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首長四方（集團）有限公司
SHOUGANG CONCORD GRAND (GROUP) LIMITED
(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT
PROPOSED DISTRIBUTION IN SPECIE OF SHARES IN
SHOUGANG CONCORD TECHNOLOGY HOLDINGS LIMITED
BY SHOUGANG CONCORD GRAND (GROUP) LIMITED

On 13 February 2004, the Board passed a resolution to approve the Proposed Distribution. The Group will cease to have any shareholding in SCT upon completion of the Proposed Distribution. The Proposed Distribution will be made to the Shareholders whose names appear on the register of members of the Company on the Record Date on a pro-rata basis.

The Group currently owns approximately 31.02% (371,649,069 shares) of SCT. Based on 857,867,914 Shares in issue as at the date of this announcement, every Share is entitled to approximately 0.433 share of SCT. Further, as at the date of this announcement, there are outstanding share options of the Company which entitle grantees to subscribe for 82,779,432 Shares. Assuming all these outstanding share options are exercised on or before 4:00 p.m. 2 March 2004, there will be 940,647,346 Shares in issue, then every Share is entitled to approximately 0.395 share of SCT.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 16 February 2004 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 17 February 2004.

THE PROPOSED DISTRIBUTION

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REASONS FOR THE PROPOSED DISTRIBUTION

The Proposed Distribution would enable the Group to focus on property investment and management and financial services businesses. In addition, the Proposed Distribution would provide Shareholders and investors who are interested in the Group's core businesses, other than those of SCT, with the opportunity to directly invest in the Company after completion of the Proposed Distribution. Those Shareholders and investors would also be provided with the opportunity to have a direct shareholding in SCT upon completion of the Proposed Distribution.

EFFECTS OF THE PROPOSED DISTRIBUTION

The Group will cease to have any shareholding in SCT after completion of the Proposed Distribution.

The estimated financial effects of the Proposed Distribution on the consolidated net tangible asset value of the Group are shown as follows:

	<i>HK\$'000</i>	
Consolidated net tangible asset value of the Group as at 31 December 2002		619,694 #
Less: Interest in SCT		(241,664) #
		<hr/>
Unaudited adjusted pro forma consolidated net tangible asset value of the Group after the Proposed Distribution		378,030
		<hr/> <hr/>
Consolidated net tangible asset value per Share as at 31 December 2002		HK\$0.72 *
		<hr/> <hr/>
Unaudited adjusted pro forma consolidated net tangible asset value per Share after the Proposed Distribution		HK\$0.44 *
		<hr/> <hr/>
	For the year ended 31 December 2001 HK\$'000	For the year ended 31 December 2002 HK\$'000
Consolidated net profit/(loss) attributable to Shareholders	(72,782) ##	2,786 #
Less: The Group's share of SCT's profit/(loss)	(28,573) ##	12,177 #
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Unaudited adjusted pro forma consolidated net (loss) attributable to Shareholders after the Proposed Distribution	(44,209)	(9,391)
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- * *Based on 857,867,914 Shares in issue as at the date of this announcement*
- # *After restatement as a result of the adoption of the SSAP12(Revised) made to the figures extracted from 2002 annual report of the Company.*
- ## *Extracted from 2001 annual report of the Company*

PRINCIPAL ACTIVITIES OF THE GROUP

The Company is an investment holding company and its principal subsidiaries and associated companies mainly engage in property investment and management.

INFORMATION ON SCT

SCT is an investment holding company and its subsidiaries are mainly engaged in manufacturing and sale of photomasks, telephone accessories, power cords, adaptors and electronic products, printed circuit boards and high precision metal parts.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 3 March 2004 to 4 March 2004, both days inclusive, during which period no Shares will be registered. For ascertaining Shareholders' entitlement to the Proposed Distribution, all share transfer documents together with the relevant share certificates must be lodged with the Company's branch share registrars, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong by no later than 4:00 p.m. on 2 March 2004.

SHARE CERTIFICATES OF SCT

Definitive certificates for SCT's shares are expected to be despatched by mail to the Shareholders, at their own risks, by no later than 24 March 2004. Fractional shares will not be issued but fractional entitlements will be aggregated and disposed of for the benefit of the Company.

TENTATIVE TIMETABLE

Last day of dealing in Shares with entitlement to the SCT's shares pursuant to the Proposed Distribution	27 February 2004
First day of dealing in Shares on ex-entitlement basis	1 March 2004
Latest time for lodging transfer of the Shares in order to qualify for the Proposed Distribution	4:00 p.m. 2 March 2004
Book Close Date	3 March 2004 to 4 March 2004
Distribution date	24 March 2004

Note: The above timetable is an indication only. Further announcement will be made if major changes are made to the above timetable.

SUSPENSION AND RESUMPTION OF TRADING IN SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 16 February 2004 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 17 February 2004.

DEFINITIONS

“Board”	the board of directors of the Company;
“Company”	Shougang Concord Grand (Group) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“Group”	the Company and its subsidiaries;
“Proposed Distribution”	payment of a special dividend to be satisfied by the distribution in specie of the Company’s entire shareholding (approximately 31.02%) in SCT to the Shareholders;
“Record Date”	the close of business on 4 March 2004;
“SCT”	Shougang Concord Technology Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange;
“Shareholders”	the holders of the Shares;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company;
“SSAP12 (Revised)”	the revised Statement of Standard Accounting Practice No. 12 “Income Taxes” issued by the Hong Kong Society of Accountants with principal effect in relation to deferred tax, effective from 1 January 2003 and the Company has adopted this revised accounting policy retrospectively; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By Order of the Board
SHOUGANG CONCORD GRAND (GROUP) LIMITED
Cao Zhong
Vice Chairman

Hong Kong,
16 February 2004

Please also refer to the published version of this announcement in The Standard.