

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)

(1) TERMINATION OF DISCLOSEABLE TRANSACTION IN RELATION TO FORMATION OF FUND COMPANY

(2) VOLUNTARY ANNOUNCEMENT – SUCCESSFUL BIDDING OF LAND USE RIGHT IN SHOUGANG PARK BY A MANAGED FUND

(1) TERMINATION OF DISCLOSEABLE TRANSACTION IN RELATION TO FORMATION OF FUND COMPANY

Reference is made to the announcement of the Company dated 10 May 2019 in respect of the formation of the Fund Company (the “**Announcement**”). Capitalised terms used in this announcement shall have the same meanings as defined in the Announcement unless the context requires otherwise.

As disclosed in the Announcement, the Fund Company was established for the development and construction of high-quality infrastructure and properties located in the central areas of first-tier cities in the PRC. It was the intention of the Fund Company to acquire the land use rights in certain plots of land in Beijing, the PRC as its initial investment.

In view of that the Fund Company was not able to bid for the aforementioned land use rights, Yuanrun Jinxiang, an indirect wholly-owned subsidiary of the Company and Yatai Senbo, having made due consideration, agreed to terminate and cancel the Fund Company. Accordingly, the Shareholders’ Agreement in connection with the formation of the Fund Company, and the rights and obligation of the parties thereunder, will be terminated and discharged. Notwithstanding the termination of the Fund Company, the cooperation relationship between the Company and Yatai Senbo has not been affected in any way, and has been continued through their cooperation in a fund managed by a subsidiary of the Company. For details, please refer to “(2) VOLUNTARY ANNOUNCEMENT – SUCCESSFUL BIDDING OF LAND USE RIGHT IN SHOUGANG PARK BY A MANAGED FUND” in this announcement.

Upon the termination of the Fund Company, the paid-in capital will be returned to Yuanrun Jinxiang and Yatai Senbo in accordance with applicable laws and the Articles.

The board of Directors (the “**Board**”) is of the view that the termination and cancellation of the Fund Company will not have any material adverse impact on the business operation or financial position of the Group.

(2) VOLUNTARY ANNOUNCEMENT – SUCCESSFUL BIDDING OF LAND USE RIGHT IN SHOUGANG PARK BY A MANAGED FUND

The Board is pleased to announce that 北京首璟祥鷹企業管理有限公司 (Beijing Shoujing Xiangying Enterprise Management Co., Ltd.*, “**Shoujing Xiangying**”), a fund managed by the Company’s wholly-owned subsidiary, 京冀天成（北京）基金管理有限公司 (Jingji Tiancheng (Beijing) Fund Management Co., Ltd.*, “**Jingji Capital**”) has, through its project company, successfully obtained the land use right of certain specified plots of land (the “**Target Land**”) in 新首鋼高端產業綜合服務區 (New Shougang High-end Industry Comprehensive Service Park*, “**Shougang Park**”) through bidding in December 2019, and is currently processing the relevant procedures.

Shoujing Xiangying is a newly established joint venture fund company between (i) 北京首鋼產業轉型基金有限公司 (Beijing Shougang Industry Transformation Fund Co., Ltd.*), an investment fund managed by Jingji Capital, (ii) Yatai Senbo; and (iii) 北京一九八華康商業管理有限公司 (Beijing Yijiuba Huakang Business Management Co., Ltd.*), a third party independent of the Company and connected persons of the Company.

The successful bidding of the land use right of the Target Land manifests the commitment and capability of the Company in investing and developing high-quality infrastructure and properties located in the central areas of first-tier cities in the PRC; it also symbolizes the stable cooperation relationship between the Company and Yatai Senbo. It is expected that there will be a wider scope of cooperation between the Company and Yatai Senbo in the future.

The Target Land is located on the east side of South Gucheng Street in Shijingshang District, Beijing city (south-east of Shougang Park) and situated on the intersection between West Chang’an Street and Beijing Fifth Ring Road. The Target Land has a convenient transport network with multiple urban railway lines being in operation or being planned nearby, and it being adjacent to Beijing Fifth Ring Road, Chang’an Street, Fushi Road and Lianshi Road etc. main roads. The Target Land has a total area of 65,788.37 square meters and a planned gross floor area of 238,850 square meters, and its land use type is categorized as comprehensive commercial financial services land and other multi-purposes land. The supporting facilities in the area are very comprehensive. In addition to the planned residential and dwellings land zones, there are three Grade 3A hospitals, two large stadiums, and numerous education institutions nearby. In the coming future, the population size in the area is expected to increase significantly. Based on the above reasons, the Target Land has huge potential for large-scale development; and it is expected to becoming a new landmark on serving the industrial transformation of Shougang Park and the adjustment of industries in the west side areas in Beijing city.

The Company will continue to focus on the development potential and value of high-quality infrastructure and properties located in the central areas of first-tier cities in the PRC. The Company will invest in and develop the aforesaid infrastructure and properties through the

establishment of real estate private funds, and thereafter obtain good returns for investors and the Company through property management, property leasing and selling, capital operation and other methods; so as to strengthen and expand the scale of the principal business of the Company in urban renewal.

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

Hong Kong, 7 February 2020

As at the date of this announcement, the Board comprises Mr. Zhao Tianyang (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, Ms. Zhang Quanling and Dr. Qiao Yongyuan as Independent Non-executive Directors.

** For identification purposes only*