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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)
(Stock Code: 697)

RESULTS OF THE EXTRAORDINARY GENERAL MEETING
HELD ON 17 OCTOBER 2005

The Board is pleased to announce that the ordinary resolutions relating to the First Agreement, the Second Agreement and the Master Agreement were duly passed by the Shareholders and the Independent Shareholders (as the case may be) by way of a poll at the Extraordinary General Meeting held on 17 October 2005.

References are made to the announcement of Shougang Concord International Enterprises Company Limited (the “Company”) dated 10 August 2005 and the circular of the Company dated 30 September 2005 (the “Circular”) relating to the Acquisitions and the Continuing Connected Transactions. Terms used herein shall have the same meanings as defined in the Circular unless the context requires otherwise.

RESULTS OF THE EXTRAORDINARY GENERAL MEETING

The Board is pleased to announce that the ordinary resolutions relating to the First Agreement, the Second Agreement were duly passed by the Shareholders by way of a poll and the Master Agreement by the Independent Shareholders by way of a poll at the Extraordinary General Meeting held on 17 October 2005.

The Company’s share registrars, Tengis Limited, was appointed the scrutineer in the Extraordinary General Meeting for the purpose of vote-taking and the voting results are as follows:

Ordinary resolutions	Number of votes cast (percentage of total number of votes cast)		Total number of votes cast
	For	Against	
1. To approve the First Agreement, and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Profit Access Consideration Shares, the issue of the Profit Access Consideration Shares as part payment for the consideration of the First Acquisition.	3,078,797,188 (99.92%)	2,596,000 (0.08%)	3,081,393,188
2. To approve the Second Agreement and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the First Consideration Shares, the Second Consideration Shares and the Third Consideration Shares, the issue of the First Consideration Shares, the Second Consideration Shares and the Third Consideration Shares as part payment for the consideration of the Second Acquisition.	3,078,783,188 (99.92%)	2,610,000 (0.08%)	3,081,393,188
3. To approve the Master Agreement and the cap amounts in relation to the Continuing Connected Transactions for each of the three financial years ending 31 December 2007.	347,586,502 (99.26%)	2,580,000 (0.74%)	350,166,502

As at the date of the Extraordinary General Meeting, the Company had 4,662,397,215 Shares in issue. Shougang Holding and its associates beneficially interested in approximately 60% of the issued share capital of the Company, abstained from voting for resolution 3 at the Extraordinary General Meeting. There was no Shareholder who was entitled to attend the Extraordinary General Meeting but was only entitled to vote against the resolutions proposed at the Extraordinary General Meeting.

UPDATED FINANCIAL INFORMATION

To provide the Shareholders with the updated information regarding the Shouqin Joint Venture and the financial impact on the Group of the Acquisitions, the Board sets out the following summary unaudited financial information of the Group and the Shouqin Joint Venture:

Sequential information of the Group (HK Dollar in Millions)

	2003 Actual	2004 Actual	First half 04 Actual	First half 05 Actual
Total Revenue	2,327	3,289	1,390	2,540
Steel manufacturing	1,678	2,378	1,038	1,440
Shipping	209	276	140	121
Power generation	375	381	189	201
Steel trading, kitchen and laundry equipment and others	65	254	23	778
Segmental Operating Profit – aggregate	244	351	170	278
Steel manufacturing	189	172	85	189
Shipping	(9)	113	61	48
Power generation	66	63	33	32
Steel trading, kitchen and laundry equipment and others	(2)	3	(9)	9
Total operating EBITDA*	300	398	205	296
Segmental operating EBITDA* – aggregate	314	416	212	304
Steel manufacturing	227	204	100	202
Shipping	(9)	114	62	49
Power generation	100	96	50	44
Steel trading, kitchen and laundry equipment and others	(4)	2	–	9
Associates’ profit – Steel manufacturing	23	64	6	99

Steel Manufacturing, First half 04 to First half 05 (HK Dollar in Millions)

Steel Manufacturing Operation	First half 04 Actual	Second half 04 Actual	First half 05 Actual	Second half 04 Pro forma	First half 05 Pro forma
Revenue	1,038	1,340	1,440	1,574	1,864
Operating EBITDA*	100	104	202	288	474
Operating profit	85	87	189	224	410
Associates’ profit	6	57	99	6	10
Operating EBITDA margin (%)	9.6%	7.8%	14.0%	18.3%	25.4%
Operating margin (%)	8.2%	6.5%	13.1%	14.2%	22.0%

* Earnings before interest, tax, depreciation and amortization

The Shouqin Joint Venture has received bank loans from 1 January 2005 to 30 June 2005 of approximately RMB600 million for the purpose of increasing its production capacity for steel slabs and the introduction of steel plates production in 2006. Please refer to the interim results for details of such planned increases in production capacity.

By Order of the Board
Shougang Concord International Enterprises Company Limited
Cao Zhong
Managing Director

Hong Kong, 17 October 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. 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).