstanding and to be settled pursuant to the Subscription are summarised as follows:

Subscriber	Amount owed by the Company to the Subscribers (HK\$)	Number of Subscription Shares to be subscribed	Number of Subscription Shares times Subscription Price (HK\$)
Sing Lee International	5,266,280.00 <i>(Note 2)</i>	19,430,000	5,265,530.00
Sing Lee Pharmaceutical	632,072.00 <i>(Note 2)</i>	2,330,000	631,430.00
Mr. Hung	2,736,773.80 <i>(Note 2,3)</i>	5,047,500	1,367,872.50
Ms. Li	2,736,773.80 <i>(Note 2,3)</i>	5,047,500	1,367,872.50
Limex Co	7,681,749.42 <i>(Note 1)</i>	28,345,000	7,681,495.00
TOTAL	16,316,875.22	60,200,000	16,314,200.00

Notes:

1. The loan bears interest at an annual rate of 5%.
2. The loan is non-interest bearing.
3. The loan amount was jointly advanced by Mr Hung and Ms. Li.

Each of Sing Lee International, Sing Lee Pharmaceutical, Mr. Hung and Ms. Li propose to give written directions to the Company to the effect that Goldcorp Industrial will be the nominee to take up its/his/her Subscription Shares upon completion of the Subscription.

LETTER FROM THE BOARD

Relationship of the Subscribers and the Company

Sing Lee International is an investment holding company incorporated in Hong Kong, the entire issued share capital of which is currently owned by Mr. Hung and Ms. Li as to 50% each.

Sing Lee Pharmaceutical is an investment holding company incorporated in Hong Kong, the entire issued share capital of which is currently owned by Mr. Hung and Ms. Li as to 50% each.

As at the date of this circular, each of Mr. Hung, an executive Director, and Great Song Enterprises Limited owns 50% of the entire issued share capital of Goldcorp Industrial, the controlling shareholder of the Company. Great Song Enterprises Limited is an investment holding company incorporated in BVI and 100% owned by Ms. Li.

Accordingly, Sing Lee International, Sing Lee Pharmaceutical, Mr. Hung and Ms. Li are connected persons of the Company pursuant to the Listing Rules.

Limex Co is a trading company incorporated in Hong Kong. To the best of the knowledge, information and belief of Directors having made all reasonable enquiry, Limex Co and its ultimate beneficial owners are third parties independent of and not connected with the Company and connected persons of the Company.

Subscription Shares

60,200,000 new Subscription Shares, representing (i) approximately 9.98% of the Company's existing issued share capital; and (ii) approximately 9.08% of the Company's issued share capital as enlarged by the Subscription, will be issued pursuant to the Subscription Agreements.

Subscription Price

The Subscription Price is HK\$0.271 per Subscription Share and is determined by reference to the current market price of the Shares. The Subscription Price of each Subscription Share represents:

- (i) a premium of approximately 118.6% over the closing price of HK\$0.124 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 4.2% over the closing price of HK\$0.26 per Share as quoted on the Stock Exchange on the last trading day of the Shares before the Announcement Date;
- (iii) a premium of approximately 4.6% over the average closing price of HK\$0.259 per Share as quoted on the Stock Exchange from 26 November 2007 to 30 November 2007, both days inclusive, being the last five trading days before the Announcement Date; and
- (iv) a premium of approximately 1.9% over the average closing price of HK\$0.266 per Share as quoted on the Stock Exchange from 19 November 2007 to 30 November 2007, both days inclusive, being the last ten trading days before the Announcement Date.

LETTER FROM THE BOARD

Conditions of the Subscription Agreements

Completion of each of the Subscription Agreements is conditional upon:

- (i) the Stock Exchange granting approval for the listing of and permission to deal in the Subscription Shares;
- (ii) the passing by shareholders of the Company at general meeting of the Company of all necessary resolutions in compliance with the Listing Rules to approve the transactions contemplated under the Subscription Agreements and the issue of the Subscription Shares;
- (iii) if required, the Bermuda Monetary Authority having approved the issue of the Subscription Shares;
- (iv) the warranties given under the Subscription Agreements being true, complete and accurate and not misleading in all material respects when made and at completion of the Subscription Agreements as if made at such completion.

The Company has applied to the Stock Exchange for the approval for the listing of and permission to deal in the Subscription Shares. The relevant Subscriber may at its discretion waive condition (iv) above. None of the Subscribers has indicated to the Company that it intends to waive this condition as at the Latest Practicable Date. If any of the above conditions is not fulfilled or waived (in respect of condition (iv) above) on or before 30 January 2008 (or such later date as may be agreed between the parties to the relevant Subscription Agreements), the relevant Subscription Agreement will lapse immediately thereafter and be of no further effect and neither party to the relevant Subscription Agreement shall have any claim against or liability or obligation to the other party under the Subscription Agreement.

Completion of the Subscription Agreements

Completion of the Subscription Agreements is expected to take place on the third Business Day next following the date of fulfilment or waiver (as the case may be) of the conditions stated in the section headed “Conditions of the Subscription Agreements” above, or such other date as the parties to the relevant Subscription Agreement may agree. The Subscription Agreements provide that completion of the Subscription Agreements are to take place simultaneously.

Ranking of Subscription Shares

The Subscription Shares, when issued, will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Subscription Shares including the right to any dividends or distributions.

LETTER FROM THE BOARD

INFORMATION ON THE COMPANY AND REASONS FOR THE SUBSCRIPTION

The Company is a developer and the provider of information and network technologies and services to the financial industry in the PRC.

Upon completion of the Subscription Agreements, the Subscription Shares will be issued as consideration for full and final settlement of the loans owing by the Company to the Subscribers and will reduce the indebtedness level of the Company.

The Directors consider that the terms and conditions of the Subscription Agreements (including the Subscription Price) are fair and reasonable and the issue and allotment of the Subscription Shares are in the interests of the Company and its shareholders as a whole.

SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and immediately upon completion of the Subscription Agreements (assuming that there are no other changes in the issued share capital of the Company):

	Number of Shares held before completion of the Subscription	% of Shares held before completion of the Subscription	Number of Shares held after completion of the Subscription	% of Shares held after completion of the Subscription
Goldcorp Industrial	306,000,000	50.7	337,855,000 <i>(Note 1, 2)</i>	50.94
Limex Co	0	0	28,345,000	4.28
Public	<u>297,000,000</u>	<u>49.3</u>	<u>297,000,000</u>	<u>44.78</u>
TOTAL	<u>603,000,000</u>	<u>100</u>	<u>663,200,000</u>	<u>100</u>

Notes:

1. Goldcorp Industrial is equally owned by Mr. Hung and Great Song Enterprises Limited, which is wholly owned by Ms. Li.
2. These Shares comprise of 19,430,000 Shares subscribed by Sing Lee International, 2,330,000 Shares subscribed by Sing Lee Pharmaceutical, 5,047,500 Shares subscribed by Mr. Hung and 5,047,500 Shares subscribed by Ms. Li.

CONNECTED TRANSACTION

The Subscription by the Connected Subscribers is subject to the requirements of reporting, announcement and the approval of the Independent Shareholders by way of poll at the SGM as set out in Chapter 20 of the Listing Rules, at which Goldcorp Industrial, the Subscribers and their respective associates will be required to abstain from voting.

LETTER FROM THE BOARD

SGM

A notice convening the SGM to be held at Plaza I-III, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 11th January, 2008 at 10:00 a.m. is set out on pages 25 to 27 of this circular. An ordinary resolution would be put forward at the SGM for shareholders to consider, and if thought fit, approve the Subscription and the issue and allotment of the Subscription Shares. Goldcrop Industrial, the Subscribers and their respective associates will be required to abstain from voting on such resolution at the SGM.

A form of proxy for use at the SGM is also enclosed. Whether or not you are able to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at 32/F, Morrison Plaza, 5-9A Morrison Hill Road, Wanchai, Hong Kong as soon as possible and, in any event, not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof should you so wish.

PROCEDURES TO DEMAND POLL

The votes to be taken at the SGM in relation to the Subscription will be taken or by a poll, the results of which will be announced after the SGM.

Pursuant to Article 66 of the bye-laws of the Company, a resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by a least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person (or in the case of a Shareholder 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 Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person (or in the case of a Shareholder 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 shares conferring that right; or
- (e) if required by the rules of the Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.

LETTER FROM THE BOARD

A demand by a person as proxy for a Shareholder or in the case of a Shareholder being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Shareholder.

RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Subscription Agreements (including the Subscription Price) are fair and reasonable and the issue and allotment of the Subscription Shares are in the interest of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the resolutions to be proposed at the SGM.

Your attention is drawn to the letter from the Independent Board Committee as set out on page 11 of this circular which contains its recommendation to the Independent Shareholders. Your attention is also drawn to the letter of advice from the Independent Financial Adviser as set out on pages 12 to 19 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders.

FURTHER INFORMATION

Your attention is drawn to the further information set out in the appendices to this circular and the notice of the SGM, which form part of this circular.

Yours faithfully,
For and on behalf of the Board of
Sing Lee Software (Group) Limited
Hung Yung Lai
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8076)

20th December, 2007

To the Independent Shareholders

Dear Sir or Madam,

**ISSUE OF NEW SHARES
AND
CONNECTED TRANSACTIONS**

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in respect of the proposed issue and allotment of the Subscription Shares to the Connected Subscribers, namely Sing Lee International, Sing Lee Pharmaceutical, Mr. Hung and Ms. Li, contemplated under the subscription agreements entered into between the Company and the Connected Subscribers (the "Connected Subscription Agreements"). Details of the Connected Subscription Agreements are contained in a circular (the "Circular") to the Shareholders dated 20th December, 2007, of which this letter forms part. Expressions used in this letter have the same meanings as defined in the Circular unless the context otherwise requires.

Having taken into account of the advice of the Independent Financial Adviser, we consider that the terms of the Connected Subscription Agreements to be fair and reasonable insofar as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Connected Subscription Agreements and all the transactions contemplated thereunder.

Yours faithfully,

Independent Board Committee

Pao Ping Wing

Tam Kwok Hing

Lo King Man

All the independent non-executive Directors

* *For identification purposes only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



CIMB-GK Securities (HK) Limited

25th Floor, Central Tower
28 Queen's Road Central
Hong Kong

20 December 2007

*To the Independent Board Committee and the Independent Shareholders
of Sing Lee Software (Group) Limited*

Dear Sirs,

ISSUE OF NEW SHARES AND CONNECTED TRANSACTIONS

We refer to our engagement as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the proposed issue and allotment of Subscription Shares to the Connected Subscribers, namely Sing Lee International, Sing Lee Pharmaceutical, Mr. Hung and Ms. Li, contemplated under the subscription agreements entered into between the Company and the Connected Subscribers (the "Connected Subscription Agreements"). Details of the Connected Subscription Agreements are contained in a circular (the "Circular") to the Shareholders dated 20 December 2007, of which this letter forms part. Expressions used in this letter have the same meanings as defined in the Circular unless the context otherwise requires.

On 3 December 2007, the Company and the Connected Subscribers entered into the Connected Subscription Agreements pursuant to which the Company will issue and allot an aggregate 31,855,000 Subscription Shares in consideration of full and final settlement of loans owing by the Company to each of the Connected Subscribers as at the date of the Subscription Agreements respectively.

The respective entire issued share capital of Sing Lee International and Sing Lee Pharmaceutical is equally owned by Mr. Hung and Ms. Li. Mr. Hung is an executive Director and who, together with Ms. Li, beneficially own the entire issued share capital of Goldcorp Industrial, the controlling shareholder of the Company. Accordingly, the Connected Subscribers are connected persons of the Company and the Subscription by each of the Connected Subscribers (the "Connected Subscriptions") constitutes a connected transaction of the Company under the Listing Rules and is therefore subject to approval by the Independent Shareholders by way of poll at the SGM. Goldcorp Industrial, the Subscribers and their respective associates will abstain from voting at the SGM.

The Independent Board Committee comprising Messrs. Pao Ping Wing, Tam Kwok Hing and Lo King Man, being the independent non-executive Directors, has been formed to advise the Independent Shareholders in respect of the Connected Subscription Agreements.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In formulating our recommendation, we have relied on the information and facts provided by the Directors and contained or referred to in the Circular. The Directors have declared in a responsibility statement set out in the appendix to the Circular that they collectively and individually accept full responsibility for the accuracy of the information contained in the Circular. We have assumed that the information and representations contained or referred to in the Circular were true and accurate at the time they were made and continue to be so at the date of the SGM to be held to approve the Connected Subscription Agreements. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors. The Directors have also confirmed that all material relevant information has been supplied to us and they believe that no material facts have been omitted from the information supplied and opinions expressed by them.

We consider that we have reviewed sufficient information to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our recommendation. We have not, however, conducted an independent verification of the information nor have we conducted any form of in-depth investigation into the businesses and affairs or the prospects of the Group or any of its subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in relation to the issue and allotment of Subscription Shares to the Connected Subscribers contemplated under the Connected Subscription Agreements, we have considered the following principal factors and reasons:

1. Background and reasons

The Group is principally engaged in the development and sale of information and network technologies and services such as POS-MIS systems to the financial industry in the PRC.

We note from the annual report of the Company for the year ended 31 December 2006 (“FY2006”) that the Company had consolidated net liabilities of approximately RMB14.6 million as at 31 December 2006. In view of the loss incurred by the Group for FY2006 and the fact that the Group had net current liabilities and net liabilities as at 31 December 2006, CCIF CPA Limited, the Company’s then auditors, had highlighted in their report included in the Company’s annual report for the FY2006 that there was material uncertainty in respect of the Company’s and the Group’s ability to continue as a going concern.

We note from the interim report of the Company for the six months ended 30 June 2007 that the Company continued to record net loss in the first six months of 2007, though the loss had narrowed to approximately RMB2.2 million compared to that of approximately RMB5.0 million for the corresponding period in 2006. As a result of the loss incurred in the first six months of 2007, the Company had consolidated net liabilities of approximately RMB16.5 million as at 30 June 2007.

The Directors advised that included in the Group’s liabilities as at 30 June 2007 was an aggregate amount due to the Connected Subscribers of approximately HK\$8.6 million and an amount due to Limex Co of approximately HK\$5.2 million. The aggregate amount due to the Connected Subscribers (the “Loans”) and the amount due to Limex Co as at the date of the Subscription Agreements were

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

approximately HK\$8.6 million and HK\$7.7 million respectively. As advised by the Directors, the Loans from the Connected Subscribers are non-interest bearing and have no fixed date of repayment whereas the amount due to Limex Co bears interest at 5% per annum and is due for repayment on 31 December 2007.

As stated in the Letter from the Board in the Circular, the reason for the Company's entering into the Subscription Agreements (including the Connected Subscription Agreements) is to fully settle the amounts due to the Subscribers (including the Loans), which will reduce the indebtedness level of the Company.

Having considered (i) the Group's net liability position; (ii) the fact that the Subscriptions (including the Connected Subscriptions) will not only reduce the Group's indebtedness level but also strengthen the Company's capital base; and (iii) the fairness of the terms of the Connected Subscription Agreements as analysed below, we concur with the Directors' view that the terms of the Connected Subscription Agreements are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

2. Principal terms of the Connected Subscription Agreements

(i) Full and final settlement of the Loans

Pursuant to the terms of the Connected Subscription Agreements, 31,855,000 new Subscription Shares at an issue price of HK\$0.271 per Subscription Share will be issued to the Connected Subscribers as consideration for full and final settlement of the Loans.

(ii) The Subscription Price

The Subscription Price for the Connected Subscriptions of HK\$0.271 per Subscription Share, which is equal to the Subscription Price for the subscription of Subscription Shares by Limex Co pursuant to the subscription agreement entered into between the Company and Limex Co (the "Limex Subscription Agreement"), represents:

- (1) a premium of approximately 4.2% over the closing price of HK\$0.26 per Share as quoted on the Stock Exchange on the trading day immediately preceding the Announcement Date (the "Last Dealing Date");
- (2) a premium of approximately 4.6% over the average closing price of HK\$0.259 per Share as quoted on the Stock Exchange from 26 November 2007 to 30 November 2007, both days inclusive, being the last five trading days before the Last Dealing Date;
- (3) a premium of approximately 1.9% over the average closing price of HK\$0.266 per Share as quoted on the Stock Exchange from 19 November 2007 to 30 November 2007, both days inclusive, being the last ten trading days before the Last Dealing Date;
- (4) a premium of approximately 118.6% over the closing price of HK\$0.124 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

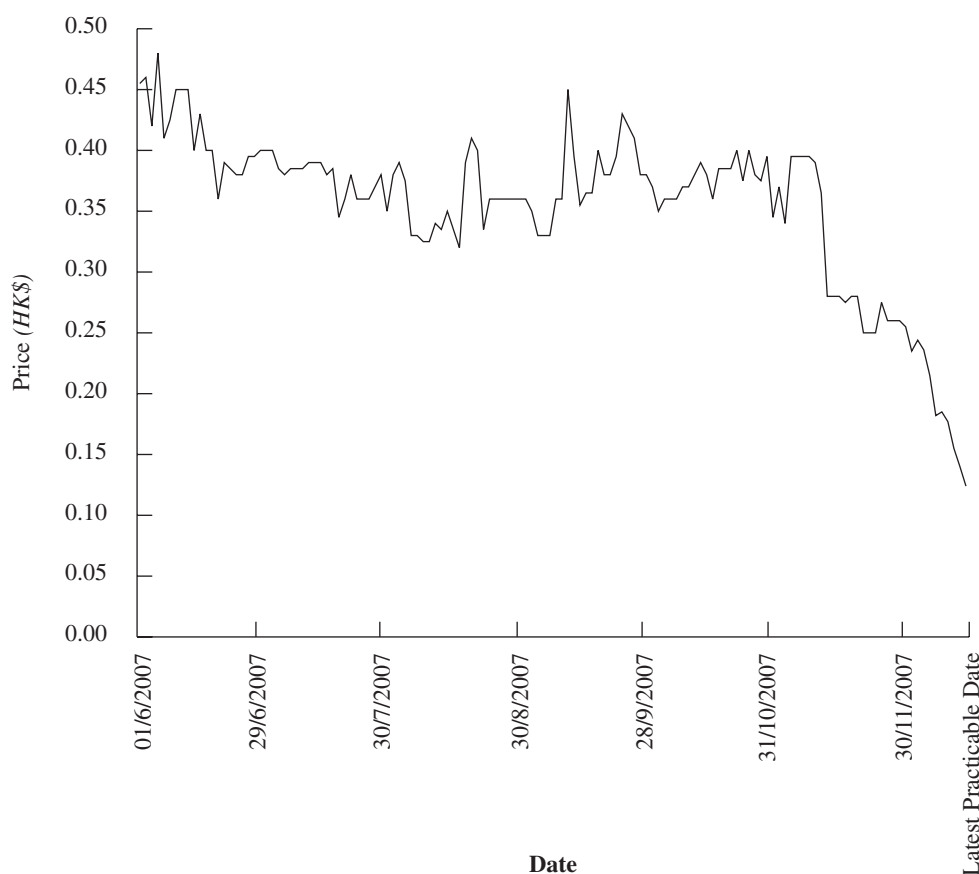
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (5) a premium of approximately HK\$0.295 over the audited net liabilities per Share as at 31 December 2006; and
- (6) a premium of approximately HK\$0.2989 over the unaudited net liabilities per Share as at 30 June 2007.

In assessing the fairness and reasonableness of the Subscription Price, we have considered the following principal factors:

(A) *Historical market price and liquidity of the Shares*

We have reviewed the movements in trading prices of the Shares during the period from 1 June 2007 to 30 November 2007, representing the six-month period immediately preceding the Announcement Date and up to the Latest Practicable Date (the “Review Period”).



Source: Bloomberg

During the Review Period, the closing price of the Shares ranged from the lowest of HK\$0.124 per Share (recorded on the Latest Practicable Date) to the highest of HK\$0.48 per Share (recorded on 6 June 2007). The average closing price of the Shares for the Review Period is approximately HK\$0.355.

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The price of the Shares traded within a narrow range of between HK\$0.35 to HK\$0.45 per Share for most of the time from 1 June 2007 to 14 November 2007. On 15 November 2007, the price of the Shares experienced a drop of approximately 23% from HK\$0.365 per Share on 14 November 2007 to HK\$0.280 per Share on 15 November 2007. While the Directors are not aware of the reasons for the drop in the price of the Shares on 15 November 2007, we note that the Company had released the third quarterly report for the nine months ended 30 September 2007 (the “Quarterly Report”) on 13 November 2007. As reported in the Quarterly Report, the Group recorded a loss attributable to Shareholders of approximately RMB2.3 million for the third quarter ended 30 September 2007 as compared to a loss attributable to Shareholders of approximately RMB1.7 million for the second quarter ended 30 June 2007 and a loss attributable to Shareholders of approximately RMB2.9 million for the corresponding quarter in 2006. We also note that save for the release of the Quarterly Report, the Company had not made any public announcements since 13 November 2007.

During the period from 15 November 2007 to the Announcement Date, the price of the Shares traded within a narrow range of between HK\$0.25 to HK\$0.28 per Share. Since the Announcement Date, the prices of the Shares experienced a decrease. The closing price of the Shares as at the Latest Practicable Date was HK\$0.124 per Share, which is 54.2% below the Subscription Price.

We have also reviewed the historical trading volume of the Shares during the Review Period. The average daily trading volume of the Shares, the percentages of daily trading volume of the Shares as compared to the total number of issued Shares and the Shares held by the public during the Review Period are shown in Table 2 below.

Table 2 — Historical average daily trading volume of the Shares

Month	Average daily trading volume	% of average daily trading volume to the total number of issued Shares <i>(Note 1)</i>	% of average daily trading volume to the total number of issued Shares held by the public <i>(Note 2)</i>
June 2007	350,000	0.06%	0.12%
July 2007	146,429	0.02%	0.05%
August 2007	334,130	0.06%	0.11%
September 2007	190,789	0.03%	0.06%
October 2007	252,619	0.04%	0.09%
November 2007	338,409	0.06%	0.11%
From 3 December 2007 and up to the Latest Practicable Date	750,417	0.12%	0.25%

Source: The website of the Stock Exchange (www.hkex.com.hk)

Notes:

1. Based on 603,000,000 Shares in issue as at the Last Dealing Date.

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2. Based on 297,000,000 Shares held by the public Shareholders as at the Last Dealing Date.
3. During the Review Period, there were 14 days recorded no trading in the Shares.

Table 2 demonstrates that during the Review Period, the average daily trading volume of the Shares was in the range of approximately 0.02% to 0.12% of the total number of issued Shares as at the Last Dealing Date and approximately 0.05% to 0.25% of the total number of the Shares held in public hands as at the Last Dealing Date.

The average daily trading volume of the Shares from 4 December 2007, the trading day immediately after the date of the Announcement, up to the Latest Practicable Date was 818,636 Shares, representing approximately 0.14% of the total number of issued Shares as at the Latest Practicable Date, and approximately 0.28% to the total number of the Shares held by the public Shareholders as at the Latest Practicable Date.

During the 138 trading days in the Review Period, 14 days had no trading in the Shares, representing approximately 10.14% of the total trading days of the Shares in the Review Period. The above statistics showed that the trading of the Shares was inactive.

(B) *Price-earning ratio analysis*

In addition to the historical share price analysis, price-earning ratio is also a common valuation method to value a company with recurrent income. However, as the Company has recorded losses since 2002, price-earning ratio analysis in the case of the Company is not appropriate.

(C) *Net asset value analysis*

In considering the reasonableness of the Subscription Price, we have also compared the Subscription Price to the consolidated net asset value of the Company. According to its annual report for the year ended 31 December 2006, the Company had audited consolidated net liabilities of approximately RMB14.6 million (equivalent to approximately HK\$14.5 million) as at 31 December 2006, representing a net liabilities of approximately HK\$0.024 per Share. The Company's unaudited consolidated liabilities as at 30 June 2007 as reported in its interim report for the six months ended 30 June 2007 further increased to approximately RMB16.4 million (equivalent to approximately HK\$16.8 million), representing a net liabilities of approximately HK\$0.0279 per Share. Given that the Subscription Price represents a premium of approximately HK\$0.295 over the audited net liabilities per Share as at 31 December 2006 and HK\$0.2989 over the unaudited net liabilities per Share as at 30 June 2007, there will be an improvement to the Independent Shareholders in respect of net asset value per Share upon completion of the Connected Subscriptions.

Having considered (i) the fact that the Subscription Price under the Connected Subscription Agreements is the same as the Subscription Price under the Limex Subscription Agreement; (ii) the average price of HK\$0.265 per Share at which the Shares were traded in the 30 trading days preceding the Latest Practicable Date; (iii) the low trading volume of the Shares during the Review Period; (iv) the audited net liabilities per Share of approximately HK\$0.024 per Share as at 31 December 2006 and the unaudited net liabilities per Share of approximately HK\$0.0279 as at 30 June 2007; and (v) the fact that the Group had been incurring losses for the past few years, we consider that the Subscription Price of HK\$0.271 per Share is fair and reasonable.

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3. Financial effects

(i) Earnings

Given that the Loans are non interest bearing, the full settlement of the Loans by the issue of Subscription Shares pursuant to the Connected Subscription Agreements will not have an impact on the Group's earnings.

(ii) Net assets

The Group had unaudited consolidated net liabilities of approximately RMB16.4 million as at 30 June 2007. Upon completion of the Connected Subscription Agreements, the Group's net liabilities will be reduced by the amount of the Loans less related expenses.

(iii) Cash flow

As the consideration for the Subscription Shares to be issued pursuant to the Connected Subscription Agreements will be applied for full and final settlement of the Loans, the Connected Subscriptions will not have any impact on the Group's cash flow.

(iv) Borrowings

Upon completion of the Connected Subscriptions, the Loans will be fully settled, thus reducing the Group's total borrowings by the amount of the Loans.

Having considered the above analysis, we are of the view that the Connected Subscriptions will not have a material impact on the Group's earnings and cash flow but will have a positive effect on the Group's net assets and total borrowings.

4. Dilution effect

As at the Latest Practicable Date, 297,000,000 Shares, representing approximately 49.3% of the existing issued share capital of the Company, were held by public Shareholders. An aggregate of 31,855,000 Subscription Shares will be issued to the Connected Subscribers pursuant to the Connected Subscription Agreements. Given that the Subscription Shares to be issued to the Connected Subscribers only represents approximately 5.3% of the Company's existing issued share capital and approximately 5.0% of the Company's issued share capital as enlarged by the Connected Subscriptions (before taking into account the Subscription Shares to be issued to Limex Co pursuant to the Limex Subscription Agreement), we consider that the dilution effect on the shareholding of the public Shareholders arising from the Connected Subscriptions to be acceptable.

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RECOMMENDATION

Having considered the principal factors and reasons set out above, we consider that the terms of the Connected Subscription Agreements are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise (i) the Independent Board Committee to advise the Independent Shareholders, and (ii) the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Connected Subscription Agreements and the transaction contemplated thereunder.

Yours faithfully,

For and on behalf of

CIMB-GK Securities (HK) Limited

Alex Lau

Executive Vice President

Heidi Cheng

Senior Vice President

1. RESPONSIBILITY STATEMENT

This circular, for which the directors of Sing Lee Software (Group) Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Sing Lee Software (Group) Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: 1. the information contained in this circular is accurate and complete in all material respects and not misleading; 2. there are no other matters the omission of which would make any statement in this circular misleading; and 3. all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of the Directors and the chief executive of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered into the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rule 5.46 to 5.66 of the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) *Interests in the Company:*

Name of Directors	Capacity/ Nature of interest	Number of shares held		Approximate percentage of shareholding
		Long position	Short position	
Mr. Hung Yung Lai	Corporate interest	306,000,000 (note 1)	—	50.7%

(ii) *Options outstanding under the share option scheme adopted by the Company on 27th August, 2001:*

Name of Directors/ Chief executive	Capacity	Date of Grant	Number of share options held in the Company as at the Latest Practicable Date	Exercisable Period	Exercise price per Share HK\$ (note 2)	Approximate percentage of shareholding
Mr. Cui Jian	Personal interest	08.04.2002	3,180,000	07.09.2002 to 07.04.2012	0.614	0.53%
Mr. Chan Kam Fai	Personal interest	09.10.2007	6,000,000	08.04.2008 to 08.10.2017	0.368	0.99%

(iii) *Interests in associated corporation:*

Name of Directors	Capacity/ Nature of interest	Long position	Short position	Approximate percentage of shareholding
Mr. Hung Yung Lai	Personal interest	1	—	50.7%

Notes:

1. The Shares were held by Goldcorp Industrial. Mr. Hung Yung Lai has 50% interest in Goldcorp Industrial.
2. The consideration paid by each grantee on acceptance of the options was HK\$1.00.
3. The entire issued capital of Goldcorp Industrial comprises of 2 ordinary shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest in any securities of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of listed companies as set out in the Listing Rules to be notified to the Company and the Stock Exchange.

(b) **Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO**

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of SFO, and so far as is known to any Directors or chief executive or the Company, the following persons (other than Directors or chief executive of the Company), had or was taken or deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or who was directly and indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group:

Name	Capacity/ Nature of interest	Number of shares held		Percentage of shareholding
		Long position	Short position	
Goldcorp Industrial	Beneficial interest	306,000,000 <i>(notes 1 and 6)</i>	—	50.7%
Great Song Enterprises Limited	Corporate interest	306,000,000 <i>(notes 1 and 2)</i>	—	50.7%
Mr. Hung Yung Lai	Corporate interest	306,000,000 <i>(notes 2 and 3)</i>	—	50.7%
Ms. Li Kei Ling	Corporate interest	306,000,000 <i>(notes 2 and 4)</i>	—	50.7%
Mdm. Iu Pun	Family interest	306,000,000 <i>(note 5)</i>	—	50.7%

Notes:

1. Goldcorp Industrial is a company incorporated in the BVI equally owned by Mr. Hung Yung Lai and Great Song Enterprises Limited which in turn is wholly-owned by Ms. Li Kei Ling.
2. The Shares were held by Goldcorp Industrial.
3. Mr. Hung Yung Lai controls more than one third of the voting power of Goldcorp Industrial. Mr. Hung Yung Lai is deemed, by virtue of the SFO, to be interested in the same 306,000,000 shares held by Goldcorp Industrial.

4. Ms. Li Kei Ling controls more than one third of the voting power of Great Song Enterprises Limited which in turn holds more than one third of the voting power of Goldcorp Industrial. Ms. Li Kei Ling is deemed, by virtue of the SFO, to be interested in the same 306,000,000 shares held by Goldcorp Industrial.
5. These shares are beneficially owned by Goldcorp Industrial as mentioned in Note 4 of above. Mr. Hung Yung Lai is deemed to be interested in the same 306,000,000 shares held by Goldcorp Industrial. Mdm. Iu Pun is the wife of Mr. Hung Yung Lai and is deemed to be interested in these shares in which Mr. Hung Yung Lai is deemed or taken to be interested for the purpose of the SFO.
6. Mr. Hung Yung Lai, director of the Company, is also the director of Goldcorp Industrial.

Save as disclosed above, as at the Latest Practicable Date, the directors and chief executive of the Company were not aware of any entities or persons (other than Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group.

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which have been since 31 December 2006, the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group since 31 December 2006, being the date to which the latest published audited financial statements of the Company were made up, and which was significant in relation to the business of the Group.

3. SERVICE CONTRACTS

None of the Directors had any existing or proposed service contracts with any member of the Group (excluding contracts expiring, or determinable by the Group within one year without payment of compensation other than statutory compensation).

4. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors or the management shareholders of the Company or any of their respective associates was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31st December, 2006, being the date of the latest published audited accounts of the Company were made up.

6. EXPERT

The following is the qualification of the expert who has given an opinion or advice which are contained in this circular:

Name	Qualification
CIMB-GK Securities (HK) Limited	Licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activity under the SFO

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with the reference to its name and its advice letter in the form and context in which it appears.

As at the Latest Practicable Date, the Independent Financial Adviser did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group.

As at the Latest Practicable Date, the Independent Financial Adviser did not have any direct or indirect interest in any assets which since 31st December, 2006, the date to which the latest published audited financial statements of the Group were made up, have been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Subscription Agreements will be available for inspect at the registered offices of Sing Lee Software (Group) Limited at 32nd Floor, Morrison Plaza, 5-9A Morrison Hill Road, Wanchai, Hong Kong up to and including the date of the SGM.

8. GENERAL

The English text of this circular shall prevail over the Chinese text.

NOTICE OF SPECIAL GENERAL MEETING



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8076)

NOTICE IS HEREBY GIVEN THAT the Special General Meeting of Sing Lee Software (Group) Limited (the “Company”) will be held at Plaza I-III, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 11th January, 2008 at 10:00 a.m. to consider and if thought fit pass, with or without amendments, the following ordinary resolutions:

ORDINARY RESOLUTION

“THAT:

- (A) (i) the entering into of a subscription agreement (the “SLI Subscription Agreement”) dated 3rd December, 2007 between the Company and Sing Lee International Trading Limited (“SLI”) pursuant to which, inter alia, the Company agreed to issue 19,430,000 new shares (the “SLI Shares”) of HK\$0.01 each in the capital of the Company (the “Share(s)”) at HK\$0.271 per Share as consideration for full and final settlement of the non-interest bearing loans in an aggregate amount of HK\$5,266,280 due from the Company to SLI (a copy of the SLI Subscription Agreement has been produced to this meeting marked “A” and initialled by the chairman of the meeting of the Company for identification purpose) be and is hereby approved, ratified and confirmed;
- (ii) the issue and allotment of the SLI Shares to SLI or as it may direct be and is hereby approved; and
- (B) (i) the entering into of a subscription agreement (the “SLP Subscription Agreement”) dated 3rd December, 2007 between the Company and Sing Lee Pharmaceutical Import & Export Co. Limited (“SLP”) pursuant to which, inter alia, SLP agreed to subscribe for and the Company agreed to issue 2,330,000 new Shares (the “SLP Shares”) at HK\$0.271 per Share as consideration for full and final settlement of the non-interest bearing loans in an aggregate amount of HK\$632,072 due from the Company to SLP (a copy of the SLP Subscription Agreement has been produced to this meeting marked “B” and initialled by the chairman of the meeting of the Company for identification purpose) be and is hereby approved, ratified and confirmed;

* For identification purposes only

NOTICE OF SPECIAL GENERAL MEETING

- (ii) the issue and allotment of the SLP Shares to SLP or as it may direct be and is hereby approved; and

- (C) (i) the entering into of a subscription agreement (the “Hung Li Subscription Agreement”) dated 3rd December, 2007 between the Company, Mr. Hung Yung Lai and Ms. Li Kei Ling (“Mr. Hung” and “Ms. Li”, respectively) pursuant to which, inter alia, Mr. Hung and Ms. Li agreed to subscribe for and the Company agreed to issue 5,047,500 and 5,047,500 new Shares, respectively (the “Hung and Li Shares”) at HK\$0.271 per Share as consideration for full and final settlement of the non-interest bearing loans in an aggregate amount of HK\$2,736,773.80 due from the Company to Mr. Hung and Ms. Li (a copy of the Hung Li Subscription Agreement has been produced to this meeting marked “C” and initialled by the chairman of the meeting of the Company for identification purpose) be and is hereby approved, ratified and confirmed;

- (ii) the issue and allotment of the Hung and Li Shares to Mr. Hung or Ms. Li (as the case may be) or as they may direct be and is hereby approved;

- (D) (i) the entering into of a subscription agreement (the “Limex Subscription Agreement”) dated 3rd December, 2007 between the Company and Limex Co. (“Limex”) pursuant to which, inter alia, Limex agreed to subscribe for and the Company agreed to issue 28,345,000 new Shares (the “Limex Shares”) at HK\$0.271 per Share as consideration for full and final settlement of all amounts due under the loans in an aggregate amount of HK\$7,681,749.42 due from the Company to Limex (a copy of the Limex Subscription Agreement has been produced to this meeting marked “D” and initialled by the chairman of the meeting of the Company for identification purpose) be and is hereby approved, ratified and confirmed;

- (ii) the issue and allotment of the Limex Shares to Limex or as it may direct be and is hereby approved; and

- (E) the directors of the Company be and are hereby authorised to implement all the transactions referred to in the SLI Subscription Agreement, the SLP Subscription Agreement, the Hung Li Subscription Agreement and the Limex Subscription Agreement and to do all such acts and things and sign all such documents as they shall in their absolute discretion consider necessary or desirable to give effect to the SLI Subscription Agreement, the SLP Subscription Agreement, the Hung Li Subscription Agreement and the Limex Subscription Agreement and the arrangements contemplated thereunder.”

By Order of the Board
Hung Yung Lai
Chairman

Hong Kong, 20th December, 2007

NOTICE OF SPECIAL GENERAL MEETING

Registered office:

Claredon House
2 Church Street
Hamilton, HM11
Bermuda

Head office and principal place of business:

32nd Floor, Morrison Plaza
5-9A Morrison Hill Road
Wanchai
Hong Kong

Notes:

1. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him.
2. A proxy need not be a member. This instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's principal place of business in Hong Kong at 32/F., Morrison Plaza, 5-9A Morrison Hill Road, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
4. Deliver of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, 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.
6. A form of proxy for use at the SGM is enclosed herewith.

As at the date of this notice, the Board comprises six Directors, of which three are Executive Directors, namely Mr. Hung Yung Lai, Mr. Cui Jian and Mr. Xu Shu Yi; three are Independent Non-executive Directors, namely Mr. Pao Ping Wing, Mr. Tam Kwok Hing and Mr. Lo King Man.