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**SHOUGANG CONCORD CENTURY HOLDINGS LIMITED**

**首長寶佳集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 103)

**CONNECTED TRANSACTION  
PROPOSED ISSUE OF CONVERTIBLE BONDS  
UNDER SPECIFIC MANDATE**

**PROPOSED ISSUE OF CONVERTIBLE BONDS**

On 18 December 2018, the Company entered into the Subscription Agreement with Jingxi Holdings (a connected person of the Company) whereby the Company conditionally agreed to issue and Jingxi Holdings conditionally agreed to subscribe for the Convertible Bonds in the principal amount of up to HK\$150,000,000.

The Convertible Bonds carry the Conversion Rights to convert into the Conversion Shares at the Conversion Price of HK\$0.33 per Conversion Shares (subject to adjustment). Assuming the Conversion Rights are exercised in full at the Conversion Price, 454,545,454 new Shares, being the Conversion Shares, may be allotted and issued to Jingxi Holdings subject to the Conversion Restrictions, representing approximately 23.64% of the total number of issued Shares as at the date of this announcement and approximately 19.12% of the total number of issued Shares as enlarged by the allotment and issue of the Conversion Shares, assuming that there is no other change to the total number of Shares from the date of this announcement to the Completion Date. The Conversion Shares will be allotted and issued under the Specific Mandate to be approved by the Independent Shareholders at the GM.

**IMPLICATIONS UNDER THE LISTING RULES**

Jingxi Holdings is a wholly-owned subsidiary of Shougang Fund, which is in turn a wholly-owned subsidiary of Shougang Group. Shougang Group is a controlling Shareholder interested in an aggregate of 906,719,179 Shares, representing approximately 47.15% of the total number of issued Shares. Therefore, Jingxi Holdings is a connected person of the Company. Accordingly, the Subscription constitutes a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Shougang Group and its associates are required to abstain from voting on the resolutions in respect of the Subscription at the GM. To the best of the information, belief and knowledge of the Directors, save for Shougang Group and its associates, no other Shareholder has any material interest in the Subscription and the grant of the Specific Mandate. Save for Mr. Su Fanrong, who is willing to abstain from voting on the resolutions as he is the deputy general manager of Shougang HK, for the betterment of corporate governance practice, none of the Directors has material interest in the Subscription and is required to abstain from voting on the resolutions passed by the Board to approve the Subscription Agreement and the transactions contemplated thereunder.

## **GENERAL**

The Independent Board Committee has been established to make recommendation to the Independent Shareholders regarding the Subscription Agreement and the transactions contemplated thereunder, including the issue of the Convertible Bonds. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Subscription Agreement including the terms of the Convertible Bonds, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The GM will be convened and held for the Independent Shareholders to consider, and if thought fit, to approve the Subscription and the grant of the Specific Mandate. A circular containing, amongst other things, (i) further information of the Subscription; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Subscription Agreement and issue of the Convertible Bonds; (iii) the letter of advice from the Independent Financial Adviser; and (iv) details of the Specific Mandate together with notice of the GM, is expected to be despatched to the Shareholders on or before 11 January 2019.

**Completion is subject to the fulfillment and/or waiver (as the case may be) of the conditions precedent set out in the Subscription Agreement and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

## **ISSUE OF CONVERTIBLE BONDS**

On 18 December 2018, the Company entered into the Subscription Agreement with Jingxi Holdings whereby the Company conditionally agreed to issue and Jingxi Holdings conditionally agreed to subscribe the Convertible Bonds in the principal amount of up to HK\$150,000,000.

The salient terms of the Subscription Agreement are as follows:

### **Subscription Agreement**

Date: 18 December 2018

Parties: Issuer – The Company  
Subscriber – Jingxi Holdings

Jingxi Holdings is a connected person of the Company.

#### *Subject matter*

Pursuant to the Subscription Agreement, the Company conditionally agreed to issue and Jingxi Holdings conditionally agreed to subscribe for, the Convertible Bonds in the principal amount of up to HK\$150,000,000.

#### *Conversion price*

The Conversion Price of HK\$0.33 per Conversion Share represents:

- (a) a premium of approximately 83.33% over the closing price of HK\$0.180 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and
- (b) a premium of approximately 86.44% over the average closing price of approximately HK\$0.177 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to and including the Last Trading Date.

The Conversion Price was arrived at after arm's length negotiations between the Company and Jingxi Holdings with reference to the prevailing market prices of the Shares as shown above. The Directors (other than the independent non-executive Directors who will form an opinion after taken into consideration of the recommendation from the Independent Financial Advisor) consider that the Conversion Price and the terms and conditions of the Subscription Agreement are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

### *Conversion shares*

The Convertible Bonds carry the Conversion Rights to convert into the Conversion Shares at the Conversion Price of HK\$0.33 per Conversion Share (subject to adjustment). Assuming the Conversion Rights are exercised in full at the Conversion Price, 454,545,454 new Shares, being the Conversion Shares, may be allotted and issued to Jingxi Holdings subject to the Conversion Restrictions, representing approximately 23.64% of the total number of issued Shares as at the date of this announcement and approximately 19.12% of the total number of issued Shares as enlarged by the allotment and issue of the Conversion Shares, assuming that there is no other change to the total number of Shares from the date of this announcement to the Completion Date. The details of the shareholdings are set out in the paragraph headed “EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY” below.

The Conversion Shares, when allotted and issued, will be credited as full paid, free from any security interest and will rank *pari passu* in all respects with the Shares in issue on the conversion date.

The Conversion Shares will be allotted and issued under the Specific Mandate to be approved by the Independent Shareholders at the GM. An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares that may be allotted and issued upon conversion of the Convertible Bonds.

### *Conditions precedent*

The Completion is conditional upon the following conditions being satisfied or, if applicable, waived:

- (a) Jingxi Holdings having conducted due diligence exercise (technical, financial and legal) on the Company and satisfied with the results thereof;
- (b) Jingxi Holdings having obtained all necessary approvals for completion of the Subscription in accordance with its internal decision-making procedures;
- (c) Jingxi Holdings having completed all relevant third-party entities' (including but not limited to any government department) required approval(s) and/or filing procedures for completion of the Subscription in accordance with PRC laws;
- (d) the representations and warranties of the Company being true, correct and complete when made and remaining true, correct and complete and not misleading as at the Completion Date;
- (e) the Listing Committee having granted (either unconditionally or subject to conditions to which neither the Company nor Jingxi Holdings objects) listing of and permission to deal in the Conversion Shares;
- (f) the passing by the Independent Shareholders at the GM of the necessary resolution(s) to approve the Subscription Agreement and the transactions contemplated thereunder;

- (g) the compliance by the Company of any other requirements under the Listing Rules and the Takeover Code or otherwise of the Stock Exchange and the SFC which requires compliance in relation to the Subscription Agreement and the transactions contemplated thereunder (including but not limited to, the issue of the Convertible Bonds, the execution of the instrument constituting the Convertible Bonds, the allotment and issue of the Conversion Shares); and
- (h) (where required) having obtained all necessary approvals and consents from any government or regulatory authority or any person (including but not limited to the confirmation from NV Bekaert SA, a substantial Shareholder, for not exercising the right of first refusal in relation to the Convertible Bonds) and the completion of all necessary registration and filings with any government or regulatory authority required for the entering into of the Subscription Agreement and/or the performance of its obligations thereunder by the Company (including but not limited to, the issue of the Convertible Bonds, the execution of the instrument constituting the Convertible Bonds, the issue of the certificates for the Convertible Bonds and the allotment and issue of the Conversion Shares).

The conditions under items (a) to (d) and (h) may be waived by Jingxi Holdings. None of the other conditions may be waived by either party. If the above conditions precedent have not been fulfilled (or, if applicable, waived) on or before 31 March 2019, or such other date as the parties may agree in writing, the Subscription Agreement will lapse and the parties will be released from all obligations thereunder, save for the liabilities for any antecedent breach thereof (if any).

#### *Completion*

The Completion shall take place on the next business day after the date on which all conditions precedent have been fulfilled or waived (or such other date as the parties may agree in writing).

On the Completion Date, the Convertible Bonds will be issued by the Company to Jingxi Holdings (or its nominee) at full at full face value, that is, HK\$150,000,000.

#### *Right to nominate Director*

Following the Completion Date and for such time as Jingxi Holdings holds, directly or indirectly, the Governance Rights Proportion, Jingxi Holdings shall to the extent permitted under the applicable laws, the Takeovers Code and the Listing Rules have the right from time to time to require the Company to nominate one person approved by Jingxi Holdings through lawful procedures and such person will be appointed and to continue in office as an executive Director by giving notice in writing to the Company, provided that such person fulfils the requirements under the applicable laws, the articles of association of the Company and the Listing Rules as well as internal procedures of the Company with respect to the appointment of a Director.

## CONVERTIBLE BONDS

The principal terms and conditions of the Convertible Bonds are summarised as follows:

Issuer:	The Company
Principal amount:	Up to HK\$150,000,000
Status:	The Convertible Bonds constitute direct, unsecured, unsubordinated and unconditional obligations of the Company and rank <i>pari passu</i> and without any preference or priority among themselves. The payment obligations of the Company under the Convertible Bonds shall, subject to such exceptions as may be provided by applicable laws, rank at least <i>pari passu</i> with all its other present and future direct, unsecured, unsubordinated and unconditional obligations.
Conversion price:	HK\$0.33 per Conversion Share, subject to adjustment in accordance with the relevant provisions in the terms and conditions of the Convertible Bonds.
Maturity date:	The date falling on the third (3rd) anniversary of the issue date of the Convertible Bonds, which can be extended by Jingxi Holdings for one year twice to the date falling on the fifth (5th) anniversary of the issue date of the Convertible Bonds, subject to the Subscriber's sole discretion.
Interest:	4% per annum accrued on a daily basis of a 360-day year consisting of 12 months of 30 days each and payable every six months from the issue date in arrears until maturity, conversion or early redemption.
Default interest:	8% per annum on any outstanding amount due under the Convertible Bonds accrued from the due date to the date of payment in full.
Conversion period:	Subject to the terms and conditions of the Convertible Bonds and in particular, the Conversion Restrictions, Jingxi Holdings may exercise its right to convert all or any part of the principal amount of the Convertible Bonds in integral multiple of HK\$1,000,000 into Conversion Shares at any time during the period from and including the date falling 6 months from the issue date up to the close of business on the maturity date of the Convertible Bonds.
Conversion restrictions:	Conversion shall be subject to the following conditions (the " <b>Conversion Restrictions</b> "):  (a) any exercise of the Conversion Rights shall not trigger any mandatory offer under Rule 26 of the Takeovers Code; and

- (b) any exercise of the Conversion Rights shall not render the Company no longer be able to maintain the minimum public float of the Shares as required under the Listing Rules.

Adjustment events:

The Conversion Price will be adjusted in accordance with the terms and conditions of the Convertible Bonds upon occurrence of the following events:

- (a) consolidation, sub-division and reclassification of the Shares;
- (b) capitalisation of profits;
- (c) capital distributions;
- (d) rights issues of Shares or options over Shares;
- (e) rights issues of other securities of the Company;
- (f) issue of Shares or other securities of the Company at a price per Share which is less than 80% of the Current Market Price on the date of the announcement of the terms of issue of such securities;
- (g) issue wholly for cash of any securities which are convertible into, exchangeable for or carry rights of subscription for new Shares at a price per Share which is less than 80% of the Current Market Price on the date of the announcement of the terms of issue of such securities; and
- (h) the rights of conversion or exchange or subscription attached to any such securities as are mentioned in item (g) are modified so that the effective price initially receivable which is less than 80% of the Current Market Price per Share on the date of announcement of the proposal to modify such rights of conversion or exchange or subscription.

The Conversion Price may not be reduced so that, on conversion of the Convertible Bonds, Shares would fall to be issued at a discount to their par value (if any) or Shares would be required to be issued in any other circumstances not permitted by applicable laws then in force in Hong Kong.

Redemption:

Unless previously redeemed, converted or cancelled, the Convertible Bonds will be redeemed on the maturity date at 100% of the principal amount outstanding plus any accrued and unpaid interest.



Upon occurrence of any event of default, Jingxi Holdings may demand the Company to redeem all or such part of the Convertible Bonds at 100% of the principal amount outstanding plus any accrued and unpaid interest on the date of the relevant written notice being served to the Company.

- Transferability: The Convertible Bonds are transferrable in integral multiple of HK\$1,000,000 except to direct competitors of the Company.
- Voting: The Convertible Bonds shall not confer on Jingxi Holdings any right to attend or vote at any shareholder's meeting of the Company.
- Listing: No listing of the Convertible Bonds will be sought from the Stock Exchange or any other stock exchange.

## INFORMATION OF THE COMPANY AND JINGXI HOLDINGS

The Company is an investment holding company, which is principally engaged in the manufacturing of steel cords for radial tyres and sawing wires.

Jingxi Holdings is a wholly-owned subsidiary of Shougang Fund, which is in turn a wholly-owned subsidiary of Shougang Group. Shougang Group is a controlling Shareholder interested in an aggregate of 906,719,179 Shares, representing approximately 47.15% of the total number of issued Shares. Therefore, Jingxi Holdings is a connected person of the Company. Jingxi Holdings is principally engaged in investment and advisory services businesses.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 1,922,900,556 Shares in issue. Set out below are the shareholding structures of the Company as at the date of this announcement and upon the Completion and assuming full conversion of the Convertible Bonds into the Conversion Shares, assuming there is no other change to the total number of Shares from the date of this announcement to the Completion Date:

Name of Director or Shareholder	As at the date of this announcement		Immediately after full exercise of the Conversion Rights attaching to the Convertible Bonds (Note 2)	
	Number of Shares	Approx. %	Number of Shares	Approx. %
<b>Director</b>				
Tang Cornor Kwok Kau	10,000,000	0.52	10,000,000	0.42
<b>Controlling and substantial Shareholders</b>				
Shougang Group and its controlled corporations (Notes 1 & 2)	906,719,179	47.15	1,361,264,633	57.26
Bekaert Combustion Technology B.V.	250,000,000	13.00	250,000,000	10.52
Public Shareholders	756,181,377	39.33	756,181,377	31.80
<b>Total</b>	<b>1,922,900,556</b>	<b>100.0</b>	<b>2,377,446,010</b>	<b>100.0</b>



*Notes:*

1. Shougang Group is the ultimate holding company of Shougang HK, it is deemed to be interested in the 6,456,000 Shares held by Shougang HK and by virtue of the SFO, it is deemed to be interested in the 126,984,000 Shares and the 74,254,000 Shares held by Able Legend Investments Limited (“**Able Legend**”) and Prime Success Investments Limited (“**Prime Success**”) respectively as Able Legend and Prime Success are Shougang HK’s wholly owned subsidiaries and Shougang Group is deemed to be interested in the 12,370,000 Shares held by Lyre Terrace Management Limited, a subsidiary of Shougang Concord Grand (Group) Limited (Stock code: 730) (“**Shougang Grand**”) as Shougang Group is the ultimate holding company of Shougang Grand. Shougang Group is also deemed to be interested in the 135,721,936 Shares held by Fair Union Holdings Limited (“**Fair Union**”), the 148,537,939 Shares held by Richson Limited (“**Richson**”) and the 402,395,304 Shares held by Casula as Shougang Group is the ultimate holding company of Shougang Concord International Enterprises Company Limited (Stock code: 697) (“**Shougang International**”). On 21 November 2018, Shougang HK and Shougang International entered into a sale and purchase agreement whereby Shougang HK agreed to acquire the entire issued share capital of Fair Union from Shougang International. Upon completion of the said share transfer (which has not taken place as at the date of this announcement), Shougang International will cease to hold any share of Fair Union and thus any direct or indirect interest in the Shares. Fair Union will become a wholly-owned subsidiary of Shougang HK and the interest in the Shares held by Shougang HK will remain unchanged at 47.15%. For details, please refer to the announcement of the Company and the announcement of Shougang International both dated 21 November 2018.
2. The shareholdings of the Company set out in the above table are for illustration purpose only. As one of the Conversion Restrictions is that any exercise of the Conversion Rights shall not trigger any mandatory offer obligation under Rule 26 of the Takeovers Code, Jingxi Holdings will not be able to exercise its Conversion Rights to the extent that the voting rights held by Shougang HK and its associates shall not increase by more than 2% within any 12 month period pursuant to the 2% creeper rule under Rule 26.1 of the Takeovers Code.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AND USE OF PROCEEDS**

The net proceeds from the Subscription will be approximately HK\$149,000,000 and are expected to be used for (i) repaying interest-bearing borrowings with higher interest rate of the Group (excluding borrowings provided by Shougang HK and its related party(ies)); (ii) supplementing general working capital; and (iii) funding the capital investment for construction of production lines with an annual capacity of 20,000 tonnes of brass wires (half product or work in progress) to supplement the production need for both Tengzhou Eastern and Jiaxing Eastern.

The Directors (save for independent non-executive Directors who will form an opinion after taking into consideration of the recommendation from the Independent Financial Adviser) consider that the Subscription is an appropriate means of raising additional capital of the Company considering the recent market conditions which represent an opportunity for the Company to obtain the funding at reasonable cost for construction of the brass wire production lines, enhance its working capital and strengthen its capital base and financial position. Also, it will not have an immediate dilution effect on the shareholding of the existing Shareholders and the interest payable under the Convertible Bonds is more stable and predictable than bank borrowing. The Subscription by Jingxi Holdings reflects the confidence and commitment of Shougang Fund towards the long-term business development of the Group which is beneficial to the long-term business development of the Group.

Based on the estimated net proceeds from the issue of the Convertible Bonds and a total of 454,545,454 Conversion Shares to be issued at the initial Conversion Price of HK\$0.33 each upon exercise of the Conversion Rights in full, the net issue price per Conversion Share is approximately HK\$0.328.

The Directors, excluding (i) Mr. Su Fanrong, who is willing to abstain from voting on the resolutions as he is the deputy general manager of Shougang HK, for the betterment of corporate governance practice, at the Board meeting; and (ii) the independent non-executive Directors whose view will be provided after taking into consideration of the recommendation from the Independent Financial Adviser, consider that the terms of the Subscription Agreement including the terms of the Convertible Bonds, are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

### **EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT**

The Company did not conduct any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

### **IMPLICATIONS UNDER THE LISTING RULES**

Jingxi Holdings is a wholly-owned subsidiary of Shougang Fund, which is in turn a wholly-owned subsidiary of Shougang Group. Shougang Group is a controlling Shareholder interested in an aggregate of 906,719,179 Shares, representing approximately 47.15% of the total number of issued Shares. Therefore, Jingxi Holdings is a connected person of the Company. Accordingly, the Subscription constitutes a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Shougang Group and its associates are required to abstain from voting on the resolutions in respect of the Subscription at the GM. To the best of the information, belief and knowledge of the Directors, save for Shougang Group and its associates, no other Shareholder has any material interest in the Subscription and the grant of the Specific Mandate. Save for Mr. Su Fanrong, who is willing to abstain from voting on the resolutions as he is the deputy general manager of Shougang HK, for the betterment of corporate governance practice, none of the Directors has material interest in the Subscription and is required to abstain from voting on the resolutions passed by the Board to approve the Subscription Agreement and the transactions contemplated thereunder.

### **GENERAL**

The Independent Board Committee has been established to make recommendation to the Independent Shareholders regarding the Subscription Agreement and the transactions contemplated thereunder, including the issue of the Convertible Bonds. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Subscription Agreement including the terms of the Convertible Bonds, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The GM will be convened and held for the Independent Shareholders to consider, and if thought fit, to approve the Subscription and the grant of the Specific Mandate. A circular containing, amongst other things, (i) further information of the Subscription; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Subscription Agreement and issue of the Convertible Bonds; (iii) the letter of advice from the Independent Financial Adviser; and (iv) details of the Specific Mandate together with notice of the GM, is expected to be despatched to the Shareholders on or before 11 January 2019.

**Completion is subject to the fulfillment and/or waiver (as the case may be) of the conditions precedent set out in the Subscription Agreement and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

“Board”	the board of Directors
“Company”	Shougang Concord Century Holdings Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 103)
“Conversion Price”	HK\$0.33 per Conversion Share (subject to adjustment)
“Conversion Rights”	the rights to convert the Convertible Bonds into Conversion Shares
“Conversion Shares”	the Share(s) to be issued by the Company upon the holder(s) of the Convertible Bonds exercising its/their Conversion Rights attached to the Convertible Bonds in accordance with the terms and conditions of the instrument constituting the Convertible Bonds
“Convertible Bonds”	the 4% unsecured fixed coupon convertible bonds in the aggregate principal amount of HK\$150,000,000 due 2022 (extendable to 2024) to be issued by the Company to Jingxi Holdings pursuant to the Subscription Agreement
“Current Market Price”	in respect of a Share at a particular date, subject to certain specific circumstances, the arithmetic average of the closing prices for one Share for the 20 consecutive trading days ending on the trading day immediately preceding such date
“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 Subscription Agreement and the transactions contemplated thereunder, including the grant of Specific Mandate to allot and issue the Conversion Shares
“Governance Rights Proportion”	not less than 5% of the total number of Shares on a fully diluted basis (assuming full conversion of Jingxi Holdings’ holding of the Convertible Bonds)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board which comprises all the independent non-executive Directors, namely Mr. Yip Kin Man, Raymond, Mr. Law, Yui Lun and Mr. Lam Yiu Kin, established to advise the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription
“Independent Shareholder(s)”	Shareholder(s) other than Shougang Group and its associates who are required to abstain from voting at the GM
“Jiaxing Eastern”	Jiaxing Eastern Steel Cord Co., Ltd., a company incorporated under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“Jingxi Holdings”	Jingxi Holdings Limited 京西控股有限公司, a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of Shougang Fund
“Last Trading Date”	17 December 2018, being the last full trading day of the Shares on the Stock Exchange immediately prior to the signing of the Subscription Agreement
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, does not include Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“SFC”	Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholders”	holder(s) of the Share(s)
“Shougang Fund”	北京首鋼基金有限公司 (Beijing Shougang Fund Co., Ltd.), a company established in the PRC with limited liability and a wholly-owned subsidiary of Shougang Group

“Shougang Group”	Shougang Group Co., Ltd. (a state-owned enterprise under the direct supervision of the Beijing State-owned Assets Supervision and Administration Commission, established in the PRC) and a controlling Shareholder
“Shougang HK”	Shougang Holding (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and a controlling Shareholder
“Specific Mandate”	the specific mandate to be sought from the Independent Shareholders at the GM to grant the authority to the Board for the allotment and issue of the Conversion Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Tengzhou Eastern”	Tengzhou Eastern Steel Cord Co., Ltd., a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“%”	per cent.

*In this announcement, the English names of the PRC entities are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.*

By order of the Board  
**Shougang Concord Century Holdings Limited**  
**SU Fanrong**  
*Chairman and Managing Director*

Hong Kong, 18 December 2018

*As at the date of this announcement, the Board comprises the following Directors:*

*Mr. Su Fanrong (chairman and managing Director), Mr. Tang Cornor Kwok Kau (deputy managing Director), Mr. Liao Jun (non-executive Director), Mr. Yip Kin Man, Raymond (independent non-executive Director), Mr. Law, Yui Lun (independent non-executive Director) and Mr. Lam Yiu Kin (independent non-executive Director).*