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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 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 Shougang Concord Technology Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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首長科技集團有限公司
SHOUGANG CONCORD TECHNOLOGY HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 521)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS AND ELECTION OF A DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of annual general meeting of Shougang Concord Technology Holdings Limited to be held at 11:00 a.m. on Tuesday, 8 June 2010 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong is set out on pages 12 to 15 of this circular. Whether or not you are able to attend the meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the share registrars of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting (as the case may be) should you so wish.

29 April 2010

DEFINITIONS

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

| | |
|---------------------------|---|
| “Annual General Meeting” | the annual general meeting of the Company to be held at 11:00 a.m. on Tuesday, 8 June 2010 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong or any adjournment thereof |
| “associate(s)” | has the same meaning as ascribed to it under the Listing Rules |
| “Board” | the board of Directors |
| “Company” | Shougang Concord Technology Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange |
| “connected person” | has the same meaning as ascribed to it under the Listing Rules |
| “controlling shareholder” | has the same meaning as ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Latest Practicable Date” | 23 April 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange and any amendments thereto |
| “PRC” | the People’s Republic of China but excluding, for the purpose of this circular, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan |
| “SFO” | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | the ordinary share(s) of HK\$0.25 each in the share capital of the Company |
| “Shareholder(s)” | the holder(s) of the Shares |

DEFINITIONS

| | |
|------------------|---|
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | Code on Takeovers and Mergers |
| “%” | per cent. |

LETTER FROM THE BOARD



首長科技集團有限公司
SHOUGANG CONCORD TECHNOLOGY HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 521)

Directors:

Cao Zhong (*Chairman*)
Chau Chit (*Managing Director*)
Mung Kin Keung (*Executive Director*)
Leung Shun Sang, Tony (*Non-executive Director*)
Chen Jang Fung (*Non-executive Director*)
Chan Wah Tip, Michael (*Non-executive Director*)
Lee Fook Sun (*Non-executive Director*)
James Alan Chiddix (*Non-executive Director*)
Kan Lai Kuen, Alice (*Independent Non-executive Director*)
Wong Kun Kim (*Independent Non-executive Director*)
Leung Kai Cheung (*Independent Non-executive Director*)

Registered Office:

Unit 2102, 21st Floor
Tower II, Admiralty Centre
No. 18 Harcourt Road
Hong Kong

29 April 2010

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS AND ELECTION OF A DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with details regarding the proposals for (i) granting of general mandates to the Directors to issue and repurchase the Shares and (ii) re-election of retiring Directors and election of a Director. Such proposals will be dealt at the Annual General Meeting.

LETTER FROM THE BOARD

GENERAL MANDATES

At the Annual General Meeting, separate ordinary resolutions will be proposed to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding in aggregate 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of such resolution; (ii) to repurchase Shares comprising the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of such resolution; and (iii) to add the aggregate amount of the Shares repurchased by the Company to the general mandate to the Directors to allot new Shares of up to 20% of the issued share capital of the Company.

The mandates to issue and repurchase Shares granted at the annual general meeting held on 1 June 2009 will lapse at the conclusion of the Annual General Meeting. Resolutions Nos. 4 to 6 set out in the notice of Annual General Meeting will be proposed at the Annual General Meeting to renew these mandates. With reference to these resolutions, the Directors wish to state that they have no present intention to repurchase any Shares or to issue any new Shares pursuant to the relevant mandates.

Based on 2,142,141,179 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are repurchased or issued prior to the Annual General Meeting, subject to the passing of the relevant ordinary resolutions to approve the mandate to issue Shares at the Annual General Meeting, the Directors will be authorised to allot and issue up to a limit of 428,428,235 Shares under the general mandate to issue Shares.

If approved by the Shareholders at the Annual General Meeting, the general mandate to issue Shares will continue in force until the earlier of (i) the conclusion of the next annual general meeting of the Company following the passing of the resolution referred to herein; or (ii) the revocation or variation of the general mandate to issue Shares by an ordinary resolution of the Shareholders in general meeting.

The explanatory statement, required by the Listing Rules to be sent to the Shareholders in connection with the proposed general mandate to repurchase the Shares (the "Repurchase Mandate") is set out in the Appendix to this circular which contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions.

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out in this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed to approve the general mandates for the issue and repurchase by the Company of its own Shares.

With respect to the resolution for re-election of retiring Directors and election of a Director, Mr. Chau Chit, Mr. Lee Fook Sun, Ms. Kan Lai Kuen, Alice and Mr. Wong Kun Kim will retire from office at the Annual General Meeting pursuant to the articles of association of the Company and, being eligible, save for Ms. Kan Lai Kuen, Alice who will not offer herself for re-election due to her other engagements, Mr. Chau Chit, Mr. Lee Fook Sun and Mr. Wong Kun Kim will offer themselves for re-election at the Annual General Meeting. It is proposed that Mr. Wong Wai Kwan be elected as an Independent Non-executive Director to fill up the vacated office of Ms. Kan Lai Kuen, Alice at the Annual General Meeting.

LETTER FROM THE BOARD

Details of the Directors who are proposed to be re-elected or elected at the Annual General Meeting are set out as follows:

Mr. Chau Chit, aged 44, graduated from Zhejiang University. Mr. Chau was appointed an Executive Director of the Company in June 2006 and is currently the Managing Director and a member of each of the Executive Committee and the Investment Committee of the Company. He is a director and the chief executive officer of Sino Stride Technology (Holdings) Limited (“Sino Stride”), a subsidiary of the Company which was listed on the Growth Enterprise Market of the Stock Exchange from 29 July 2002 to 6 November 2006. Mr. Chau is a director and the sole shareholder of Mega Start Limited, a substantial shareholder of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Chau does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries.

A service contract has been entered into between Mr. Chau and the Company for a term of three years commencing on 1 January 2008. Under the service contract, Mr. Chau is entitled to a monthly salary of HK\$200,000 and discretionary bonus as may be determined by the Board from time to time. For the financial year ended 31 December 2009, the discretionary bonus for Mr. Chau is HK\$1,200,000. Such salary and bonus were determined with reference to the then prevailing market conditions, the performance of the Company as well as Mr. Chau’s individual performance. As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr. Chau had a corporate interest of 301,160,000 Shares, beneficial interests of 15,438,000 Shares and of 18,750,000 underlying Shares attached to the share options granted by the Company.

In relation to the proposed re-election of Mr. Chau as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Lee Fook Sun, aged 53. Mr. Lee was appointed a Non-executive Director of the Company in December 2007. He graduated from the University of Oxford with a Bachelor of Arts (Honours) and a Master of Arts (Engineering Science) degree and completed the Stanford Executive Programme at Stanford University. Mr. Lee served in the Singapore Ministry of Defence as Director of Joint Intelligence Directorate from 1996 to 2000 and retired from active military services with a rank of Brigadier General. Currently, he is the President of Singapore Technologies Electronics Limited, a substantial shareholder of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Lee does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries.

LETTER FROM THE BOARD

An engagement letter has been entered into with Mr. Lee for a term of three years commencing on 1 January 2008. Under the engagement letter, Mr. Lee is entitled to a director's fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ended 31 December 2009, the director's fee of Mr. Lee is HK\$150,000. For the financial year ending 31 December 2010, the director's fee of Mr. Lee will be HK\$150,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Lee. Such director's fees were determined with reference to Mr. Lee's experience and duties as well as the then prevailing market conditions. As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr. Lee had a beneficial interest of 1,800,000 underlying Shares attached to the share options granted by the Company.

In relation to the proposed re-election of Mr. Lee as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Wong Kun Kim, aged 65. Mr. Wong was appointed an Independent Non-executive Director of the Company in September 2004 and is the chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee of the Company. He is also an independent non-executive director of Shougang Concord International Enterprises Company Limited. Mr. Wong holds a bachelor degree in economics, a master degree in business administration and a doctorate of philosophy. He is a member of the Chartered Institute of Marketing and Chartered Management Institute and is licensed as a responsible officer of each of Asia Investment Management Limited and Asia Investment Research Limited under the SFO. Mr. Wong has over 30 years of experience working as senior executives for various multinational corporations engaged in trading, manufacturing, finance and real estates. He had served as consultants and directors for different listed companies in Mainland China, Hong Kong, Taiwan and United States of America and is currently an independent non-executive director of Sunway International Holdings Limited, a Hong Kong listed company. Save as disclosed above, Mr. Wong does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries.

An engagement letter has been entered into with Mr. Wong for a term of three years commencing on 1 January 2008. Under the engagement letter, Mr. Wong is entitled to a director's fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ended 31 December 2009, the director's fee of Mr. Wong is HK\$240,000. For the financial year ending 31 December 2010, the director's fee of Mr. Wong will be HK\$240,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Wong. Such director's fees were determined with reference to Mr. Wong's experience and duties as well as the then prevailing market conditions. As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr. Wong had a beneficial interest of 3,514,000 underlying Shares attached to the share options granted by the Company.

In relation to the proposed re-election of Mr. Wong as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

Mr. Wong, being an Independent Non-executive Director of the Company, has provided an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee of the Company, therefore, considers Mr. Wong to be independent and believes that he should be re-elected.

Mr. Wong Wai Kwan, aged 42, holds a bachelor degree in accountancy from City University of Hong Kong and a master degree in business administration from Washington University in St. Louis, U.S.A. Mr. Wong is a member of The Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants. Currently, he is the Chief Executive Officer of RSM China Consulting, the consulting arm of RSM China CPA firm which in turn is a member firm of RSM International. Mr. Wong was a non-executive director of Sino Stride, a subsidiary of the Company, from April 2002 to November 2006. Sino Stride was listed on the Growth Enterprise Market of the Stock Exchange from 29 July 2002 to 6 November 2006. Mr. Wong has over 17 years of working experience in the audit and consulting areas. He has extensive experience in IPO, risk management and merger and acquisition. Save as disclosed above, Mr. Wong does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries.

Upon the election of Mr. Wong as an Independent Non-executive Director by the Shareholders, an engagement letter will be entered into with Mr. Wong for a term commencing on the effective date of his appointment and expiring on 31 December 2010. Under the engagement letter, Mr. Wong will be entitled to a director's fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ending 31 December 2010, the director's fee of Mr. Wong will be HK\$20,000 per month which will be paid in proportion to the actual length of services provided by Mr. Wong. Such director's fee was determined with reference to Mr. Wong's experience and duties as well as the then prevailing market conditions.

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr. Wong does not have any interests in the Shares.

In relation to the proposed election of Mr. Wong as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

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

LETTER FROM THE BOARD

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 the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the proposals for (i) granting of general mandates to the Directors to issue and repurchase Shares and (ii) re-election of retiring Directors and election of a Director are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the Annual General Meeting in respect thereof.

Yours faithfully,
For and on behalf of
Shougang Concord Technology Holdings Limited
Cao Zhong
Chairman

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHAREHOLDERS' APPROVAL

All proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by special approval of a particular transaction. The Company's sole listing is on the Stock Exchange.

2. SOURCE OF FUNDS

Repurchases must be funded out of funds legally available for the purpose in accordance with the memorandum and articles of association of the Company and the applicable laws of Hong Kong. It is presently proposed that any Shares repurchased under the Repurchase Mandate would be purchased out of the capital paid up on the repurchased Shares, the profits of the Company which would otherwise be available for dividend and the Company's share premium account.

3. EXERCISE OF THE REPURCHASE MANDATE

The Shares proposed to be repurchased by the Company must be fully paid up. Under the Listing Rules, the total number of shares which a company is authorised to repurchase on the Stock Exchange is shares representing up to a maximum of 10% of the existing issued share capital as at the date of the resolution granting such general mandate. Exercise in full of the Repurchase Mandate, on the basis of 2,142,141,179 Shares in issue as at the Latest Practicable Date and assuming no Shares are issued and repurchased by the Company prior to the Annual General Meeting, could result in up to 214,214,117 Shares, which represents 10% of the issued share capital of the Company as at the Latest Practicable Date, being repurchased by the Company during the period from the passing of the resolution granting the Repurchase Mandate up to the conclusion of the next annual general meeting of the Company or the expiration of the period within the next annual general meeting of the Company as required by the applicable laws of Hong Kong to be held, or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever occurs first.

4. REASONS FOR REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, they 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 purchase Shares on the market. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

5. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the applicable laws of Hong Kong.

The exercise in full of the Repurchase Mandate might have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in its most recent audited accounts for the year ended 31 December 2009. 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 or gearing position of the Company.

6. GENERAL

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders to sell the Shares to the Company or its subsidiaries.
- (b) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.
- (c) If on exercise of the power 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 purposes of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of a repurchasing company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Shougang Holding (Hong Kong) Limited ("Shougang Holding") and its associates were interested in approximately 19% 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 during the proposed repurchase period, the interest held by Shougang Holding and its associates in the issued share capital of the Company will increase to approximately 21%. The Directors are not aware of any consequences for Shougang Holding and its associates under the Takeovers Code as a result, solely, of the Directors exercising the Repurchase Mandate in full.

- (d) The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date and will not repurchase its Shares if public float is less than 25%.

- (e) No connected person has notified the Company that he or she has a present intention to sell Shares to the Company, and no connected person has undertaken not to sell any of Shares held by him or her to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.
- (f) The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months were as follows:

| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|---|-------------------------------|------------------------------|
| 2009 | | |
| April | 0.420 | 0.275 |
| May | 0.580 | 0.395 |
| June | 0.630 | 0.510 |
| July | 0.670 | 0.485 |
| August | 0.670 | 0.520 |
| September | 0.710 | 0.490 |
| October | 0.580 | 0.480 |
| November | 0.660 | 0.520 |
| December | 0.650 | 0.520 |
| 2010 | | |
| January | 0.740 | 0.540 |
| February | 0.660 | 0.540 |
| March | 0.630 | 0.560 |
| April (up to the Latest Practicable Date) | 0.630 | 0.550 |

NOTICE OF ANNUAL GENERAL MEETING



首長科技集團有限公司
SHOUGANG CONCORD TECHNOLOGY HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 521)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shougang Concord Technology Holdings Limited (the “Company”) will be held at 11:00 a.m. on Tuesday, 8 June 2010 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong for the following purposes:

AS ORDINARY BUSINESS

1. To receive the report of the directors and the audited financial statements for the year ended 31 December 2009.
2. To re-elect the retiring directors and elect a director.
3. To appoint auditor and to authorise the directors to fix its remuneration.

AS SPECIAL BUSINESS

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

“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 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 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;
- (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

NOTICE OF ANNUAL GENERAL MEETING

employees of the Company and/or any of its subsidiaries 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 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 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 any territories outside Hong Kong).”

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

“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, and that the exercise by the directors of all the powers of the Company to repurchase such shares subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and it is hereby generally and unconditionally approved;
- (b) in addition, the approval in paragraph (a) above shall authorise 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;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of shares 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 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 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.”

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

“**THAT** conditional upon the passing of resolution no. 5 as set out in the notice convening this meeting of which this resolution forms part, the aggregate nominal amount of the shares in the Company which are repurchased by the Company pursuant to and in accordance with the said resolution no. 5 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 pursuant to and in accordance with resolution no. 4 as set out in the notice convening this meeting of which this resolution forms part.”

By Order of the Board
Cheng Man Ching
Company Secretary

Hong Kong, 29 April 2010

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) With respect to Resolution 2 above, Mr. Chau Chit, Mr. Lee Fook Sun, Ms. Kan Lai Kuen, Alice and Mr. Wong Kun Kim will retire from office at the above meeting pursuant to the articles of association of the Company and, being eligible, save for Ms. Kan Lai Kuen, Alice who will not offer herself for re-election due to her other engagements, Mr. Chau Chit, Mr. Lee Fook Sun and Mr. Wong Kun Kim will offer themselves for re-election at the above meeting. It is proposed that Mr. Wong Wai Kwan be elected as an independent non-executive director to fill up the vacated office of Ms. Kan Lai Kuen, Alice at the above meeting.
- (2) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (3) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person duly authorised to sign the same.
- (4) In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with the share registrars of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting thereof (as the case may be).
- (5) Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (6) Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.