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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 2010, the Borrower entered into the Supplemental Agreement with Nanyang Commercial Bank for the renewal of the Outstanding Loan under the Loan Agreement. This announcement is made in pursuance of Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcement of Shougang Concord International Enterprises Company Limited (the “**Company**”) dated 23 November 2007 relating to specific performance of the controlling shareholder under the loan agreement dated 22 November 2007 (the “**Loan Agreement**”) entered into between Bank of China (Hong Kong) Limited (“**BOC**”) and Qinhuangdao Shouqin Metal Materials Co., Ltd. (the “**Borrower**”), a 76% indirectly owned subsidiary of the Company. The rights and obligations of part of the loan in an amount of RMB300 million under the Loan Agreement have been novated to Nanyang Commercial Bank (China) Limited (“**Nanyang Commercial Bank**”) subsequent to the date of the aforesaid announcement. Pursuant to the Loan Agreement, 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 (i.e. 23 November 2007). Accordingly, the loan shall expire on 23 November 2010.

By virtue of a supplemental loan agreement dated 22 November 2010 (the “**Supplemental Agreement**”) entered into between Nanyang Commercial Bank and the Borrower, the parties agreed to extend the due date in respect of the outstanding loan of RMB300 million (the “**Outstanding Loan**”) under the Loan Agreement for one year to 23 November 2011. Save for those as disclosed in this announcement, all other terms and conditions of the Loan Agreement remain full force and effect.

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, continues to act as the guarantor for all liabilities of the Borrower under the Supplemental Agreement. The undertakings made by Shougang Corporation under the Loan Agreement shall continue to be applicable to the Supplemental Agreement and breach of any of the following undertakings by Shougang Corporation will constitute an event of

default upon which the Outstanding Loan will become immediately due and payable: (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.

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 comply with 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, 23 November 2010

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).