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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)

ANNOUNCEMENT IN PURSUANCE OF RULE 13.18

On 28 February 2008, the Company entered into the Facility Agreement with the Banks. The Company announces the covenants relating to specific performance of the controlling shareholder under the Facility Agreement in accordance with the requirements under Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By virtue of a facility agreement dated 28 February 2008 (the “**Facility Agreement**”) entered into between a syndicate of banks (the “**Banks**”) and Shougang Concord International Enterprises Company Limited (the “**Company**”), term and revolving credit facilities in a total principal amount of US\$320,000,000 (the “**Facilities**”) were made available by the Banks to the Company subject to and in accordance with the terms and conditions contained therein. The US\$200,000,000 term loan facility shall be repaid by the Company by instalments with the last instalment due on the date falling 48 months after the date of the Facility Agreement. The US\$120,000,000 revolving loan facility may be reborrowed by the Company subject to the final maturity day being the date which is falling 48 months after the date of the Facility Agreement. The Company shall apply the Facilities towards financing the working capital requirements of the Company and its subsidiaries.

Shougang Corporation, a company incorporated in the People’s Republic of China, is the holding company of Shougang Holding (Hong Kong) Limited (“**Shougang Holding**”) which in turn is the controlling shareholder of the Company. As at the date of this announcement, Shougang Holding and its associates beneficially own approximately 41% interests in the issued share capital of the Company. Pursuant to the Facility Agreement, each of the following will constitute an event of default upon which the Facilities will, among others, become immediately due and payable: (i) Shougang Holding ceases to be the single largest beneficial shareholder of the Company; (ii) Shougang Holding ceases to be a wholly-owned subsidiary of Shougang Corporation; and (iii) Shougang Corporation ceases to have management control in Shougang Holding.

The Company will comply with continuing disclosure requirements under Rule 13.21 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

Hong Kong, 28 February 2008

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. Zhang Wenhui (Deputy Managing Director), Mr. Luo Zhenyu (Deputy Managing Director), Mr. Ip Tak Chuen, Edmond (Non-executive Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Ms. Kan Lai Kuen, Alice (Independent Non-executive Director), Mr. Wong Kun Kim (Independent Non-executive Director) and Mr. Leung Kai Cheung (Independent Non-executive Director).