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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 24 June 2011, the Company entered into the Facility Letter. 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, the Company hereby announces the conditions in the Facility Letter imposing specific obligations on the controlling shareholder.

On 24 June 2011, Shougang Concord International Enterprises Company Limited (the “Company”) entered into a facility letter (the “Facility Letter”) with Bank of China (Hong Kong) Limited (the “Bank”) whereby the banking facilities (the “Facilities”) of (i) forward foreign exchange and currency option transaction facilities of USD80,000,000 (the “Facility I”); and (ii) term loan of up to USD70,000,000 (the “Facility II”) would be granted by the Bank to the Company subject to the terms and conditions of the Facility Letter. There is no specific term regarding the life of the Facility I while the Facility II shall be repaid by the Company by instalments with the last instalment due on the date falling 42 months after the date of first drawn down of the Facility II.

Pursuant to the Facility Letter, the Company shall procure that (i) Shougang Holding (Hong Kong) Limited (“Shougang Holding”, the controlling shareholder of the Company) owns not less than 40% interest in the Company and Shougang Holding in turn shall be wholly-owned by Shougang Corporation throughout the life of the Facilities; (ii) Shougang Corporation should maintain management control in Shougang Holding; and (iii) Shougang Holding, either directly or through its subsidiaries indirectly, remains the single largest beneficial shareholder of the Company. Breach of any of the above will constitute an event of default upon which the Facilities will, among others, become immediately due and payable.

As at the date of this announcement, Shougang Holding and its associates beneficially own approximately 42% 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**
Li Shaofeng
Managing Director

Hong Kong, 27 June 2011

As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Qinghai (Chairman), Mr. Cao Zhong (Vice Chairman), Mr. Li Shaofeng (Managing Director), Mr. Zhang Wenhui (Deputy Managing Director), Mr. Chen Zhouping (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).