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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)

**(1) SHARE TRANSACTION AND CONNECTED TRANSACTION  
IN RELATION TO THE ACQUISITION OF THE  
ENTIRE EQUITY INTEREST OF THE TARGET COMPANY  
INVOLVING ISSUE OF CONSIDERATION SHARES  
UNDER SPECIFIC MANDATE AND  
(2) CONTINUING CONNECTED TRANSACTIONS**

**THE ACQUISITION**

On 1 November 2018, the Company, the Purchaser, the Vendor and the Target Company entered into the Agreement pursuant to which the Purchaser conditionally agreed to acquire and the Vendor conditionally agreed to sell the Sale Shares at a total consideration of RMB49,380,000 (equivalent to approximately HK\$55,591,831), which shall be settled partly by cash and partly by the issue of the Consideration Shares by the Company under the Specific Mandate at the Issue Price of HK\$0.25 per Share. Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company.

**PROPOSED GRANT OF SPECIFIC MANDATE**

At the GM, the Company will seek the Specific Mandate from the Independent Shareholders in order to issue the Consideration Shares.

## **CONTINUING CONNECTED TRANSACTIONS**

As at the date of this announcement, the Target Company and certain subsidiaries of New World Development have entered into the Carpark Operation Contractor Agreements and the Carpark Management Agreement, which will, after Completion, continue to subsist. Upon Completion, the Target Company will become a subsidiary of the Company. Since New World Development is a substantial shareholder of the Company, such subsisting transactions between the Target Company and certain subsidiaries of New World Development will constitute continuing connected transactions under Chapter 14A of the Listing Rules following the Completion.

## **LISTING RULES IMPLICATIONS**

### **The Acquisition**

The Target Company is wholly-owned by the Vendor. The Vendor is an indirect wholly-owned subsidiary of NWS Holdings, which is a substantial shareholder of the Company. The Vendor is therefore a connected person of the Company, and the transactions contemplated under the Agreement constitute connected transactions for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the Acquisition exceed 0.1% but are below 5%, and the Consideration will be partially satisfied by the allotment and issue of Consideration Shares for which listing will be sought, the Acquisition constitutes a share transaction of the Company under Chapter 14 of the Listing Rules.

The Acquisition is subject to the reporting and announcement requirements under Chapters 14 and 14A of the Listing Rules and is exempt from the Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules, except for the allotment and issuance of Consideration Shares to the Vendor, which is subject to approval by the Independent Shareholders at the GM for the grant of the Specific Mandate and approval of the listing of, and permission to deal in, the Consideration Shares by the Stock Exchange.

### **The Continuing Connected Transactions**

Beijing Chongyu is a wholly-owned subsidiary while Beijing Chongwen, China New World Electronics and Beijing Xianghe are non-wholly owned subsidiaries of New World Development, which is a substantial shareholder of the Company. Therefore, each of Beijing Chongwen, Beijing Chongyu, China New World Electronics and Beijing Xianghe is a connected person of the Company under the Listing Rules.

Accordingly, the Carpark Operation Contractor Agreements and the Carpark Management Agreement will constitute continuing connected transactions under Chapter 14A of the Listing Rules upon Completion. As each of the percentage ratios on an annual basis calculated with reference to the annual caps is less than 5% when aggregated, the Carpark Operation Contractor Agreements and the Carpark Management Agreement are only subject to the reporting, announcement and annual review requirements and are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

#### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising all the independent non-executive Directors, namely Dr. Wang Xin, Mr. Choi Fan Keung Vic, Mr. Deng Yougao and Ms. Zhang Quanling, has been formed pursuant to the requirements of the Listing Rules to advise the Independent Shareholders on matters in relation to the Agreement (including the Acquisition and the issue of the Consideration Shares pursuant to the Specific Mandate) and the Continuing Connected Transactions. Lego Corporate Finance Limited, a licensed corporation licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO, has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

#### **DESPATCH OF CIRCULAR**

The Circular containing, among other things, detailed information about (i) the Acquisition, the Continuing Connected Transactions and the Specific Mandate; (ii) the recommendations of the Independent Board Committee to the Independent Shareholders; and (iii) the advice from the independent financial adviser on the terms of the Agreement (including the Acquisition and the issue of the Consideration Shares pursuant to the Specific Mandate) and the Continuing Connected Transactions, together with a notice convening the GM and the resolutions to be proposed at the GM, is expected to be despatched to the Shareholders on or before 22 November 2018 in accordance with the Listing Rules.

**Completion of the Acquisition is subject to the Conditions Precedent under the paragraph headed "Conditions Precedent of the Acquisition" in this announcement, which may or may not be fulfilled. The Acquisition may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the Shares and other securities of the Company.**

## 1. THE ACQUISITION

The principal terms of the Agreement are as follows:

- Date:** 1 November 2018
- Parties:**
- (1) The Company;
  - (2) the Purchaser;
  - (3) the Vendor; and
  - (4) the Target Company

The Target Company is wholly-owned by the Vendor. The Vendor is an indirect wholly-owned subsidiary of NWS Holdings, which is a substantial shareholder of the Company.

### **Asset to be acquired**

Pursuant to the Agreement, the Vendor agreed to transfer the Sale Shares to the Purchaser (or a subsidiary of the Company designated by the Purchaser), and the Purchaser agreed to acquire (or to procure a subsidiary of the Company designated by the Purchaser to acquire) the Sale Shares. The Sale Shares comprise the entire equity interest in the Target Company held by the Vendor. Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company.

### **Consideration**

The Consideration is RMB49,380,000 (equivalent to approximately HK\$55,591,831).

Pursuant to the Agreement, the Consideration is to be satisfied by the Company in the following manner:

- (i) RMB9,980,000 (equivalent to approximately HK\$11,235,449) to be satisfied in cash; and
- (ii) RMB39,400,000 (equivalent to approximately HK\$44,356,382) to be satisfied by the Company allotting and issuing 177,425,528 new Shares (i.e. the Consideration Shares) at the price of HK\$0.25 per Consideration Share to the Vendor or its designated person.

The Consideration (including the Issue Price of the Consideration Shares) was arrived upon arm's length negotiations. In determining the Consideration, the Directors considered, among other things, (i) the brand of the Target Company; (ii) the Target Company's experienced senior management team in the parking business; (iii) the potential and prospects of the Target Company; and (iv) the valuation of the Target Company, being RMB51,978,000 as of 31 August 2018, prepared on the basis of market value using the market approach by a Hong Kong professional third party valuer independent of the Company and its connected persons.

The cash component of the Consideration will be financed by the Group's internal resources. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Target Company was established by the Vendor and therefore there was no original acquisition cost to the Vendor.

### **The Consideration Shares**

#### *Issue Price*

The Issue Price of HK\$0.25 per Consideration Share represents:

- (i) a premium of approximately 42.045% to the closing price of HK\$0.176 per Share as quoted on the Stock Exchange on 1 November 2018, being the date of the Agreement;
- (ii) a premium of approximately 45.858% to the average closing price of approximately HK\$0.1714 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 31 October 2018, the last trading date before the date of the Agreement; and
- (iii) a premium of approximately 46.113% to the average closing price of approximately HK\$0.1711 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 31 October 2018, the last trading date before the date of the Agreement.

#### *Basis for determining the Issue Price*

The Issue Price was arrived at after arm's length negotiations between the Company and the Vendor with reference to the prevailing and historical trading prices of the Shares and the current market conditions.

### *Number of Consideration Shares*

When allotted and issued, the Consideration Shares will represent approximately:

- (i) 0.743% of the total number of issued Shares of the Company as at the date of the Agreement; and
- (ii) 0.738% of the total number of issued Shares of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming there will be no change in the total number of issued Shares of the Company between the date of the Agreement and the issuance of the Consideration Shares).

### *Ranking*

The Consideration Shares, when allotted and issued, will rank *pari passu* in all respects with all the Shares then in issue on the date of allotment and issue of the Consideration Shares.

### *Restrictions on subsequent sale*

There is no restriction on the subsequent sale of the Consideration Shares by the Vendor and/or its nominee.

### *Mandate to issue the Consideration Shares*

At the GM, the Company will seek the Specific Mandate from the Independent Shareholders in order to issue the Consideration Shares.

### *Application for listing*

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. Details of the effect of the Consideration Shares on the shareholding structure of the Company are set out in the section headed “Effect on the shareholding structure” below.

### **Conditions Precedent of the Acquisition**

Completion is conditional upon the following Conditions Precedent being fulfilled to the parties’ satisfaction unless waived in writing by the parties:

- (i) the Purchaser or its representative completing and being satisfied with the results of the due diligence review on the business, legal, financial and other aspects of the Target Company and appointing a qualified PRC institution to produce a valuation report on the Target Company;
- (ii) the Target Company approving the resolutions regarding the Acquisition, the Agreement and any agreements related to the Agreement;

- (iii) the Company and the Purchaser having obtained all necessary internal and external approvals and consents in relation to the Acquisition, the Agreement and any agreements related to the Agreement (including but not limited to any relevant state-owned assets approval, registration procedures and Shareholders' approval, if any);
- (iv) the Target Company and the Purchaser having obtained all necessary approvals and consents in relation to this Acquisition from relevant government departments, and completing the relevant registrations at the competent Administration for Industry and Commerce and obtaining a new business license, and completing filing procedures at the competent commerce authority;
- (v) the Company obtaining the approval from the Independent Shareholders at the GM for the allotment and issue of the Consideration Shares under the Specific Mandate in accordance with the requirements under the Listing Rules; and
- (vi) the Stock Exchange granting the approval for the listing of, and permission to deal in, the Consideration Shares.

In the event that the above Conditions Precedent are not fulfilled, or waived (where legally permissible) unanimously in writing by the parties to the Agreement, within one year of the signing of the Agreement, the Agreement shall terminate.

In addition, the Purchaser should obtain the relevant approvals and consents under Condition Precedent (iii) above within three months of the signing of the Agreement. If the Purchaser is unable to obtain the aforementioned approvals, the Vendor has the right to terminate the Acquisition without liability, or to consult with the Purchaser in relation to continuing the Acquisition or making adjustments to the transaction plan.

### **Completion**

Completion shall take place subject to the fulfillment or waiver (as the case may be) of the above conditions. Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Purchaser.

### **INFORMATION ON THE TARGET COMPANY**

The Target Company is established under the laws of the PRC with limited liability. The Target Company and its subsidiaries are principally engaged in the provision of parking management services in Beijing, Shanghai and Chongqing. The number of parking spaces under the Target Company's management is over 10,000 and most of them are located in the cities' core areas.

### *Financial information*

As at 30 September 2018, the audited consolidated net asset value of the Target Company was RMB707,441.44 and the consolidated total asset value of the Target Company was RMB20,528,591.01.

In addition, the Target Company's audited consolidated net profit for the years ended 31 December 2016 and 2017 prepared in accordance with China Accounting Standards for Business Enterprises are as follows:

	<b>For the years ended</b>	
	<b>31 December</b>	
	<b>2016</b>	<b>2017</b>
	<i>RMB</i>	<i>RMB</i>
Net profit before taxation	404,290.79	2,097,518.34
Net profit after taxation	59,074.59	1,404,609.43

### **REASON FOR AND BENEFITS OF THE ACQUISITION**

The Group is principally engaged in (i) the business of car parking facilities and investment operation in the PRC with a focus on smart car parking market; (ii) the business of provision of private fund management services in the PRC; and (iii) trading of iron ore, steel and related products.

For the car parking business, the Group aims to provide integrated car park management and solution services to car park owners with a view to offering safe, secure, efficient and tidy parking facilities to customers. The services involve the design, architecture, operation and management of the smart car parking system in the PRC and provision of solutions and services in relation thereto. A well-managed car park can contribute to a property's value and returns. Accordingly, the Group's experienced car park business management team will try its best to maximise revenue potential of car parks by applying the management team's industry knowledge. The management team may analyse the business performance of car parks and develop strategies to raise the revenue potential of car parks.

One of the Group's major business is operation and management of parking facilities in the PRC with a market focusing tactic in first-tier cities. The Group has been actively expanding its business in the car parking industry since 2017. By the Acquisition, the Target Company could contribute all its revenue and profit into the Group and the experienced team from the Target Company will help the Group to expand the market share. The Board considers that the Acquisition represents a good opportunity for the Group to further engage in the car parking industry in the PRC.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the Acquisition is on normal commercial terms or better and in the ordinary and usual course of business of the Group, and the terms in the Agreement are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

## EFFECT ON THE SHAREHOLDING STRUCTURE

The following table sets out the effect of the issue of the Consideration Shares on the shareholding structure of the Company based on the total number of issued Shares as at the date of this announcement and assuming Completion having taken place, without taking into account any other new Shares, if any, after the date of this announcement and prior to the allotment and issue of the Consideration Shares:

	As at the date of this announcement		Immediately upon the allotment and issue of the Consideration Shares	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Shougang Group Co., Ltd.* (Note 1)	12,633,903,865	52.934%	12,633,903,865	52.543%
Rocket Parade Limited and the Vendor or its designated person (Note 2)	2,500,000,000	10.475%	2,677,425,528	11.135%
Orix Asia Capital Limited (Note 3)	1,503,741,731	6.300%	1,503,741,731	6.254%
Liang Hengyi (Note 4)	3,880,000	0.016%	3,880,000	0.016%
Liu Jingwei (Note 4)	1,680,000	0.007%	1,680,000	0.007%
Wang Xin (Note 4) together with his spouse	1,200,000	0.005%	1,200,000	0.005%
Public Shareholders	7,223,059,645	30.263%	7,223,059,645	30.040%
<b>Total</b>	<b>23,867,465,241</b>	<b>100.00%</b>	<b>24,044,890,769</b>	<b>100.00%</b>

Notes:

1. Shougang Group Co., Ltd.\* is interested in all the Shares held by its direct and indirect subsidiaries, namely, Shougang Holding (Hong Kong) Limited (holding 360,601,160 Shares), China Gate Investments Limited (holding 2,757,829,774 Shares), Grand Invest International Limited (holding 768,340,765 Shares), Wide Success Holdings Limited (holding 4,106,748,921 Shares), Prime Success Investments Limited (holding 48,574,000 Shares), Lyre Terrace Management Limited (holding 230,000 Shares) and Jingxi Holdings Limited (holding 4,591,579,245 Shares).

2. Rocket Parade Limited and the Vendor are indirectly wholly-owned by NWS Holdings which is held as to 61.05% by New World Development.
3. ORIX Corporation is interested in all the Shares held by its wholly-owned subsidiary, ORIX Asia Capital Limited.
4. Directors.

## **2. CONTINUING CONNECTED TRANSACTIONS**

As at the date of this announcement, the Target Company and certain subsidiaries of New World Development have entered into the Carpark Operation Contractor Agreements and the Carpark Management Agreement, which will, after Completion, continue to subsist. Upon Completion, Target Company will become a subsidiary of the Company. Since New World Development is a substantial shareholder of the Company, such subsisting transactions between the Target Company and certain subsidiaries of New World Development will constitute continuing connected transactions under Chapter 14A of the Listing Rules following Completion. Details are set out below:

### ***(a) Carpark Operation Contractor Agreements***

The Target Company is a party to the three separate Carpark Operation Contractor Agreements with each of Beijing Chongwen, Beijing Chongyu and China New World Electronics, each of which is a subsidiary of New World Development. The principal terms of the three Carpark Operation Contractor Agreements are as follows:

#### **Date of the agreements**

1 April 2015

#### **Subject matter**

Pursuant to the Carpark Operation Contractor Agreements, the Target Company will provide carpark operation services to Beijing Chongwen, Beijing Chongyu and China New World Electronics for different sections of the Beijing Carparks, and the Target Company will be entitled to income from parking, car detailing, rental fees in the car park, advertising revenue and other service incomes.

**Term**

An initial term of 36 months commencing on 1 April 2015 and expiring on 31 March 2018, after which the Target Company may opt to (and, with respect to the year commencing 1 April 2018, has opted to) renew the respective Carpark Operation Contractor Agreements for a successive period of one year each, until 10 years from the date of the agreement, subject to any framework agreement applicable to the Target Company and re-compliance with the Listing Rules at the relevant time. The independent financial adviser will express its views on the term of the Carpark Operation Contractor Agreements in the Circular.

**Fees**

Pursuant to the respective Carpark Operation Contractor Agreements, the Target Company shall pay fees to Beijing Chongwen, Beijing Chongyu and China New World Electronics as follows:

***Beijing Chongwen***

For the period between 1 April 2015 to 31 March 2017 – RMB1,166,975 per year. For the period commencing from 1 April 2017, the fees shall be increased by approximate 5% for every subsequent two years period.

***Beijing Chongyu***

For the period between 1 April 2015 to 31 March 2017 – RMB1,900,000 per year. For the period commencing from 1 April 2017, the fees shall be increased by approximate 5% for every subsequent two years period.

***China New World Electronics***

For the period between 1 April 2015 to 31 March 2017 – RMB733,025 per year. For the period commencing from 1 April 2017, the fees shall be increased by approximate 5% for every subsequent two years period.

**(b) *Carpark Management Agreement***

The Target Company is a party to the Carpark Management Agreement with Beijing Xianghe, a subsidiary of New World Development. The principal terms of the Carpark Management Agreement are as follows:

**Date of the agreement**

1 April 2018

**Subject**

Pursuant to the Carpark Management Agreement, Beijing Xianghe will be responsible for the management and maintenance services of certain sections of the Beijing Carparks.

**Term**

A term of 24 months, commencing on 1 April 2018 and expiring on 31 March 2020.

**Fees**

Pursuant to the Carpark Management Agreement, the Target Company shall pay to Beijing Xianghe a monthly fee of RMB145,000, amounting to an annual fee of RMB1,740,000 per year.

**Annual Caps**

**(a) *Carpark Operation Contractor Agreements***

Pursuant to the Carpark Operation Contractor Agreements, the Target Company shall, in aggregate, pay fees to Beijing Chongwen, Beijing Chongyu and China New World Electronics as follows:

1 April 2015 to 31 March 2017 – RMB3,800,000 per year

1 April 2017 to 31 March 2019 – RMB3,990,000 per year

1 April 2019 to 31 March 2021 – RMB4,189,500 per year

1 April 2021 to 31 March 2023 – RMB4,398,976 per year

1 April 2023 to 31 March 2025 – RMB4,618,924 per year

**(b) *Carpark Management Agreement***

Pursuant to the Carpark Management Agreement, the Target Company shall pay to Beijing Xianghe RMB1,740,000 per year.

The above annual caps are determined with reference to market rates.

### **Information on the parties**

Beijing Chongwen is principally engaged in property investment, development and hotel operation.

Beijing Chongyu is principally engaged in property investment and development.

China New World Electronics is principally engaged in property investment and development.

Beijing Xianghe is principally engaged in property management.

### **REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS**

The Target Company has been operating under the Carpark Operation Contractor Agreements and Carpark Management Agreement for a certain period of time before the Acquisition. The Directors (including the independent non-executive Directors) consider that the Continuing Connected Transactions are on normal commercial terms which are fair and reasonable and the entering into of the Carpark Operation Contractor Agreements and the Carpark Management Agreement are in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

### **LISTING RULES IMPLICATIONS**

#### **The Acquisition**

The Target Company is wholly-owned by the Vendor. The Vendor is an indirect wholly-owned subsidiary of NWS Holdings, which is a substantial shareholder of the Company. The Vendor is therefore a connected person of the Company, and the transactions contemplated under the Agreement constitute connected transactions for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the Acquisition exceed 0.1% but are below 5%, and the Consideration will be partially satisfied by the allotment and issue of Consideration Shares for which listing will be sought, the Acquisition constitutes a share transaction of the Company under Chapter 14 of the Listing Rules.

The Acquisition is subject to the reporting and announcement requirements under Chapters 14 and 14A of the Listing Rules and is exempt from the Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules, except for the allotment and issuance of Consideration Shares to the Vendor, which is subject to approval by the Independent Shareholders at the GM for the grant of the Specific Mandate and approval of the listing of, and permission to deal in, the Consideration Shares by the Stock Exchange.

### **The Continuing Connected Transactions**

Beijing Chongyu is a wholly-owned subsidiary while Beijing Chongwen, China New World Electronics and Beijing Xianghe are non-wholly owned subsidiaries of New World Development, which is a substantial shareholder of the Company. Therefore, each of Beijing Chongwen, Beijing Chongyu, China New World Electronics and Beijing Xianghe is a connected person of the Company under the Listing Rules.

Accordingly, the Carpark Operation Contractor Agreements and the Carpark Management Agreement will constitute continuing connected transactions under Chapter 14A of the Listing Rules upon Completion. As each of the percentage ratios on an annual basis calculated with reference to the annual caps is less than 5% when aggregated, the Carpark Operation Contractor Agreements and the Carpark Management Agreement are only subject to the reporting, announcement and annual review requirements and are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Ho Gilbert Chi Hang abstained from voting at the board meeting of the Company to approve matters in relation to the Agreement (including the Acquisition and the allotment and issue of Consideration Shares pursuant to the Specific Mandate) and the Continuing Connected Transactions by virtue of his directorships in the Vendor and NWS Holdings.

### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising all the independent non-executive Directors, namely Dr. Wang Xin, Mr. Choi Fan Keung Vic, Mr. Deng Yougao and Ms. Zhang Quanling, has been formed pursuant to the requirements of the Listing Rules to advise the Independent Shareholders on matters in relation to the Agreement (including the Acquisition and the issue of the Consideration Shares pursuant to the Specific Mandate) and the Continuing Connected Transactions. Lego Corporate Finance Limited, a licensed corporation licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO, has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

## DESPATCH OF CIRCULAR

The Circular containing, among other things, detailed information about (i) the Acquisition, the Continuing Connected Transactions and the Specific Mandate; (ii) the recommendations of the Independent Board Committee to the Independent Shareholders; and (iii) the advice from the independent financial adviser on the terms of the Agreement (including the Acquisition and the issue of the Consideration Shares pursuant to the Specific Mandate) and the Continuing Connected Transactions, together with a notice convening the GM and the resolutions to be proposed at the GM, is expected to be despatched to the Shareholders on or before 22 November 2018 in accordance with the Listing Rules.

**Completion is conditional upon, among other things, the satisfaction of the Conditions Precedent. Therefore, the Acquisition may or may not materialise. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“%”	per cent.;
“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the terms of the Agreement;
“Agreement”	the conditional sale and purchase agreement dated 1 November 2018 entered into between the Company, the Purchaser, the Vendor and the Target Company in relation to the Acquisition;
“Beijing Carparks”	Beijing New World Department Store Phase 1 and Phase 2 carparks;
“Beijing Chongwen”	北京崇文•新世界房地產發展有限公司 (Beijing Chong Wen • New World Properties Development Co., Ltd.*), a company established under the laws of the PRC with limited liability;
“Beijing Chongyu”	北京崇裕房產開發有限公司 (Beijing Chong Yu Real Estate Development Co., Ltd.*), a company established under the laws of the PRC with limited liability;

“Beijing Xianghe”	北京祥和物業管理有限公司 (Beijing Xianghe Property Management Co., Ltd.*), a company established under the laws of the PRC with limited liability;
“Board”	the board of Directors;
“Carpark Management Agreement”	the carpark management agreement dated 1 April 2018 entered into between the Target Company and Beijing Xianghe;
“Carpark Operation Contractor Agreements”	the three carpark operation contractor agreements dated 1 April 2015 entered into between the Target Company and Beijing Chongwen, Beijing Chongyu and China New World Electronics respectively;
“China New World Electronics”	中國新世界電子有限公司 (China New World Electronics Ltd.*), a company established under the laws of the PRC with limited liability;
“Circular”	the circular to be sent to the Shareholders in relation to the GM containing details of the Acquisition, the Continuing Connected Transactions and the Specific Mandate;
“Company”	Shougang Concord International Enterprises Company Limited, a company incorporated in Hong Kong, the shares of which are listed on the main board of the Stock Exchange;
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement;
“Conditions Precedent”	the conditions precedent to Completion of the transactions contemplated under the Agreement, the major terms of which are set out in the section headed “The Acquisition” in this announcement;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Consideration”	the total consideration for the acquisition of the Sale Shares;

“Consideration Shares”	an aggregate of 177,425,528 Shares to be allotted and issued by the Company to the Vendor at the Issue Price credited as fully paid for the purpose of settlement of the Consideration;
“Continuing Connected Transactions”	the transactions contemplated under the Carpark Operation Contractor Agreements and the Carpark Management Agreement;
“Director(s)”	the director(s) of the Company;
“GM”	the general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the allotment and issue of the Consideration Shares pursuant to the Specific Mandate;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, namely Dr. Wang Xin, Mr. Choi Fan Keung Vic, Mr. Deng Yougao and Ms. Zhang Quanling, formed for the purpose of advising the Independent Shareholders on matters in relation to the Agreement (including the Acquisition and the issue of the Consideration Shares pursuant to the Specific Mandate) and the Continuing Connected Transactions;
“Independent Shareholders”	Shareholders other than the Vendor and its associates and those who are involved in or interested in the Agreement (including the Acquisition and the issue of the Consideration Shares pursuant to the Specific Mandate) and the Continuing Connected Transactions;
“Issue Price”	HK\$0.25 for each Consideration Share;
“Listing Committee”	the Listing Committee of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“New World Development”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 017),
“NWS Holdings”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 659)
“PRC”	the People’s Republic of China and for the purpose of this announcement shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan;
“Purchaser”	首中投資管理有限公司 (Shouzhong Investment Management Co., Ltd.*), a company established in the PRC with limited liability;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale Shares”	the entire equity interest in the Target Company;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time);
“Share(s)”	ordinary shares of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Specific Mandate”	the specific mandate to be granted to the Directors in relation to the allotment and issue of new Shares to satisfy the allotment and issue of the Consideration Shares pursuant to the terms of the Agreement, to be approved by the Independent Shareholders at the GM;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules;
“Target Company”	富城(北京)停車管理有限公司 (Urban Parking (Beijing) Limited*), a company established under the laws of the PRC with limited liability and is a wholly-owned subsidiary of the Vendor; and
“Vendor”	Urban Parking Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of NWS Holdings.

*For illustration purposes only and unless otherwise stated, all amounts denominated in RMB in this announcement has been translated into HK\$ at the exchange rate of HK\$1 = RMB0.88826 as at the date of this announcement.*

\* *For reference purposes only, the Chinese names of the PRC entities, addresses or terms have been translated into English in this announcement. In the event of any discrepancies between the Chinese names of these PRC entities, addresses or terms and their respective English translations, the Chinese version shall prevail.*

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

Hong Kong, 1 November 2018

*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.*