

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim 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)

INSIDE INFORMATION
APPROVAL OF DIVIDEND DISTRIBUTION PLAN
FOR THE YEARS FROM 2019 TO 2022

This announcement is made by Shougang Concord International Enterprises Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) announces a dividend distribution plan for the financial years from 2019 to 2022 (the “**Plan**”).

To the extent permitted by applicable law and subject to the dividend policy adopted by the Company (the “**Dividend Policy**”), and in the absence of unforeseen circumstances, the Company plans to distribute dividends of not less than HK\$700,000,000 for each of the four financial years from 2019 to 2022 to the shareholders of the Company (the “**Shareholders**”). The Board may propose a distribution plan with a higher level of dividends based on the financial performance growth from time to time.

BACKGROUND TO AND REASONS FOR THE PLAN

The Board has approved the Plan taking into consideration the following factors:

1. Reward to the Shareholders

The Company has not distributed any dividend to the Shareholders since 2010. The Group's financial performance has improved since 2017. Currently the Company has sufficient cash and the debt to asset ratio is relatively low. The Plan has been adopted with a view to continuously rewarding the Shareholders and creating income for the Shareholders, recognizing the value of the Group serving the Shareholders.

2. Confidence in the development of the Group

The Group's principal activities are the operations and management of car parking assets and the management of private funds that are oriented towards urban redevelopment. These two businesses have substantial room for development in the Mainland. Under the continuous efforts of an excellent management team, the scale of the Group's car parking asset management and the private funds management has grown rapidly in 2018 and the Company has become a benchmark enterprise in the industry, laying the foundation for the Company to achieve substantial profits. At the same time, the car parking business and fund management business are counter-cyclical businesses with strong cash flow. The Company is confident that sustainable performance can be created to support the Plan.

COMPLIANCE WITH THE DIVIDEND POLICY

For the avoidance of doubt, the Board retains the sole discretion as to the declaration and payment of dividends in any particular amount for any particular period and the manner in which such dividends will be paid. In determining whether or not to recommend the payment of any dividend, the Board shall continue to take into consideration the factors set out in the Dividend Policy, which are as follows for the time being:

- (i) financial results;
- (ii) shareholders' interests;
- (iii) general business conditions and strategies;
- (iv) capital requirements;
- (v) taxation considerations;
- (vi) contractual, statutory and regulatory restriction, if any; and
- (vii) any other factors that the Board may deem relevant.

In addition, under the Dividend Policy, where dividend is being declared in any particular financial year, the total amount of payment shall not exceed 50% of the accumulated profits available for distribution during such given financial year. As the business develops, the Board will consider from time to time increasing the proportion of the total amount of payment of dividends to the accumulated profits available for distribution.

In the case of discrepancy between the Plan and the Dividend Policy, the Dividend Policy shall prevail.

The Plan does not constitute a declaration of any dividend and there can be no assurance that dividends will be paid in any particular amount for any given period. No representation is made that any amount in any currency could have been distributed or could be distributed. No person can make any demand or claim against any member of the Group or any director or employee of any member of the Group for any entitlement under the Plan and no person can hold any member of the Group or any director or employee of any member of the Group liable for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
**Shougang Concord International
Enterprises Company Limited**
Zhao Tianyang
Chairman

Hong Kong, 26 March 2019

As at the date of this announcement, the Board comprises Mr. Zhao Tianyang (Chairman), Mr. Li Shaofeng (Vice Chairman), Mr. Xu Liang and Mr. Liang Hengyi (Managing Director) as Executive Directors; Dr. Li Yinhui, Mr. Liu Jingwei, Mr. Ho Gilbert Chi Hang and Mr. Li Hao as Non-executive Directors; Dr. Wang Xin, Mr. Choi Fan Keung Vic, Mr. Deng Yougao and Ms. Zhang Quanling as Independent Non-executive Directors.