

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

The Company noted today's increase in the trading volume of the shares of the Company and wishes to state that the Company is not aware of any reasons for such increases, save as disclosed in this announcement.

The Company is in preliminary negotiation with the other shareholders of the Associated Company on the possible increase of the Company's interest in the Associated Company (the "**Possible Increase**"). In accordance with Rule 13.09 of the Listing Rules, the Company wishes to inform the public of the Possible Increase.

As the Possible Increase may or may not take place, shareholders of the Company and public investors are advised to exercise extreme caution when dealing in the shares of the Company.

The Company noted today's increase in the trading volume of the shares of the Company and wishes to state that the Company is not aware of any reasons for such increases, save as disclosed in this announcement.

The directors of the Company (the "**Directors**") wish to inform the public that the Company is in preliminary negotiation with the other shareholders, which are independent third parties, of an associated company of the Company (the "**Associated Company**") on the possible increase of the Company's interest in the Associated Company. The Associated Company is engaged in the design, manufacture and sale of steel plates.

As at the date of this announcement, no letter of intent or agreement in relation to the Possible Increase has been signed and no material terms have been agreed for the Possible Increase.

As the Possible Increase may or may not take place, shareholders of the Company and public investors are advised to exercise extreme caution when dealing in the shares of the Company.

The Possible Increase, if effected, will constitute a notifiable transaction under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The Directors will keep the market informed by way of announcement in compliance with the requirements of the Listing Rules as and when any written agreement in relation to the Possible Increase has been signed.

Save as disclosed above, the Company is not aware of any negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, nor is the board of directors of the Company aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

By Order of the Board

Shougang Concord International Enterprises Company Limited

Cao Zhong

Managing Director

Hong Kong, 3 August 2005

As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Qinghai (Chairman), Mr. Cao Zhong (Managing Director), Mr. Chen Zhouping (Deputy Managing Director), Mr. Luo Zhenyu (Deputy Managing Director), Mr. Tsoi Wai Kwong, Mr. Ip Tak Chuen, Edmond, Mr. Leung Shun Sang, Tony, Ms. Choy Hok Man, Constance, Ms. Kan Lai Kuen, Alice (Independent Non-executive Director), Mr. Kwan Bo Ren, Dick (Independent Non-executive Director) and Mr. Wong Kun Kim (Independent Non-executive Director).