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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 22 November 2007, the Company entered into the Loan Agreement with the Bank. The Company announces the covenants relating to specific performance of the controlling shareholder under the Loan 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 a loan agreement dated 22 November 2007 (the “**Loan Agreement**”) entered into between Bank of China (Hong Kong) Limited (the “**Bank**”) and Qinhuangdao Shouqin Metal Materials Co., Ltd. (the “**Borrower**”), a 76% indirectly owned subsidiary of Shougang Concord International Enterprises Company Limited (the “**Company**”), a loan in an amount of RMB1,500,000,000 (the “**Loan**”) was made available by the Bank to the Borrower subject to and in accordance with the terms and conditions contained therein. The Loan shall be repaid by the Borrower by instalments with the last instalment due on the date falling 36 months after the date of first drawn down of the Loan. The Borrower has applied the Loan 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 Agreement. Shougang Corporation undertakes that during the term of the Loan Agreement, (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 Agreement, breach of any of the above undertakings will constitute an event of default upon which the Loan 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

23 November 2007

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).