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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

The Banks agreed to grant to the Borrower the Loans subject to the Loan Agreements entered or to be entered into between the Banks and the Borrower. The Company announces the covenants relating to specific performance of the controlling shareholder under the Loan Agreements 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.

Certain banks (the “**Banks**”) agreed to grant to Qinhuangdao Shouqin Metal Materials Co., Ltd. (the “**Borrower**”), a 76% indirectly owned subsidiary of Shougang Concord International Enterprises Company Limited (the “**Company**”), loans in an aggregate amount of RMB600,000,000 (the “**Loans**”) subject to the loan agreements (the “**Loan Agreements**”) entered or to be entered into between the Banks and the Borrower. The Loans shall be repaid by the Borrower by instalments with the last instalment due on 23 November 2010. The Borrower will apply the Loans towards repayment of other short term bank loans.

Shougang Corporation, a company incorporated in the People’s Republic of China and the holding company of Shougang Holding (Hong Kong) Limited (“**Shougang Holding**”) which in turn is the controlling shareholder of the Company, acts as a guarantor for all liabilities of the Borrower under the Loan Agreements. Shougang Corporation undertakes that during the term of the Loan Agreements, (i) it will beneficially own at least 51% interests in Beijing Shougang Company Limited; (ii) it will beneficially own at least 35% of the issued share capital of the Company; and (iii) its net asset value will not be less than RMB15,000,000,000. Under the Loan Agreements, breach of any of the above undertakings will constitute an event of default upon which the Loans will, among others, become immediately due and payable.

As at the date of this announcement, Shougang Holding and its associates beneficially own approximately 41% of the issued share capital of the Company.

The Company will make continuing disclosure requirements pursuant to 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, 1 April 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).*