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

If you have sold or transferred all your shares in Shougang Concord Century Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to 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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**Shougang Concord Century Holdings Limited****首長寶佳集團有限公司***(Incorporated in Hong Kong with limited liability)*

(Stock Code: 103)

**PROPOSALS FOR GRANTING OF GENERAL MANDATES
FOR THE ISSUANCE AND REPURCHASE OF SHARES,
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the board of directors of the Company (as defined herein) is set out on pages 3 to 6 of this circular.

A notice of the Annual General Meeting of the Company to be held at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong, on Monday, 1 June 2009 at 10:10 a.m. is set out on pages 13 to 16 of this circular. Whether or not you are able to attend the said meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrars, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the said meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the said meeting or any adjourned meeting should you so wish.

27 April 2009

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DEFINITIONS

In this circular, except where the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong, on Monday, 1 June 2009 at 10:10 a.m. and the notice of which is set out on pages 13 to 16 of this circular
“Articles”	articles of association of the Company
“Board”	the board of directors for the time being or a duly authorised committee thereof
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Shougang Concord Century Holdings Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and/or 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
“Latest Practicable Date”	21 April 2009, being the latest practicable date for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares”	shares of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Subsidiary”	a subsidiary for the time being of the Company within the meaning of the Companies Ordinance whether incorporated in Hong Kong or elsewhere and “Subsidiaries” shall be construed accordingly
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases
“%”	per cent

LETTER FROM THE BOARD



Shougang Concord Century Holdings Limited

首長寶佳集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 103)

Directors:

Cao Zhong (*Chairman*)

Li Shaofeng (*Managing Director*)

Tong Yihui (*Deputy Managing Director*)

Leung Shun Sang, Tony[#]

Tang Cornor Kwok Kau (*Deputy Managing Director*)

Geert Johan Roelens (*Executive Director*)

Yip Kin Man, Raymond*

Law, Yui Lun*

Chan Chung Chun*

Registered office:

5th Floor

Bank of East Asia Harbour View Centre

51-57 Gloucester Road

Wanchai

Hong Kong

[#] *Non-executive Director*

* *Independent Non-executive Director*

27 April 2009

To Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GRANTING OF GENERAL MANDATES
FOR THE ISSUANCE AND REPURCHASE OF SHARES,
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with details regarding the proposed granting of general mandates for the issuance and repurchase of Shares and extension of general mandate to issue Shares, and re-election of retiring Directors. Such proposals will be dealt at the Annual General Meeting.

LETTER FROM THE BOARD

2. GENERAL MANDATES FOR THE ISSUANCE AND REPURCHASE OF SHARES AND EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

At the 2008 annual general meeting held on 6 June 2008, general mandates were granted by the Company to the Board to exercise the powers of the Company to issue new Shares and repurchase Shares and extension of general mandate to issue Shares. These general mandates will lapse at the conclusion of the forthcoming Annual General Meeting. The Directors propose to seek your approval to renew the general mandates.

(A) GENERAL MANDATE TO ISSUE SHARES

An ordinary resolution will be proposed as resolution 4 at the Annual General Meeting to grant a general mandate to the Directors to issue new Shares of up to a maximum of 20% of the issued share capital of the Company at the date of the resolution. The general mandate to issue Shares, if granted, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and (iii) the revocation or variation of resolution 4 by any ordinary resolution of the Shareholders of the Company in general meeting. As at the Latest Practicable Date, the issued share capital of the Company comprised 1,867,736,556 fully paid-up Shares. If there is no allotment or repurchase of the Shares between the Latest Practicable Date and the date of Annual General Meeting, the fresh general mandate to allot, issue and deal with additional Shares shall not exceed 373,547,311 Shares.

(B) GENERAL MANDATE TO REPURCHASE SHARES

Another ordinary resolution will be proposed as resolution 5A at the Annual General Meeting to grant a general mandate to the Directors to repurchase Shares (the "Repurchase Mandate") on the Stock Exchange of up to a maximum of 10% of the issued share capital of the Company at the date of the resolution. The Repurchase Mandate, if granted, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and (iii) the revocation or variation of resolution 5A by any ordinary resolution of the Shareholders of the Company in general meeting. An explanatory statement as required under Rule 10.06(1)(b) of the Listing Rules is set out in the Appendix I to this circular. The purpose of the explanatory statement is to provide you with all the information reasonably necessary for you to make an informed decision as to whether or not to vote in favour of the resolution approving the Repurchase Mandate and it also forms the memorandum of the terms of the proposed repurchases required under section 49BA(3)(b) of the Companies Ordinance.

(C) EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

A separate ordinary resolution, as required by the Listing Rules, to add the aggregate amount of the Shares which may be repurchased pursuant to the authority granted by the aforesaid resolution 5A to the general mandate to the Directors to allot new Shares of up to 20% of the issued share capital of the Company will be proposed as resolution 5B at the Annual General Meeting.

LETTER FROM THE BOARD

3. RE-ELECTION OF RETIRING DIRECTORS

At the Annual General Meeting, resolution 2 will be proposed to re-elect the retiring Directors. Messrs. Cao Zhong (Chairman and executive Director), Tang Cornor Kwok Kau (Deputy Managing Director and executive Director) and Yip Kin Man, Raymond (Independent Non-executive Director) will retire from office by rotation and, being eligible for re-election pursuant to the Articles, offer themselves for re-election. Details of the above Directors who are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

Under the resolution 2, the re-election of the above Directors will be individually voted on by Shareholders.

4. ANNUAL GENERAL MEETING

The notice of Annual General Meeting is set out in this circular. In addition to the ordinary business of the meeting including re-election of retiring Directors, resolutions 4 to 5 will be proposed to approve the general mandates for the issue of Shares and the repurchase by the Company of its own Shares and extension of general mandate to issue Shares.

A form of proxy for the Annual General Meeting is enclosed herewith. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrars, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the said meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the said meeting or any adjourned meeting should you so wish.

5. VOTING BY POLL AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, each of the resolutions set out in the notice of the Annual General Meeting will be taken by way of poll. The Chairman would explain the detailed procedures for conducting a poll at the commencement of the Annual General Meeting. The results of the poll will be published on the websites of the Stock Exchange and the Company.

6. RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

7. RECOMMENDATION

The Board is of the opinion that the proposals referred to above are in the best interests of the Company and therefore recommend you to vote in favour of the resolutions in respect of the proposals for granting of general mandates for the issuance and repurchase of shares, extension of general mandate to issue Shares, and re-election of retiring Directors to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Cao Zhong
Chairman

This appendix serves as the 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 proposed Repurchase Mandate to be granted to the Directors. It also forms the memorandum of the terms of the proposed repurchase required under section 49BA(3)(b) of the Companies Ordinance.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,867,736,556 Shares of HK\$0.10 each. On the basis that no further Shares are repurchased before the conclusion of the Annual General Meeting and that no further Shares are issued prior to the Annual General Meeting, the Company would be allowed to repurchase a total of 186,773,655 Shares, representing 10% of the Shares in issue.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the applicable laws of Hong Kong. The Companies Ordinance provides that the amount of capital repaid in connection with a Share repurchase may only be paid from the distributable profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase to such an extent allowable.

The Directors propose that repurchases of Shares be financed from the Company's internal resources or existing banking facilities.

4. IMPACT ON THE WORKING CAPITAL OR GEARING POSITION

There might be material adverse impact on the working capital or gearing position of the Company as compared with the position as disclosed in the audited financial statements contained in the annual report for the year ended 31 December 2008 in the event that the proposed Shares repurchase was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company unless the Directors consider that such repurchases are in the best interests of the Company notwithstanding such material adverse effect.

5. SHARE PRICES

The highest and lowest prices at which Shares have been traded on the Stock Exchange during each of the previous twelve months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2008		
April	0.760	0.630
May	0.730	0.640
June	0.660	0.520
July	0.650	0.570
August	0.580	0.450
September	0.510	0.350
October	0.435	0.200
November	0.380	0.226
December	0.415	0.300
2009		
January	0.420	0.310
February	0.385	0.325
March	0.360	0.305
April (Up to the Latest Practicable Date)	0.390	0.315

6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applied, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention to sell any Shares to the Company or its Subsidiaries.

No other Connected Persons of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. THE CODES ON TAKEOVERS AND MERGERS AND SHARE REPURCHASES

If on exercise of the powers to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Shougang Holding (Hong Kong) Limited (“Shougang HK”) was deemed to be interested in approximately 47.10% of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full and no further Shares are issued or repurchased during the proposed repurchase period, the beneficial interest of Shougang HK in the issued share capital of the Company will increase by more than 2% to approximately 52.33% and therefore Shougang HK may be required under the Takeovers Code to make an offer for all the issued Shares of the Company. The Directors have no present intention to exercise the power to repurchase Shares to such extent as would result in a takeover obligation on the part of Shougang HK.

The Directors have no present intention to execute the power to repurchase Shares pursuant to the Repurchase Mandate to such an extent as to result in the amount of Shares held by the public being reduced to less than 25%.

8. REPURCHASE OF SHARES BY THE COMPANY

The Company had repurchased a total of 316,000 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date, details of which were as follows:

Date of repurchase	Number of Shares repurchased	Price paid per Share	
		Highest HK\$	Lowest HK\$
24 October 2008	216,000	0.249	0.230
27 October 2008	100,000	0.248	0.248
Total	<u>316,000</u>		

Save as disclosed above, the Company had not purchased any Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

The following are the particulars of the three Directors proposed to be elected at the Annual General Meeting to be held on 1 June 2009.

1. **Mr. Cao Zhong**, Chairman and executive Director, aged 49, graduated from Zhejiang University, The People's Republic of China and Graduate School, The Chinese Academy of Social Sciences with a Bachelor Degree in Engineering and a Master Degree in Economics. Mr. Cao was appointed the Chairman of each of the Company and Shougang Concord Technology Holdings Limited, the Deputy Chairman and General Manager of Shougang Holding (Hong Kong) Limited ("Shougang HK"), the substantial shareholder of the Company, the Managing Director of Shougang Concord International Enterprises Company Limited, another substantial shareholder of the Company and a Director of Shougang Concord Grand (Group) Limited ("Shougang Grand") in November 2001. He is currently the Vice Chairman and Managing Director of Shougang Grand and the Chairman and Executive Director of Global Digital Creations Holdings Limited, a subsidiary of Shougang Grand and APAC Resources Limited respectively. He also acts as the chairman and an executive director of Fushan International Energy Group Limited and a non-executive director of Mount Gibson Iron Limited, a company listed on the Australian Securities Exchange. Furthermore, he also acts as the Assistant General Manager of Shougang Corporation, the holding company of Shougang HK, and the Chairman of China Shougang International Trade and Engineering Corporation. In addition to the above, he serves as the Chairman of the Nomination Committee and the Vice-Chairman of the Remuneration Committee of the Company and the Chairman of one of the Subsidiaries of the Company. Mr. Cao has extensive experience in corporate management and operation.

Other than his directorship disclosed above, Mr. Cao does not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any other directors, senior management or substantial shareholders or controlling shareholders of the Company. At the Latest Practicable Date, he has a personal interest of 82,002,000 underlying shares attached to the share options granted by the Company within the meaning of Part XV of the SFO. Mr. Cao is entitled to receive a HK\$220,000 monthly salary under his service contract with the Company. The service contract may be terminated by either party by giving to other party not less than three months' notice without payment of any compensation (other than statutory compensation). There is no specified or proposed length of service for Mr. Cao with the Company as he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Owing to internal resources allocation, both Mr. Cao and the Company agreed to suspend payment of salaries with effect from 1 August 2008. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr. Cao has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

2. **Mr. Tang Cornor Kwok Kau**, Deputy Managing Director and executive Director, aged 48, Mr. Tang joined the Group in 1998 and was appointed as the Deputy Managing Director of the Company in March 2000. He holds a Bachelor Degree and a Master Degree in Business Administration from York University in Canada. At present, he holds directorship in certain wholly owned Subsidiaries of the Company and a jointly controlled entity of the Group. Prior to joining the Group, Mr. Tang had held senior positions with various international investment banks. He also has over 15 years' experience in corporate and investment banking.

Other than his directorship disclosed above, Mr. Tang does not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any other directors, senior management or substantial shareholders or controlling shareholders of the Company. At the Latest Practicable Date, he beneficially owns 6,670,000 ordinary Shares of the Company and in which of 200,000 ordinary Shares are jointly owned by his wife within the meaning of the SFO. In addition, he has a personal interest of 10,500,000 underlying shares attached to the share options granted by the Company. Mr. Tang is entitled to receive a HK\$150,000 monthly salary at present under his service contract with the Company. The service contract may be terminated by either party by giving to other party not less than three months' notice without payment of any compensation (other than statutory compensation). There is no specified or proposed length of service for Mr. Tang with the Company as he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr. Tang has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

3. **Mr. Yip Kin Man, Raymond**, Independent Non-executive Director, aged 62, Mr. Yip was appointed the Independent Non-executive Director of the Company in 1993, and was appointed the Independent Non-executive Director of Shougang Grand with effective from 19 January 2007. He also serves as the Chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee of the Company. Mr. Yip is a practising solicitor, notary public, Attesting Officer appointed by the Ministry of Justice of the People's Republic of China.

Other than the directorship disclosed above, Mr. Yip has not previously held any position with the Company and/or its Subsidiaries, and is independent of and not connected with the directors, chief executive and substantial or controlling shareholders of the Company or its Subsidiaries or an associate of any of them. He does not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. At the Latest Practicable Date, he has a personal interest of 2,816,000 underlying shares attached to the share options granted by the Company within the meaning of Part XV of the SFO. A service contract was entered into between Mr. Yip and the Company for a term of three years commencing from 1 January 2008. However, he will also be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. He will receive a director's fee as the Company may determine from time to time. At present, he receives a director's fee of HK\$240,000 per annum. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr. Yip has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



Shougang Concord Century Holdings Limited

首長寶佳集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 103)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shougang Concord Century Holdings Limited (the “Company”) will be held at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong, on Monday, 1 June 2009 at 10:10 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements and the report of the directors and independent auditor’s report for the year ended 31 December 2008.
2. To re-elect the retiring directors (note (2)).
3. To re-appoint Deloitte Touche Tohmatsu as auditors of the Company to hold office until the conclusion of the next annual general meeting and to authorize the board of directors to fix their remuneration.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and it is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize 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;

NOTICE OF 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) above, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any of its associated companies and/or any of its jointly controlled entities or any eligible participant pursuant to the scheme of shares or rights to acquire shares of the Company; or (iv) any scrip dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or any class thereof (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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

A. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period of all the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), and that the exercise by the directors of the Company of all the powers of the Company to repurchase such shares subject to and in accordance with all applicable laws or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and it is hereby generally and unconditionally approved;
- (b) in addition, the approval in paragraph (a) above shall authorize the directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the directors;
- (c) the aggregate nominal amount of shares of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- B. “**THAT** conditional upon the passing of the ordinary resolution 5A above, the aggregate nominal amount of the shares in the Company which are repurchased by the Company pursuant to and in accordance with the said ordinary resolution 5A shall be added to the aggregate nominal amount of the shares in the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the ordinary resolution 4 above.”

By Order of the Board
Chan Lai Yee
Company Secretary

Hong Kong, 27 April 2009

Notes:

1. A shareholder entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company. Forms of proxy must be lodged at the Company's share registrars, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time for holding the meeting.
2. With respect to resolution 2, Messrs. Cao Zhong, Tang Cornor Kwok Kau and Yip Kin Man, Raymond will retire from office by rotation, pursuant to the articles of association of the Company and being eligible, offer themselves for re-election at the above meeting.
3. As at the date of this notice, the board of directors of the Company comprises Mr. Cao Zhong (Chairman), Mr. Li Shaofeng (Managing Director), Mr. Tong Yihui (Deputy Managing Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Tang Cornor Kwok Kau (Deputy Managing Director), Mr. Geert Johan Roelens (Executive Director), Mr. Yip Kin Man, Raymond (Independent Non-executive Director), Mr. Law, Yui Lun (Independent Non-executive Director) and Mr. Chan Chung Chun (Independent Non-executive Director).