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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)

**COMPLETION OF
(1) CONNECTED TRANSACTION INVOLVING SUBSCRIPTION OF NEW
SHARES UNDER SPECIFIC MANDATE; AND
(2) SUBSCRIPTION OF CONVERTIBLE BONDS
UNDER SPECIFIC MANDATE**

Reference is made to the announcement of Shougang Concord International Enterprises Company Limited (the “**Company**”) dated 29 November 2019 and the circular of the Company dated 23 December 2019 (the “**Circular**”) in relation to, among other things, the Connected Subscription Agreement and the CB Subscription Agreements. Capitalised terms used herein shall have the same meanings as defined in the Circular unless the context requires otherwise.

**COMPLETION OF CONNECTED TRANSACTION INVOLVING SUBSCRIPTION OF
NEW SHARES UNDER SPECIFIC MANDATE**

The Board is pleased to announce that all conditions of the Connected Subscription Agreement have been fulfilled and completion of the Share Subscription took place on 17 January 2020 in accordance with the terms and conditions thereof. A total of 93,333,333 Subscription Shares have been allotted and issued to Shougang Holding at the Subscription Price of HK\$0.3 per Subscription Share.

**COMPLETION OF SUBSCRIPTION OF CONVERTIBLE BONDS UNDER SPECIFIC
MANDATE**

The Board is also pleased to announce that all conditions of the CB Subscription Agreements have been fulfilled and completion of the CB Subscription took place on 17 January 2020 in accordance with the terms and conditions thereof. Convertible Bonds in the principal amount of HK\$1,115,000,000, HK\$105,693,000 and HK\$10,992,000 have been issued to ORIX Asia’s designated person, Matrix Partners V and Matrix Partners V-A, respectively.

ORIX Asia’s designated person is Mountain Tai Peak I Investment Limited, a company incorporated in the Cayman Islands with limited liability and a wholly-owned subsidiary of ORIX Asia.

EFFECTS ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company (a) immediately before completion of the Share Subscription, (b) immediately after completion of the Share Subscription, and (c) immediately after completion of the Share Subscription and upon full conversion of the Convertible Bonds, assuming that the Conversion Price is HK\$0.3 and no Shares will be issued other than the Subscription Shares and the Conversion Shares are as follows:

Name of Shareholder	Immediately before completion of the Share Subscription		Immediately after completion of the Share Subscription		Immediately after completion of the Share Subscription, and the allotment and issue of the Conversion Shares in full upon exercise of the conversion rights under the Convertible Bonds	
	Number of Shares	Approximate % shareholding	Number of Shares	Approximate % shareholding	Number of Shares	Approximate % shareholding
	Shougang Group and its subsidiaries (including Shougang Holding)	12,633,903,865	43.672	12,727,237,198	43.853	12,727,237,198
Soteria Financial Investment Company Limited	2,715,464,456	9.387	2,715,464,456	9.356	2,715,464,456	8.197
Rocket Parade Limited	2,677,425,528	9.255	2,677,425,528	9.225	2,677,425,528	8.082
ORIX Asia and its designated person	1,503,741,731	5.198	1,503,741,731	5.181	5,220,408,397	15.758
JD Fountain Technology (Hong Kong) Limited	1,500,000,000	5.185	1,500,000,000	5.168	1,500,000,000	4.528
Matrix Partners V	496,902,567	1.718	496,902,567	1.712	849,212,567	2.563
Matrix Partners V-A	51,676,111	0.179	51,676,111	0.178	88,316,111	0.267
Liang Hengyi (Note)	3,880,000	0.013	3,880,000	0.013	3,880,000	0.012
Liu Jingwei (Note)	2,876,000	0.010	2,876,000	0.010	2,876,000	0.009
Wang Xin (Note) (together with his spouse)	1,200,000	0.004	1,200,000	0.004	1,200,000	0.004
Other Shareholders	7,341,863,645	25.379	7,341,863,645	25.300	7,341,863,645	22.161
Total	28,928,933,903	100.000	29,022,267,236	100.000	33,127,883,902	100.000

Note: Liang Hengyi, Liu Jingwei and Wang Xin are Directors.

USE OF PROCEEDS

The gross proceeds and net proceeds from the Share Subscription amounted to approximately HK\$28,000,000 and approximately HK\$27,455,000, respectively. The gross proceeds and net proceeds from the CB Subscription amounted to approximately HK\$1,231,685,000 and approximately HK\$1,228,826,000, respectively. Accordingly, the aggregate gross proceeds and net proceeds from the Share Subscription and the CB Subscription amounted to approximately HK\$1,259,685,000 and approximately HK\$1,256,281,000, respectively. The Company intends to use the net proceeds as follows:

- (1) approximately HK\$753.8 million, or 60% of the net proceeds, will be used to invest in the Group's car parking business, part of which will be used for the Group's existing capital injection commitment, rental deposit and construction expenditure, and the remaining will be used for the development of new car parking assets, especially in transportation hubs, which the Group hopes will further expand its leading advantage in this segment;

- (2) approximately HK\$314.1 million, or 25% of the net proceeds, will be used to invest in the Group's fund management business; and
- (3) approximately HK\$188.4 million, or 15% of the net proceeds, will be used as general working capital and to seize business opportunities.

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

Hong Kong, 17 January 2020

As at the date of this announcement, the Board comprises Mr. Zhao Tianyang (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, Ms. Zhang Quanling and Dr. Qiao Yongyuan as Independent Non-executive Directors.