

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SHOUGANG CONCORD CENTURY HOLDINGS LIMITED

首長寶佳集團有限公司

(Incorporated in Hong Kong with limited liability)

CONNECTED TRANSACTION

PROPOSED SUBSCRIPTION OF NEW SHARES AND APPLICATION FOR WHITEWASH WAIVER AND PROPOSED PLACEMENT OF NEW SHARES

The Board is pleased to announce that Kim Eng Capital (Hong Kong) Limited has been appointed as the independent financial adviser to advise the independent board committee of the Company in respect of the Proposed SHHK Subscription and the Whitewash Waiver.

The Board refers to the announcement made by the Company on 7 May 2003 in respect of the proposed subscription of new Shares and application for Whitewash Waiver and proposed placement of new Shares (the "Announcement"). Terms defined in the Announcement shall have the same meanings when used herein unless the context requires otherwise.

The Board is pleased to announce that Kim Eng Capital (Hong Kong) Limited has been appointed as the independent financial adviser to advise the independent board committee of the Company in respect of the Proposed SHHK Subscription and the Whitewash Waiver.

A document containing, amongst other things, further details of the Proposed SHHK Subscription and the Whitewash Waiver, the recommendation of the independent board committee of the Company and the advice of Kim Eng Capital (Hong Kong) Limited to the independent board committee of the Company in respect of the Proposed SHHK Subscription and the Whitewash Waiver will be despatched to the Shareholders as soon as practicable and in compliance with the requirements under the Takeovers Code and the Listing Rules.

By Order of the board of
Shougang Concord Century Holdings Limited
Cao Zhong
Chairman

Hong Kong, 16 May 2003

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.