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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, bank manager, solicitor, professional accountant or other professional adviser.

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

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MAGICIAN INDUSTRIES (HOLDINGS) LIMITED

通達工業(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 526)

**PROPOSED RE-ELECTION OF DIRECTORS,
GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
REFRESHMENT OF SCHEME MANDATE LIMIT,
CHANGE OF COMPANY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Magician Industries (Holdings) Limited to be held at Flat A, 2nd Floor, Yeung Yiu Chung (No.6) Industrial Building, 19 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong at 3:00 p.m. on 23 August 2010 is set out on pages 13 and 16 of this circular. Whether or not you intend to attend the meeting, you are advised to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with Magician Industries (Holdings) Limited at its principal place of business in Hong Kong at Flat A, 2nd Floor, Yeung Yiu Chung (No.6) Industrial Building, 19 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I – Biographies of directors proposed to be re-elected	8
Appendix II – Explanatory statement to share repurchase mandate	10
Notice of AGM	13

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held on 23 August 2010 at 3:00 p.m. at Flat A, 2nd Floor, Yeung Yiu Chung (No.6) Industrial Building, 19 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong
“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Bye-laws”	Bye-laws of the Company
“Change of Company Name”	the proposed change of the name of the Company from “MAGICIAN INDUSTRIES (HOLDINGS) LIMITED” to “LISI GROUP (HOLDINGS) LIMITED” and adopt the Chinese name “利時集團(控股)有限公司” as its secondary name to replace the existing Chinese name “通達工業(集團)有限公司” (which was adopted for identification purpose only)
“Company”	Magician Industries (Holdings) Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency for the time being of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and deal with Shares with an aggregate nominal value not exceeding 20% of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“Latest Practicable Date”	20 July, 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Option(s)”	a right to subscribe for Shares granted under the Share Option Scheme
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“Shareholder(s)”	the holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 8 August 2002
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon the exercise of all Options to be granted under the Share Option Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



MAGICIAN INDUSTRIES (HOLDINGS) LIMITED

通達工業(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 526)

Chairman:

Mr Li Li Xin (*non-executive Director*)

Executive Director:

Mr Cheng Jian He

Non-executive Directors:

Mr Xu Jin

Mr Lau Kin Hon

Independent non-executive Directors:

Mr He Chengying

Mr Chan Man Sum Ivan

Mr Cheung Kiu Cho Vincent

Registered office:

Clarendon House

Church Street

Hamilton HM 11

Bermuda

Principal place of business in

Hong Kong:

Flat A, 2nd Floor

Yeung Yiu Chung (No.6)

Industrial Building

19 Cheung Shun Street

Cheung Sha Wan

Kowloon

Hong Kong

23 July, 2010

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF DIRECTORS,
GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
REFRESHMENT OF SCHEME MANDATE LIMIT,
CHANGE OF COMPANY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you information regarding (i) re-election of directors of the Company (ii) grant of the Issue Mandate, (iii) grant of the Repurchase Mandate, (iv) refreshment of Scheme Mandate Limit and (v) Change of Company Name. This circular contains the explanatory statement required to be given to the Shareholders in compliance with the Listing Rules and to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions in the AGM.

* For identification purpose only

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

According to Bye-laws 87(1) and 87(2), Mr Cheng Jian He, Mr Chan Man Sum Ivan and Mr Cheung Kiu Cho Vincent shall retire at the AGM and, being eligible, offer themselves for re-election. Biographies of the Directors to be re-elected at the AGM are set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate to allot and issue further Shares representing up to 20 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing the resolution. In addition, if the resolution for the granting of the Repurchase Mandate is passed, a resolution will be proposed to authorise the Directors to allot and issue Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,476,963,794 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Issue Mandate, the maximum number of Shares which may be issued pursuant to the Issue Mandate will be 495,392,758 Shares.

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed that the Directors be given a general and unconditional mandate to exercise all powers of the Company to repurchase the Shares subject to the criteria set out in this circular. Under the Repurchase Mandate, the maximum number of Shares that the Company may repurchase shall not exceed such number as represents 10 per cent of the share capital of the Company in issue on the date of the passing of the resolution. The Company's authority is restricted to purchases made on the Stock Exchange and otherwise in accordance with the Listing Rules. An explanatory statement to the Repurchase Mandate is set out in Appendix II to this circular.

PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT

Pursuant to the Listing Rules and the Share Option Scheme, the total number of Shares which may be issued upon the exercise of all Options to be granted under the Share Option Scheme and any other schemes of the Company must not exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme. The Scheme Mandate Limit may be refreshed by the Shareholders in general meeting in accordance with the rules of the Share option Scheme. As at the Latest Practicable Date, the Scheme Mandate Limit is 153,946,379 Shares, being 10% of the issued share capital of the Company as at the date of the annual general meeting held on 18 September 2009 at which the Scheme Mandate Limit was refreshed.

Apart from the Share Option Scheme, there is no other share option scheme as at the Latest Practicable Date.

LETTER FROM THE BOARD

The Company has not granted any Options under the Share Option Scheme since its adoption. However since the last refreshment of Scheme Mandate Limit, the issued share capital of the Company has increased substantially as a result of the share subscription set out in the Company's circular dated 31 March 2010. As at the Latest Practicable Date, the total number of Shares in issue is 2,476,963,794. If the Scheme Mandate Limit is refreshed, the Board will be able to grant Options for subscription of up to 247,696,379 Shares, being 10% of the Shares in issue as at the AGM date based on 2,476,963,794 Shares in issue and assuming that no further Shares are issued prior to the AGM.

The Board wishes to maximize the flexibility in making new grants of Options under the Share Option Scheme. The Directors consider that the refreshment of the Scheme Mandate Limit is in the interests of the Group and the Shareholders as a whole as it enables the Company to provide incentives or rewards to participants for their contribution to the Group.

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company at any time must not exceed 30% of the Shares in issue from time to time. No Options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded.

As required by the Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the AGM to approve the refreshment of the Scheme Mandate Limit such that the total number of Shares which may be issued upon exercise of all options to be granted under the refreshed Scheme Mandate Limit must not exceed 10% of the total number of the Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit.

The adoption of the refreshed Scheme Mandate Limit is conditional upon (a) the Shareholders passing an ordinary resolution to approve the refreshment of the Scheme Mandate Limit at the AGM; and (b) the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares (representing 10% of the Shares in issue as at the date of passing the relevant resolution at the AGM) to be issued pursuant to the exercise of any options granted under the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued upon the exercise of the Options that may be granted under the refreshed Scheme Mandate Limit.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the name of the Company from "MAGICIAN INDUSTRIES (HOLDINGS) LIMITED" to "LISI GROUP (HOLDINGS) LIMITED" and adopt the Chinese name "利時集團(控股)有限公司" as its secondary name to replace the existing Chinese name "通達工業(集團)有限公司" (which was adopted for identification purpose only). A special resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, to approve the Change of Company Name.

LETTER FROM THE BOARD

Reasons for the Change of Company Name

The Board considers that the Change of Company Name will enable the Company to adopt a new corporate image to align with its strategy on promoting the Group's overall identification and product image. Therefore the Board believes that the new company name will benefit the Company's future business development and is in the interests of the Company and the Shareholders as a whole.

Conditions of the Change of Company Name

The Change of Company Name is subject to:

- (a) the approval of the Shareholders by way of a special resolution at the AGM; and
- (b) the approval by the Registrar of Companies in Bermuda having been obtained.

The relevant filing with the Registrar of Companies in Bermuda will be made after the passing of the special resolution regarding the Change of Company Name at the AGM.

Subject to satisfaction of the conditions set out above, the Change of Company Name will take effect from the date on which the Registrar of Companies in Bermuda enters the new name (together with the secondary name) on the register in place of the existing name. Thereafter, the Company will carry out the necessary filing procedures with the Companies Registry in Hong Kong.

Further announcement will be made by the Company to inform the Shareholders of the effective date of the Change of Company Name and the trading arrangement in respect of the stock short names of the Company.

Effects of the Change of Company Name

The Change of Company Name will not affect any of the rights of the Shareholders. All existing share certificates in issue bearing the existing name of the Company will, after the Change of Company Name, continue to be evidence of legal title to the Shares and valid for trading, settlement, registration and delivery for the same number of Shares in the new name of the Company. There will not be any arrangements for free exchange of the existing share certificates of the Company for new share certificates under the new name of the Company. Once the Change of Company Name becomes effective, the Shares will be traded under new stock short names of the Company and any issue of share certificates will be under the new name of the Company.

AGM

Notice of the AGM is set out on pages 13 and 16 of this circular. All resolutions to be proposed at the AGM will be voted on by poll.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend, you are advised to complete and return the enclosed form of proxy, in accordance with the instructions printed thereon and deposit the same with Magician Industries (Holdings) Limited at its principal place of business in Hong Kong at Flat A, 2nd Floor, Yeung Yiu Chung (No.6) Industrial Building, 19 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors consider that the re-election of the Directors, the granting of the Issue Mandate, the granting of the Repurchase Mandate, the refreshment of Scheme Mandate Limit and the Change of Company Name are in the interest of the Company and the Shareholders and so recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,

By Order of the Board

MAGICIAN INDUSTRIES (HOLDINGS) LIMITED

Li Li Xin

Chairman

This appendix sets out the brief biography of each of the Directors to be re-elected at the AGM.

Mr Cheng Jian He, executive director and chief executive officer, aged 44, graduated from the Jiangxi University of Finance and Economics and majored in financial accounting. Mr Cheng completed the Advanced On-the-job Training Course on Business Administration Specially for Managers offered by Tsinghua University, and is a Certified Public Accountant in the PRC and a member of the Chinese Institute of Certified Public Accountants (中國註冊會計師協會). Mr Cheng has over 21 years of experience in the financial management, tax planning, cost control, investment and financing management fields in various industries, including manufacturing, business and paper mills. He is currently the chief financial officer of 利時集團股份有限公司 (Lisi Group Co., Ltd), a company incorporated in the People's Republic of China with limited liability, and is beneficially and wholly owned by Mr. Li Li Xin, his spouse and his associates. Mr Cheng did not hold any other directorship in any public listed companies in the last three years. Mr Cheng's appointment will be for a term of three years commencing from the date of election, subject to retirement by rotation and re-election at the annual general meeting of the Company. There is no service contract between Mr Cheng and the Company. Mr Cheng is not entitled to any remuneration. Mr Cheng is a director in various subsidiaries of the Company. Save as disclosed, Mr Cheng does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company, nor does he hold any other position with the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr Cheng does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr Cheng pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules and there is no other information that need to be brought to the attention of the shareholders.

Mr Chan Man Sum Ivan, independent non-executive director, aged 36, is a member of the American Institute of Certified Public Accountants and holds a Bachelor of Science Degree in Business Administration with emphasis on Accounting issued by California State University Los Angeles. Currently Mr Chan is working in an investment bank. Prior to his current occupation, he was a chief financial officer of a listed company. Mr Chan has over 12 years of experience in the field of investment banking, accounting and financial management. Mr Chan did not hold any other directorship in any public listed companies in the last three years. Mr Chan's appointment will be for a term of three years commencing from the date of election, subject to retirement by rotation and re-election at the annual general meeting of the Company. There is no service contract between Mr Chan and the Company. Mr Chan is entitled to an annual remuneration of HK\$144,000.00 which was determined by the Board with reference to his duties and responsibilities with the Company. Mr Chan does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company, nor does he hold any other position with the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr Chan does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr Chan pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules and there is no other information that need to be brought to the attention of the shareholders.

Mr Cheung Kiu Cho Vincent, independent non-executive director, aged 34, is a Registered Professional Surveyor in the General Practice Division and member of both The Hong Kong Institute of Surveyors and The Royal Institution of Chartered Surveyors, UK. Mr Cheung holds a Master of Business Administration degree in International Management granted by University of London in association with Royal Holloway and Bedford New College and a Bachelor of Science (Honours) degree in Real Estate granted by The Hong Kong Polytechnic University. Mr Cheung is a Director of an international corporate valuation and advisory company. Mr Cheung has over 13 years of experience in the field of assets valuation, assets management and corporate advisory. Mr Cheung did not hold any other directorship in any public listed companies in the last three years. Mr Cheung's appointment will be for a term of three years commencing from the date of election, subject to retirement by rotation and re-election at the annual general meeting of the Company. There is no service contract between Mr Cheung and the Company. Mr Cheung is entitled to an annual remuneration of HK\$120,000.00 which was determined by the Board with reference to his duties and responsibilities with the Company. Mr Cheung does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company, nor does he hold any other position with the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr Cheung does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr Cheung pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules and there is no other information that need to be brought to the attention of the shareholders.

This appendix serves as an explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide you with the information necessary for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

On the Latest Practicable Date, there were in issue an aggregate of 2,476,963,794 ordinary Shares of HK\$0.01 each in the Company. Exercise in full of the Repurchase Mandate, on the basis that no further Shares of the Company are issued or repurchased prior to the date of the AGM, would result in up to a maximum of 247,696,379 Shares being repurchased by the Company. The Repurchase Mandate allows the Company to make or agree to make purchases only 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 or by the Bye-laws (as amended from time to time) or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

2. REASON FOR REPURCHASE SHARES

Although the Directors have no present intention of repurchasing any Shares, they consider that the Repurchase Mandate will provide the Company the flexibility to make such repurchase as and when appropriate and is beneficial to the Company. Such repurchases may enhance the Company's net asset value and/or earnings per share. The Directors would only make such purchases in circumstances whereby they consider them to be in the best interests of the Company.

As compared with the financial position of the Company at 31 March 2010 (being the date to which the latest audited financial statements of the Company have been made up), the Directors consider that there might be material adverse impact on the working capital and on the gearing position of the Company in the event that the Repurchase Mandate were exercised in full. No repurchase would be made in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

3. FUNDING OF REPURCHASES

Repurchase of the Shares of the Company will be funded entirely from the Company's available cash flow or working capital facilities, and will, in any event, be made out of funds legally available for the repurchase in accordance with the Bye-laws (as amended from time to time) and the applicable laws of Bermuda. Under the laws of Bermuda, the repurchased Shares will be cancelled and the Company's issued share capital will be reduced by the nominal value of those repurchased shares accordingly. However, the aggregate amount of the Company's authorized share capital will not be reduced.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the twelve months preceding the Latest Practicable Date respectively are as follows:

	Share Prices	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2009		
July	0.315	0.205
August	0.234	0.19
September	0.22	0.192
October	0.214	0.181
November	0.395	0.25
December	0.36	0.285
2010		
January	0.325	0.25
February	0.29	0.26
March	0.315	0.244
April	0.47	0.249
May	0.39	0.28
June	0.33	0.27
July (up to the Latest Practicable Date)	0.34	0.285

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules, all applicable laws of Bermuda, and in accordance with the regulations set out in the memorandum of association and Bye-laws (as amended from time to time).

6. 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 enquiries, any of the associates (as defined in the Listing Rules) of any of the Directors has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

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.

7. 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 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Big-Max Manufacturing Co., Limited (“Big-Max”), who held approximately 53.08% and Mr Xu Jin (“Mr Xu”) who held approximately 10.25% of the issued share capital of the Company, were the only substantial shareholders of the Company holding more than 5% of the issued share capital of the Company respectively. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution, the shareholdings of Big-Max and Mr Xu in the Company would be increased to approximately 58.98% and 11.39% of the issued share capital of the Company respectively. Such increase will not trigger any mandatory offer under Rule 26 of the Takeovers Code. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

8. SHARE REPURCHASE MADE BY THE COMPANY

In the six months preceding the Latest Practicable Date, no Shares have been repurchased by the Company (whether on the Stock Exchange or otherwise).

NOTICE OF THE ANNUAL GENERAL MEETING



MAGICIAN INDUSTRIES (HOLDINGS) LIMITED

通達工業(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 526)

NOTICE IS HEREBY GIVEN that the annual general meeting of Magician Industries (Holdings) Limited (通達工業(集團)有限公司) (“**Company**”) will be held at Flat A, 2nd Floor, Yeung Yiu Chung (No.6) Industrial Building, 19 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong on 23 August 2010 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 March 2010.
2.
 - (a) To re-elect Mr Cheng Jian He as executive director;
 - (b) To re-elect Mr Chan Man Sum Ivan as independent non-executive director;
 - (c) To re-elect Mr Cheung Kiu Cho Vincent as independent non-executive director;
 - (d) To authorize the board of directors to fix the remunerations of the directors.
3. To appoint Mazars CPA Limited as the Company’s auditors until the conclusion of the forthcoming annual general meeting and to authorise the board of directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:
 - A. **“THAT**
 - (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period (as defined below) 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 which might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

* For identification purpose only

NOTICE OF THE ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to a Rights Issue (as defined below) or the exercise of the subscription rights under the share option scheme of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes 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 the bye-laws of the Company (“Bye-laws”) or any applicable laws to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company 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 of members of the Company 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 in any territory outside Hong Kong).”

B. “THAT

- (a) the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval be limited accordingly; and

NOTICE OF THE ANNUAL GENERAL MEETING

(c) for the purposes 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 the Bye-laws or any applicable laws to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

C. “**THAT** conditional upon resolution no. 4B above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors of the Company as mentioned in resolution no. 4B above 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 no. 4A above.”

5. As special business, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the shares of HK\$0.01 each in the share of the Company (representing a maximum of 10% of the shares in issue as at the date of passing this Resolution) to be issued pursuant to the exercise of options which may be granted under the share option scheme adopted by the Company on 8 August 2002 (“the Share Option Scheme”), the refreshment of the scheme limit on grant of options under the Share Option Scheme up to 10% of the shares in issue as at the date of passing this Resolution (“the Refreshed Scheme Limit”) be and is hereby approved and the directors of the Company be and is hereby authorized to do such acts and execute such documents to implement the Share Option Scheme within the Refreshed Scheme Limit.”

NOTICE OF THE ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, to pass the following resolution as a special resolution:

“**THAT** subject to and conditional upon the approval of the Registrar of Companies in Bermuda, the name of the Company be and is hereby changed from “MAGICIAN INDUSTRIES (HOLDINGS) LIMITED” to “LISI GROUP (HOLDINGS) LIMITED” and adopt the Chinese name “利時集團(控股)有限公司” as its secondary name to replace the existing Chinese name “通達工業(集團)有限公司” (which was adopted for identification purpose only) and the directors of the Company be and are hereby authorised to do all such acts, and execute all such documents as they may, in their absolute discretion, deem fit in order to effect such change of name.”

By Order of the Board
MAGICIAN INDUSTRIES (HOLDINGS) LIMITED
Li Li Xin
Chairman

Date: 23 July, 2010

Registered office:
Clarendon House
Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
Flat A, 2nd Floor
Yeung Yiu Chung (No.6) Industrial Building
19 Cheung Shun Street
Cheung Sha Wan
Kowloon
Hong Kong

Notes:

- 1 A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or, if he is the holder of two or more shares, more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- 2 To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited with the Company's principal office at Flat A, 2nd Floor, Yeung Yiu Chung (No.6) Industrial Building, 19 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish.

As at the date of this notice, the Board comprises Mr Li Li Xin (Chairman) being non-executive director, Mr. Cheng Jian He being executive director, Mr. Xu Jin and Mr Lau Kin Hon being non-executive directors, Mr He Chengying, Mr Chan Man Sum Ivan and Mr Cheung Kiu Cho Vincent being independent non-executive directors.