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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)

CONVERSION OF CONVERTIBLE BONDS

Reference is made to the announcements of Shougang Concord International Enterprises Company Limited (the “**Company**”) dated 29 November 2019, 17 January 2020 and 20 January 2020, and the circular of the Company dated 23 December 2019 (the “**Circular**”) in relation to, among other things, the CB Subscription Agreements. Capitalised terms used herein shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 4 February 2020, the Company issued a mandatory conversion notice to Mountain Tai Peak I Investment Limited (being ORIX Asia’s designated person under CB Subscription Agreement I) (“**Mountain Tai Peak**”) to convert the Convertible Bonds in the principal amount of HK\$1,115,000,000 at the Conversion Price of HK\$0.3 per Conversion Share (the “**Conversion**”). Accordingly, on 5 February 2020, 3,716,666,666 Conversion Shares (the “**Conversion Shares**”), representing approximately 12.637% of the total number of issued Shares immediately before the Conversion and approximately 11.219% of the total number of issued Shares as enlarged by the issue of the Conversion Shares, were allotted to Mountain Tai Peak in accordance with the terms and conditions of the Convertible Bonds. Upon completion of the Conversion, the Company does not have any outstanding Convertible Bonds.

The Conversion Shares shall rank *pari passu* with, and carry the same rights in all aspects (including the rights to dividends) as, the other Shares in issue as at the date of the allotment and among themselves in all respects.

The shareholding structure of the Company immediately before and after the Conversion and the issue of the Conversion Shares is set out below:

Name of Shareholder	Immediately before the Conversion and the issue of the Conversion Shares		Immediately after the Conversion and the issue of the Conversion Shares	
	Number of Shares	Approximate % shareholding	Number of Shares	Approximate % shareholding
Shougang Group and its subsidiaries (including Shougang Holding)	12,727,237,198	43.273	12,727,237,198	38.419
Soteria Financial Investment Company Limited	2,715,464,456	9.233	2,715,464,456	8.197
Rocket Parade Limited	2,677,425,528	9.103	2,677,425,528	8.082
ORIX Asia and Mountain Tai Peak JD Fountain Technology (Hong Kong) Limited	1,503,741,731	5.113	5,220,408,397	15.758
Matrix Partners V	1,500,000,000	5.100	1,500,000,000	4.528
Matrix Partners V-A	849,212,567	2.887	849,212,567	2.563
Liang Hengyi (<i>Note</i>)	88,316,111	0.300	88,316,111	0.267
Liu Jingwei (<i>Note</i>)	3,880,000	0.013	3,880,000	0.012
Wang Xin (<i>Note</i>) (together with his spouse)	2,876,000	0.010	2,876,000	0.009
Other Shareholders	1,200,000	0.004	1,200,000	0.004
Total	7,341,863,645	24.964	7,341,863,645	22.161
	29,411,217,236	100.000	33,127,883,902	100.000

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

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

Hong Kong, 5 February 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.