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首長國際企業有限公司

SHOUGANG CONCORD INTERNATIONAL ENTERPRISES COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

**ANNOUNCEMENT RE UNUSUAL TRADING VOLUME
AND CLARIFICATION OF PRESS ARTICLE**

The Board wishes to state that the Company is considering certain investment opportunities and the related fund raising arrangements. However, no decision or agreement has been made and such exercises may or may not proceed. **Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 27th 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 1st March, 2004.

The board of directors (the "Board") of Shougang Concord International Enterprises Company Limited (the "Company") has noted the recent increase in the trading volume of the shares of the Company ("Shares") and a press article in respect of possible disposal of interests in Shougang Concord Century Holdings Limited ("Shougang Century") by the Company. The Board wishes to state that the Company has no current intention to dispose of any of its interests in Shougang Century. The Board also wishes to state that the Company is considering and negotiating for certain investment opportunities in line with its core businesses from connected persons (as defined in the Listing Rules) and independent third parties and the related fund raising arrangements which may or may not involve issue of new Shares. However, no decision or agreement has been made and such exercises may or may not proceed. **Shareholders and potential investors are advised to exercise caution when dealing in the Shares.** In the event that there is any major development, a further announcement will be made if and when necessary.

Save as disclosed above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

This announcement is made by the order of Board, the directors of which individually and jointly accept responsibility for the accuracy of this announcement.

At the request of the Company, trading in the Shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") was suspended from 9:30 a.m. on 27th 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 1st March, 2004.

By order of the Board
Cao Zhong
Managing Director

Hong Kong, 27th February, 2004

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