



首長國際企業有限公司
SHOUGANG CONCORD INTERNATIONAL ENTERPRISES COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)
 (Stock Code: 697)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shougang Concord International Enterprises Company Limited (the "Company") will be held at 11:30 a.m. on Tuesday, 8th June, 2004 at 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 31st December, 2003.
2. To re-elect the retiring directors.
3. To appoint auditors and to authorise the directors to fix their 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 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 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 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 or 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;

- (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 the 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 the meeting of which this resolution forms part."

7. To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

"THAT the existing articles of association of the Company be and are hereby amended in the following manner:

- (a) by deleting the definition of "associate" in Article 2 in its entirety and replacing it with the following new definition:

"associate" shall have the meaning as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time";

- (b) by adding a new definition of "clearing house" in Article 2 after the definition of "capital":

"clearing house" shall mean a recognised clearing house as referred to in the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) from time to time";

- (c) by deleting the words "two months" in line 2 of Article 16 and replacing with the following words:

"the relevant time limit as prescribed in the Companies Ordinance or as the The Stock Exchange of Hong Kong Limited may from time to time determine, whichever is the shorter,";

- (d) by adding the following sentence into Article 80 after the words ".....this Article as paid up on the share" but before the words "On a poll a member entitled to more than one vote.....":

"Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a member of the Company which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands.";

- (e) by adding the following new Article 84(C) immediately after Article 84(B):

"(C) Notwithstanding anything contained in these Articles, where any shareholder is, under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.";

- (f) by adding the following Article 91A after Article 91:

"91A. If a clearing house (or its nominee(s)), being a corporation, is a member of the Company, it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Each person so authorised under this provision shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including the right to vote individually on a show of hands.";

- (g) by deleting the words "a special resolution" in Article 101(A)(vii) and inserting in its place the words "an ordinary resolution";

- (h) by deleting Article 102(E) in its entirety and replacing it with the following new Article 102(E):

"(E) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof) and except (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director and/or any of his associate(s) own 5 per cent. or more in aggregate (as defined in paragraph (I) of this Article).";

- (i) by deleting Articles 102 (H), (I), (J), (K) and (L) in its entirety and replacing it with the following new Articles 102 (H), (I), (J), (K) and (L):

"(H) Save as otherwise provided by the Articles, a Director shall not vote (or be counted in the quorum at a meeting) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates has a material interest, but this prohibition shall not apply to any of the following matters:

- (i) the giving of any security or indemnity either:-

- (a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

- (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and/or any of his associates are not in aggregate beneficially interested in 5 per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;

(iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or

(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;

(v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

(I) A company shall be deemed to be a company in which a Director and/or any of his associate(s) own 5 per cent. or more in aggregate if he and/or any of his associate(s) are (either directly or indirectly) the holder(s) of or beneficially interested in 5 per cent. or more in aggregate of any class of the equity share capital of such company or of the voting rights available to members of such company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee in which he has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.

(J) Where a company in which a Director and/or any of his associate(s) own 5 per cent. or more in aggregate (as defined in paragraph (I) of this Article) is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.

(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director or his associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or his associate(s), such question shall be decided by a resolution of the Board (for which purpose such chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman or his associate(s) as known to such chairman has not been fairly disclosed to the Board. For the purposes of this paragraph and in relation to an alternate Director, an interest of his appointor or his associate(s) shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.

(L) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Article provided that no Director or any of his associate(s) having a material interest in such transaction shall vote upon such ordinary resolution in respect of any shares in the Company in which such Director is interested.”;

(j) by deleting Article 107 in its entirety and replacing it with the following new Article 107:

“107. No person shall be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall been given to the Company at least seven days before the date of general meeting. Such period for lodgment of the notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.”; and

(k) by deleting the words “special resolution” in the first line in Article 109 and inserting in its place the words “an ordinary resolution”;

and **THAT** any director of the Company be and is hereby authorised to take such further action as he/she may, in his/her sole and absolute discretion thinks fit for and on behalf of the Company to implement the aforesaid amendments to the existing articles of association of the Company.”

By Order of the Board
Cheng Man Ching
Company Secretary

Hong Kong, 29th April, 2004

Notes:

(1) With respect to Resolution 2 above, Mr. Wang Qinghai, Mr. Lai Kam Man, David and Ms. Choy Hok Man, Constance will retire from office at the above meeting pursuant to the articles of association of the Company and, being eligible, will offer themselves for re-election at the above meeting.

(2) 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 lodged at the Company's registrars, Tengis Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting (as the case may be).

As at the date of this announcement, the board of directors of the Company comprises of Mr. Wang Qinghai (Chairman), Mr. Cao Zhong (Managing Director), Mr. Chen Zhouping (Deputy Managing Director), Mr. Zhang Wenhui (Deputy Managing Director), Mr. Tsoi Wai Kwong, Mr. Ip Tak Chuen, Edmond, Mr. Leung Shun Sang, Tony, Mr. Lai Kam Man, David (Independent Non-executive Director) and Ms. Choy Hok Man, Constance (Independent Non-executive Director).