

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.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Shougang Concord Technology Holdings Limited and Sino Stride Technology (Holdings) Limited.



首長科技集團有限公司
SHOUGANG CONCORD TECHNOLOGY
HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)
(Stock Code: 521)



SINOSTRIDE

SINO STRIDE TECHNOLOGY
(HOLDINGS) LIMITED

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8177)

Voluntary conditional share exchange offer by

CIMB

CIMB-GK Securities (HK) Limited

**on behalf of Made Connection Limited, a wholly-owned subsidiary of
Shougang Concord Technology Holdings Limited, to acquire all the issued
shares of**

**Sino Stride Technology (Holdings) Limited
and**

Major Transaction of Shougang Concord Technology Holdings Limited

**Financial adviser to
Shougang Concord Technology Holdings Limited
in respect of the Share Exchange Offer and
the major transaction**

**Financial adviser to
Sino Stride Technology (Holdings) Limited
in respect of
the Share Exchange Offer**

CIMB

CIMB-GK Securities (HK) Limited



博大資本國際有限公司
Partners Capital International Limited

The Share Exchange Offer

On 16 December 2005, SCT approached the board of SST stating its intention to make a voluntary conditional share exchange offer to acquire all the issued SST Shares.

Major Transaction

The Share Exchange Offer constitutes a major transaction of SCT under the Listing Rules and is subject to the approval by shareholders of SCT at an extraordinary general meeting. SCT will convene an extraordinary general meeting to approve the Share Exchange Offer and the issue of new SCT Shares thereunder.

Despatch of Circular and Offer Document

A circular containing, among other things, the notice of the extraordinary general meeting and further details of the Share Exchange Offer, will be despatched to the shareholders of SCT within 21 days from the publication of this announcement.

The Offeror will despatch the Offer Document to the SST Shareholders setting out the terms and other details of the Share Exchange Offer, together with the acceptance and transfer forms within 35 days from the publication of this announcement.

Despatch of Response Document

Within 14 days from the posting of the Offer Document, SST is required to despatch a response document to the SST Shareholders in respect of the Share Exchange Offer. An independent board committee will be appointed to advise the SST Independent Shareholders in respect of the Share Exchange Offer (the composition of which will be finalised during the preparation stage of the response document). An independent financial adviser will also be appointed to advise the independent board committee of SST and a letter of advice from such independent financial adviser will be set out in the said response document.

Suspension and Resumption of Trading

At the request of SCT, trading in the SCT Shares has been suspended at 9:30 a.m. on 16 December 2005 pending the release of this announcement. An application has been made by SCT to the Stock Exchange for the resumption of trading of the SCT Shares from 9:30 a.m. on 28 December 2005.

At the request of SST, trading in the SST Shares has been suspended at 9:30 a.m. on 16 December 2005 pending the release of this announcement. An application has been made by SST to the Stock Exchange for the resumption of trading of the SST Shares from 9:30 a.m. on 28 December 2005.

The Share Exchange Offer is subject to conditions described below and accordingly may lapse if they do not become unconditional. Shareholders of SCT and SST and investors of SCT and SST should exercise caution when dealing in the SCT Shares and the SST Shares.

INTRODUCTION

On 16 December 2005, SCT approached the board of SST stating its intention to make a voluntary conditional share exchange offer to acquire all the issued SST Shares.

As at the date of this announcement, the Offeror and its Concert Parties are not beneficial owners of any SST Shares. The Offeror and its Concert Parties have not traded in any SST Shares in the six-month period prior to the date of this announcement.

THE SHARE EXCHANGE OFFER

The Share Exchange Offer will be made by CIMB-GK on behalf of the Offeror on the following basis:

For every 3 SST Shares

2 new SCT Shares

The Share Exchange Offer of two new SCT Shares for every three SST Shares has been determined by the Offeror with reference to the closing price of the SCT Shares as quoted on the Stock Exchange as at the Last Trading Day, which was HK\$0.450. This translates into a value of HK\$0.300 per SST Share.

The market capitalisation of SST was HK\$363,910,500 as at the Last Trading Day. The highest and lowest closing prices at which the SST Shares were traded on the Stock Exchange during the six-month period immediately prior to the Last Trading Day, were HK\$0.340 and HK\$0.230 on 14 December 2005 and 15 November 2005, respectively.

Based on the closing price of HK\$0.450 per SCT Share as quoted on the Stock Exchange on 15 December 2005, the Share Exchange Offer of an ascribed value of HK\$0.300 per SST Share:

- (a) represents a discount of approximately 10.4% to the closing price of HK\$0.335 per SST Share as quoted on the Stock Exchange on the Last Trading Day;
 - (b) represents a discount of approximately 7.4% to the average closing price of approximately HK\$0.324 per SST Share for the last ten trading days up to and including the Last Trading Day;
 - (c) represents a discount of approximately 2.9% to the average closing price of approximately HK\$0.309 per SST share for the one-month period up to and including the Last Trading Day;
- and

- (d) represents a premium of approximately 106.9% over the audited consolidated net asset value per SST Share of approximately RMB0.154 (equivalent to approximately HK\$0.145) as at 31 December 2004 (based on the audited consolidated net asset value of SST of approximately RMB166.9 million and 1,086,300,000 SST Shares in issue as at 31 December 2004) and a premium of approximately 112.8% over the unaudited consolidated net asset value per SST Share of approximately RMB0.149 (equivalent to approximately HK\$0.141) as at 30 June 2005 (based on the unaudited consolidated net asset value of SST of approximately RMB162.3 million and 1,086,300,000 SST Shares in issue as at 30 June 2005).

The closing price of HK\$0.450 per SCT Share as quoted on the Stock Exchange on 15 December 2005:

- (a) represents a discount of approximately 0.4% to the average closing price of approximately HK\$0.452 per SCT Share for the last ten trading days up to and including the Last Trading Day;
- (b) represents a premium of approximately 6.1% over the average closing price of approximately HK\$0.424 per SCT share for the one-month period up to and including the Last Trading Day; and
- (c) represents a discount of approximately 25.0% to the audited consolidated net asset value per SCT Share of approximately HK\$0.600 as at 31 December 2004 (based on the audited consolidated net asset value of SCT of approximately HK\$719.4 million and 1,199,003,583 SCT Shares in issue as at 31 December 2004) and a discount of approximately 20.1% to the unaudited consolidated net asset value per SCT Share of approximately HK\$0.563 as at 30 June 2005 (based on the unaudited consolidated net asset value of SCT of approximately HK\$675.0 million and 1,199,003,583 SCT Shares in issue as at 30 June 2005).

Total consideration for the Share Exchange Offer

As at the date of this announcement, there are a total of 1,086,300,000 SST Shares in issue. On the basis of the Share Exchange Offer of 2 new SCT Shares for every 3 SST Shares and based on the closing prices of the SCT Shares and the SST Shares of HK\$0.450 per SCT Share and HK\$0.335 per SST Share respectively as quoted on the Stock Exchange as at the Last Trading Day, the price for each SST Share under the Share Exchange Offer is HK\$0.300 per SST Share. Given the trading volume of the SST Shares, SCT has further crossed reference such offer price to the share performance of the SST Shares for the last six months preceding the Last Trading Day. Given the implied discount of approximately 10.4% between the price for each SST Share under the Share Exchange Offer of HK\$0.300 per SST Share and the closing price of HK\$0.335 per SST Share as quoted on the Stock Exchange on the Last Trading Day, as well as the average 6-month share price of the SST Shares of approximately HK\$0.306 per SST Share, the Directors consider such offer price to be justifiable. The Share Exchange Offer values the entire issued share capital of SST at approximately HK\$325.9 million.

Terms of the Share Exchange Offer

Acceptance of the Share Exchange Offer by any SST Shareholder will be deemed to constitute a warranty by such person that all the SST Shares to be sold by such person under the Share Exchange Offer will be free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, in the case of the SST Shares, the right to receive dividends and distributions declared, made or paid, if any, on or after the date of this announcement.

The availability of the Share Exchange Offer to persons not resident in Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Persons who are not resident in Hong Kong should obtain advice about and observe any applicable requirements in their own jurisdictions

Settlement

The share certificates of SCT will be despatched to the SST Shareholders who have accepted the Share Exchange Offer within 10 days of the later of the date on which the Share Exchange Offer becomes unconditional and date of receipt of duly completed valid acceptances.

SST Shareholders should be aware that the Share Exchange Offer will be made in the same proportion for any greater and lesser number than every 10,000 SST Shares (representing one board lot of SST Shares) except that no fraction of a share in SCT will be issued. SST Shareholders

should also be aware that SCT Shares are traded in board lots of 2,000 shares and it is not proposed that any arrangements be made for the trading of odd lots of SCT Shares following the Share Exchange Offer. A limited period of matching service will be arranged for odd lot of SCT Shares to be held by SST Shareholders as a result of completion of the Share Exchange Offer. Details of such matching service will be set out in the Offer Document and the response document to the SST Shareholders respectively.

Conditions

It is the intention of SCT that the Share Exchange Offer is conditional upon the following:

- (a) the Share Exchange Offer having been approved by the shareholders of SCT in an extraordinary general meeting in accordance with the requirements under the Listing Rules;
- (b) each and every member of the SST Group remaining solvent and not subject to any insolvency or bankruptcy proceedings or likewise and no liquidator, provisional liquidator, receiver or other person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the assets or undertakings of any member of the SST Group from the date of this announcement up to the date when conditions (a), (c), (d) and (e) are all satisfied;
- (c) no event having occurred on or before the date on which condition (d) below has been satisfied which would make the Share Exchange Offer or the acquisition of any of the SST Shares by the Offeror unenforceable, illegal or unable to be proceeded or would impose any additional material conditions or obligations with respect to the Share Exchange Offer or any part thereof or the acquisition of any of the SST Shares;
- (d) valid acceptances of the Share Exchange Offer having been received (and, where permitted, not withdrawn) by 4:00 p.m. on the Closing Date (or such later times(s) and/or date(s) as the Offeror may decide and the Executive may approve) in respect of the SST Shares, which together with the SST Shares already held by the Offeror and parties acting in concert with it, constitute more than 50% of the voting rights normally exercisable at general meetings of SST; and
- (e) the Stock Exchange granting the listing of, and permission to deal in, the new SCT Shares to be issued pursuant to the terms of the Share Exchange Offer.

The Share Exchange Offer may or may not become unconditional. Shareholders of SCT and SST and investors should exercise caution when dealing in the SCT Shares and the SST Shares.

SCT reserves the right to waive all or any of the conditions (except conditions (a), (d) and (e)) in whole or in part on or before the Closing Date.

Thus, if the Offeror does not receive valid acceptances of the Share Exchange Offer by the Closing Date, which together with the SST Shares already held by the Offeror and its Concert Parties before or during the Share Exchange Offer will result in the Offeror and its Concert Parties holding more than 50% of the voting rights of SST, the Share Exchange Offer cannot become unconditional and the Share Exchange Offer will lapse unless they are revised or extended.

As of the date of this announcement, SST has no outstanding convertible securities, options, derivatives or warrants and has not entered into any agreement for the issue of any of such securities of SST.

STAMP DUTY

Seller's and buyer's ad valorem stamp duty arising in connection with the acceptances of the Share Exchange Offer, amounting to HK\$1.00 for every HK\$1,000 or part thereof of the consideration payable in respect of the relevant acceptance will be borne by SCT.

INFORMATION ON SST

The SST Group is principally engaged in the development and provision of system integration solutions in the PRC. The principal system integration solutions provided by the SST Group are intelligent building system integration solutions and computer network system software. Since the 1990s, the system software industry in the PRC has been developing rapidly. According to China Center for Information Industry Development, the annual compound growth rate of the software market in the PRC from 2002 to 2007 is estimated to be approximately 21.1%, with the total

market size increasing to approximately RMB89.8 billion in 2007 from RMB34.5 billion in 2002. Current customers of the computer network system integration solutions industry in the PRC are mainly from the government, postal and telecommunication services, financial, transportation, energy source and education sectors.

As stated in SST's third quarterly report for the nine months ended 30 September 2005, the SST Group intends to pursue strategic acquisitions of investments in system integration business and software development business in the future when such opportunities arise so as to strengthen and complement the SST Group's existing business. The mission of the SST Group is to promote and create a high quality "digitised environment" in the PRC to facilitate the development of "digitised China". Looking forward, the SST Group aims to become a leader in the PRC for (i) intelligent building system integration solutions; (ii) computer network system integration solutions; and (iii) system software for government, hospitals and other organisations and institutions.

The following table sets out the financial information of the SST Group for the two financial years ended 31 December 2004 and the nine months ended 30 September 2005:

	(Audited)		(Unaudited)
	Year ended		Nine months
	31 December (Note 1)		ended
	2003	2004	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>(Note 2)</i>
			2005
			<i>RMB'000</i>
Turnover	227,023	293,134	180,408
Net profit before taxation	37,088	29,144	7,975
Net profit after taxation	32,264	23,778	7,701
Earnings per SST Share	RMB2.9 cents	RMB2.1 cents	RMB0.7 cents
Net asset value	155,892	166,880	165,194
			<i>(Note 3)</i>

Notes:

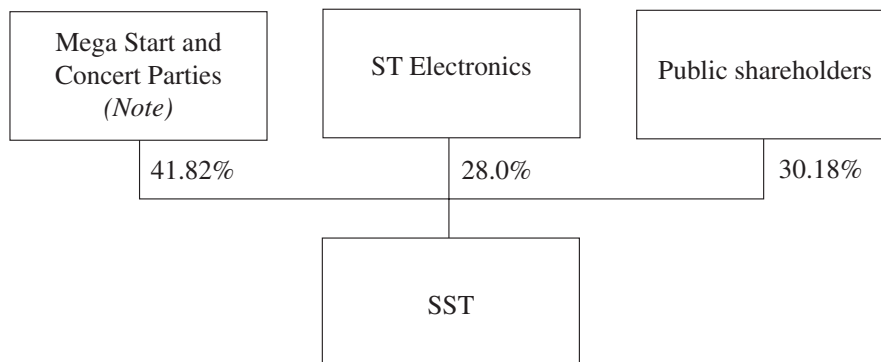
1. Based on the latest published audited financial statements of SST.
2. Based on the latest published unaudited financial statements of SST.
3. This is extracted from the condensed consolidated statement of changes in equity as disclosed in the third quarterly report of SST for the nine months ended 30 September 2005.

Based on the interim report of SST for the six months ended 30 June 2005, the unaudited consolidated net asset value of the SST Group as at 30 June 2005 was approximately RMB162.3 million (representing RMB0.149 per SST Share).

The reduction in the net profit of the SST Group for the year ended 31 December 2004 and the nine months ended 30 September 2005 was mainly attributable to:

- (i) the reduction in gross profit margin from approximately 26.4% for the year ended 31 December 2003 to approximately 23.3% for the year ended 31 December 2004 and further down to approximately 20.3% for the nine months ended 30 September 2005, as a result of the increase in sub-contracting and cooperation arrangement of smaller-sized projects of the SST Group and the prevailing competition in the industry;
- (ii) the increase in administrative costs from approximately RMB12.4 million (equivalent to approximately HK\$11.7 million) for the year ended 31 December 2003 to RMB22.7 million (equivalent to approximately HK\$21.4 million) for the year ended 31 December 2004, as a result of the expansion of new geographical presence and scale of operation of the SST Group in Beijing, Jiangsu, Chongqing, Yunnan, the PRC and the extra relocation expenses resulting from office removal of one of the subsidiaries of SST located in Hangzhou, the PRC; and
- (iii) increases in other operating costs and selling and distribution costs.

The following is the shareholding structure of SST as at the date of this announcement:



Note: Mega Start and its Concert Parties own 454,240,000 SST Shares in aggregate, as to 451,740,000 SST Shares by Mega Start and as to 2,500,000 SST Shares by Mr. Wong Wai Tin, a director of SST.

The SST Independent Shareholders who do not accept the Share Exchange Offer will not have their shareholding interests in SST diluted, as no new SST Shares will be issued under the Share Exchange Offer. Assuming the Share Exchange Offer can become unconditional, and in light of the undertakings from Mega Start and Mr. Wong Wai Tin, a director of SST, to accept the Share Exchange Offer, the ultimate single largest SST Shareholder will be SCT (instead of Mega Start).

INFORMATION ON THE OFFEROR AND SCT

The Offeror is a company incorporated in Samoa on 31 October 2005 and is a wholly-owned subsidiary of SCT. The directors of the Offeror are Messrs. Zhang Wenhui and Tse Chun Sing, all of whom are also directors of SCT. The main business of the Offeror is investment holding. SCT is a Hong Kong-listed company incorporated in Hong Kong. The principal activity of SCT is investment holding. The principal activities of the subsidiaries of SCT consist of manufacture and sale of photomask, telephone accessories, power cords, adaptors, electronic products, printed circuit board and high precision metal components. As at the date of this announcement, Shougang Holding and Cheung Kong, through their associates (as defined under the Listing Rules), are the substantial shareholders of SCT, beneficially interested in 498,171,020 SCT Shares and 124,069,394 SCT Shares respectively, representing approximately 41.55% and 10.35%, respectively, of the issued share capital of SCT.

The following table sets out the financial information of the SCT Group for the two financial years ended 31 December 2004 and the six months ended 30 June 2005:

	(Audited)		(Unaudited)
	Year ended		Six months
	31 December (Note 1)		ended
	2003	2004	30 June
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	387,744	436,532	206,969
Net profit/(loss) before taxation	19,156	(91,872)	(48,769)
Net profit/(loss) after taxation	22,400	(94,019)	(48,771)
Profit/(loss) per SCT Share	HK2.37 cents	HK(7.84) cents	HK(4.11) cents
Net asset value	810,573	719,398	675,014

Notes:

1. Based on the latest published audited financial statements of SCT.
2. Based on the latest published unaudited financial statements of SCT.

The net asset value per SCT Share amounted to HK\$0.563 as at 30 June 2005.

As at the date of this announcement, neither Shougang Holding, the Offeror, nor any of its associates holds any SST Shares. Neither Shougang Holding, the Offeror nor any of its Concert Parties has dealt in the SST Shares in the six-month period prior to the date of this announcement.

As at the date of this announcement, a total of 1,199,003,583 SCT Shares were in issue and a total of 170,811,000 employee share options of SCT with exercise prices ranging from HK\$0.495 to

HK\$1.200 and an exercise period of 10 years were outstanding. The exercise in full of SCT's outstanding employee share options would result in the issue of additional 170,811,000 SCT Shares. Assuming all SST Shareholders accept the Share Exchange Offer, a total of 724,200,000 new SCT Shares (with a market value of HK\$325,890,000 based on the closing price of HK\$0.450 per SCT Share as at the Last Trading Day) will be issued, representing approximately 37.66% of the enlarged share capital of SCT or approximately 60.40% of the existing share capital of SCT. Assuming no SCT Share (other than those to be issued under the Share Exchange Offer) is issued before completion of the Share Exchange Offer, the shareholding structure of SCT, both before and after completion of the Share Exchange Offer, assuming full acceptance of the Share Exchange Offer is as follows:

Name	Prior to completion of the Share Exchange Offer		After completion of the Share Exchange Offer	
	No. of SCT Shares held	%	No. of SCT Shares held	%
Shougang Holding and its associates ^{(1), (2)}	498,171,020	41.55	498,171,020	25.90
Cheung Kong and its associates ⁽³⁾	124,069,394	10.35	124,069,394	6.45
Mega Start and Concert Parties	–	–	302,826,667	15.75
ST Electronics ⁽⁴⁾	–	–	202,840,000	10.55
Others and public shareholders	576,763,169	48.10	795,296,502	41.35
Total	<u>1,199,003,583</u>	<u>100.00</u>	<u>1,923,203,583</u>	<u>100.00</u>

Notes:

- Shougang Holding and its associates are presumed to be the Concert Parties of SCT under the Takeovers Code in respect of the Share Exchange Offer.
- Shougang Holding is a wholly-owned subsidiary of Shougang Corporation, a state-owned enterprise in the PRC.
- By virtue of their interests in Cheung Kong, the following person and companies are each deemed to be interested in the SCT Shares held by Cheung Kong:
 - Mr. Li Ka-Shing.
 - Li Ka-Shing Unity Trustcorp Limited as a trustee of a discretionary trust holding units in The Li Ka-Shing Unity Trust.
 - Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust.
 - Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust.
- Ms. Kan Lai Kuen, Alice, an independent non-executive Director, is also an independent non-executive director of a subsidiary of Temasek Holdings (Private) Ltd., the holding company of ST Electronics.

INTENTION OF MAJOR SHAREHOLDERS OF SST

Mega Start (which is owned by Mr. Chau Chit, a director of SST, and Ms. Ting Hiu Wan, the spouse of Mr. Chau Chit, and Mr. Wong Wai Tin, a director of SST, in the proportion of 50%, 30% and 20%, respectively), a major shareholder of SST, owns 451,740,000 SST Shares, representing approximately 41.59% of the existing issued share capital of SST, has irrevocably undertaken to accept the Share Exchange Offer in respect of the above shareholding. In addition, Mr. Wong Wai Tin who directly owns 2,500,000 SST Shares, representing approximately 0.23% of the existing issued share capital of SST, has also irrevocably undertaken to accept the Share Exchange Offer in respect of his shareholding in SST.

Save as disclosed above, none of the directors of SST has given any undertaking to accept or not to accept the Share Exchange Offer up to the date of this announcement.

OFFEROR'S INTENTION IN RELATION TO THE SST GROUP

Reasons for the Share Exchange Offer

The SCT Group is principally engaged in the manufacture and sale of photomask, telephone accessories, power cords, adaptors, electronic products, printed circuit board and high precision metal components.

The SCT Group has been exploring new business opportunities with a view to diversifying its existing business and to improve its financial performance. Despite the decrease in the SST Group's earnings in recent years, and given the reasons for such decrease as stated above, the SST Group's existing intelligent building system and value added service solution projects on hand, SST's market ranking in the PRC as well as the recent business progress and achievements as noted in SST's third quarterly report for the nine months ended 30 September 2005, the Directors believe that SST's prospect is still promising and that the investment in SST will provide a suitable platform for SCT's business expansion and earnings enhancement in future.

The Directors also believe that the transaction will be beneficial to both the shareholders of SCT and SST by combining the expertise of SST in the system integration sector with the strong business connections of SCT in the PRC. SCT currently has no intention to inject assets into SST upon completion of the Share Exchange Offer.

Assuming the Share Exchange Offer can become unconditional and SCT will have more than 50% equity interest in SST, SST will become an indirect subsidiary of SCT and SST's financial results will be consolidated with those of the SCT Group.

Appointment of Directors

Subject to the Share Exchange Offer becoming unconditional and subject to compliance with the Takeovers Code, in particular not earlier than the posting of the Offer Document, the Offeror intends to nominate Mr. Cao Zhong as a director to the board of directors of SST upon completion of the Share Exchange Offer. Save for this proposed appointment, the Offeror does not intend to make any changes to the current board composition of SST nor does it have any intention to make any major changes to the management structure. SCT also intends to invite Mr. Chau Chit, the executive director of SST, to the Board.

Intention of the Offeror regarding SST

SCT does not intend to make any changes to the current business operations of SST, apart from the appointment of director stated above. The Offeror and SCT have not decided whether to maintain the listing of SST on GEM or to effect the compulsory acquisition of SST in the event that the Offeror is permitted to do so under the Companies Law and the Takeovers Code. Further announcement will be made in this respect accordingly.

Pursuant to Rule 2.11 of the Takeovers Code, except with the consent of the Executive, where the Offeror seeks to acquire or privatise SST by means of the Share Exchange Offer and the use of compulsory acquisition rights, such rights may only be exercised if, in addition to satisfying any requirements imposed by the Companies Law, acceptance of the Share Exchange Offer and purchases (in each case of the disinterested shares) made by the Offeror and its Concert Parties during the period of four months after posting the Offer Document total 90% of the disinterested shares.

The Directors have undertaken, and the new director intended to be nominated by the Offeror and appointed to the board of directors of SST will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that public float exists in the SST Shares if listing on the Stock Exchange is to be maintained.

The Stock Exchange has stated that if, upon the close of the Share Exchange Offer, less than 25% of the SST Shares are held by the public or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the SST Shares; or**
- there are insufficient SST Shares in public hands to maintain an orderly market,**

then it will consider exercising its discretion to suspend trading in the SST Shares until a level of sufficient public float is attained.

So long as SST remains a listed company, the Stock Exchange will also closely monitor all future acquisitions or disposals of assets of SST. Any acquisitions or disposals of assets by the SST Group will be subject to the provisions of the GEM Rules. Pursuant to the GEM Rules, the Stock Exchange has the discretion to require SST to issue an announcement and a circular to the SST shareholders irrespective of the size of any proposed transactions, particularly when such proposed transactions represent a departure from the principal activities of SST. The Stock Exchange also has the power to aggregate a series of acquisitions or disposals of SST and any such transactions may result in SST being treated as if it were a new listing applicant and subject to the requirements for new listing applicants as set out in the GEM Rules.

Availability of the Share Exchange Offer

The Offer Document will be sent to the SST Shareholders, including those with a registered address outside Hong Kong. However, the availability of the Share Exchange Offer to persons not resident in Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Subject to compliance with the Takeovers Code, the Offeror reserves the right to make special arrangements regarding the terms of the Share Exchange Offer in relation to the SST Shareholders. Persons who are not resident in Hong Kong should obtain advice about and observe any applicable requirements in their own jurisdictions. If it comes to the attention of the Offeror that there are SST Shareholders not resident in Hong Kong, the Offeror will instruct its lawyers to make necessary enquiry regarding the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body with regard to the availability of the Share Exchange Offer to the SST Shareholders not resident in Hong Kong. The information regarding the enquiry with regard to the availability of the Share Exchange Offer to the SST Shareholders not resident in Hong Kong will be included in the Offer Document, if any.

WARNING

The Share Exchange Offer is subject to conditions described above and accordingly may lapse if they do not become unconditional. Shareholders of SCT and SST and investors of SCT and SST should exercise caution when dealing in the SST Shares and the SCT Shares.

MAJOR TRANSACTION

As the Share Exchange Offer constitutes a major transaction of SCT under the Listing Rules, the Share Exchange Offer and the issue of new SCT Shares are subject to the approval by shareholders of SCT at an extraordinary general meeting. SCT will convene an extraordinary general meeting to approve, inter alia, the Share Exchange Offer and the issue of new SCT Shares under the Share Exchange Offer by special mandate.

The interest of the controlling shareholders of SCT in the Share Exchange Offer is the same as those of the other shareholders of SCT and no shareholder is required to abstain from voting. Each of the three wholly-owned subsidiaries of Shougang Holding namely, Asset Resort Holdings Limited, Wheeling Holdings Limited and Prime Success Investments Limited, which is directly interested in approximately 19.31%, 14.18% and 8.02% respectively of the issued share capital of SCT as at the date of this announcement, has confirmed to SCT that it does not have any interest in the Share Exchange Offer and that it intends to vote in favour of the resolution approving the making of the Share Exchange Offer and the transactions contemplated thereunder at the extraordinary general meeting of SCT. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the controlling shareholders of SST are independent third parties not connected with SCT or any of its subsidiaries or any of their respective directors, chief executives or substantial shareholders or any of their associates. SCT and SST do not have any common director.

DESPATCH OF CIRCULAR AND OFFER DOCUMENT

A circular containing, among other things, the notice of the extraordinary general meeting and further details of the Share Exchange Offer, will be despatched to the shareholders of SCT within 21 days from the publication of this announcement.

The Offeror will despatch the Offer Document to the SST Shareholders setting out the terms and other details of the Share Exchange Offer, together with the acceptance and transfer forms within 35 days from the publication of this announcement.

DESPATCH OF RESPONSE DOCUMENT

Within 14 days from the posting of the Offer Document, SST is required to despatch a response document to the SST Shareholders in respect of the Share Exchange Offer. An independent board committee will be appointed to advise the SST Independent Shareholders in respect of the Share Exchange Offer (the composition of which will be finalised during the preparation stage of the response document). An independent financial adviser will also be appointed to advise the independent board committee of SST and a letter of advice from such independent financial adviser will be set out in the said response document.

The respective associates of the Offeror and SST are reminded to disclose their dealings in any relevant securities of the Offeror, SCT and SST under Rule 22 of the Takeovers Code.

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.

GENERAL

The Share Exchange Offer is made on an arm's length basis and the Directors (including the independent non-executive Directors) believe that the terms of the Share Exchange Offer are fair and reasonable and in the interests of SCT and its shareholders as a whole.

An application will be made to the Stock Exchange for the granting of the listing of and permission to deal in the new SCT Shares to be issued under the Share Exchange Offer.

CIMB-GK has been appointed as the financial adviser to the Offeror in respect of the Share Exchange Offer. Partners Capital International Limited has been appointed as the financial adviser to SST in respect of the Share Exchange Offer.

SUSPENSION AND RESUMPTION OF TRADING

At the request of SCT, trading in the SCT Shares has been suspended at 9:30 a.m. on 16 December 2005 pending the release of this announcement. An application has been made by SCT to the Stock Exchange for the resumption of trading of the SCT Shares from 9:30 a.m. on 28 December 2005.

At the request of SST, trading in the SST Shares has been suspended at 9:30 a.m. on 16 December 2005 pending the release of this announcement. An application has been made by SST to the Stock Exchange for the resumption of trading of the SST Shares from 9:30 a.m. on 28 December 2005.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

“acting in concert”	has the meanings ascribed to it in the Takeovers Code
“Board”	the board of Directors
“Cheung Kong”	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong whose shares are listed on the Main Board of the Stock Exchange
“CIMB-GK”	CIMB-GK Securities (HK) Limited, a corporation licensed to carry out types 1 (dealing in securities), 4 (advising on securities) and 6 (advising on corporate finance) of the regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Closing Date”	the date to be stated in the Offer Document as the first closing date of the Share Exchange Offer or any subsequent closing date(s) as may be announced by the Offeror and approved by the Executive
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Concert Parties”	the meaning ascribed to parties “acting in concert” under the Takeovers Code

“Conditions”	the conditions of the Share Exchange Offer
“Directors”	directors of SCT
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Rules”	the Rules Governing the Listing of Securities on GEM
“Last Trading Day”	15 December 2005, being the last trading day prior to the suspension of trading in the SST Shares and the SCT Shares on 16 December 2005
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mega Start”	Mega Start Limited, the single largest shareholder of SST, which is owned as to 50% by Mr. Chau Chit, a director of SST, 30% by Ms. Ting Hiu Wan, the spouse of Mr. Chau Chit and 20% by Mr. Wong Wai Tin, a director of SST
“Offer Document”	the document to be issued by or on behalf of the Offeror to all holders of SST Shares in accordance with the Takeovers Code containing, inter alia, details of the Share Exchange Offer, the acceptance and transfer forms, and the terms and conditions of the Share Exchange Offer or, where applicable, the composite document to be issued by or on behalf of the Offeror and SST
“Offeror”	Made Connection Limited, a company incorporated in Samoa and is a wholly-owned subsidiary of SCT
“PRC”	the People’s Republic of China
“RMB”	Renminbi yuan, the lawful currency of the PRC
“SCT”	Shougang Concord Technology Holdings Limited, a company incorporated in Hong Kong whose securities are listed on the Main Board of the Stock Exchange
“SCT Group”	SCT and its subsidiaries
“SCT Share(s)”	ordinary share(s) of HK\$0.25 each in the capital of SCT
“SFC”	the Securities and Futures Commission of Hong Kong
“Share Exchange Offer”	the voluntary conditional share exchange offer of 2 new SCT Shares for every 3 SST Shares
“Shougang Holding”	Shougang Holding (Hong Kong) Limited, the controlling shareholder of SCT which is beneficially interested in approximately 41.55% of the issued share capital of SCT
“SST”	Sino Stride Technology (Holdings) Limited, a company incorporated in the Cayman Islands, whose securities are listed on GEM
“SST Group”	SST and its subsidiaries
“SST Independent Shareholders”	SST Shareholders excluding Mega Start and its Concert Parties
“SST Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of SST
“SST Shareholder(s)”	holder(s) of SST Share(s)
“ST Electronics”	Singapore Technologies Electronics Limited, the substantial shareholder of SST which is beneficially interested in 28.0% of the issued share capital of SST under the register kept by SST
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
**SHOUGANG CONCORD TECHNOLOGY
HOLDINGS LIMITED**

Cao Zhong
Chairman

By Order of the Board
**SINO STRIDE TECHNOLOGY
(HOLDINGS) LIMITED**

Wong Wai Tin
Chairman

Hong Kong, 23 December 2005

The directors of SCT and the Offeror jointly and severally accept full responsibility for the accuracy of the information (other than that in respect of the SST Group) 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.

The directors of SST jointly and severally accept full responsibility for the accuracy of the information (other than that in respect of the SCT Group and the Offeror) 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.

As at the date of this announcement, the Board comprises Cao Zhong (Chairman), Zhang Wenhui (President), Tzu San Te (Executive Director), Tse Chun Sing (Executive Director), Chen Jang Fung (Non-executive Director), Leung Shun Sang, Tony (Non-executive Director), Chan Wah Tip, Michael (Non-executive Director), Choy Hok Man, Constance (Non-executive Director), Kan Lai Kuen, Alice (Independent Non-executive Director), Kwan Bo Ren, Dick (Independent Non-executive Director) and Wong Kun Kim (Independent Non-executive Director).

As at the date of this announcement, the board of directors of SST comprises Wong Wai Tin (Chairman), Chau Chit (Executive Director), Shen Yue (Executive Director), Wong Wai Kwan (Non-executive Director), Ng Chong Khim (Non-executive Director), Tay Hun Kiat (Non-executive Director), Cai Xiao Fu (Independent non-executive Director), Shi Jian Jun (Independent non-executive Director) and Li Xiaoqiang Richard (Independent non-executive Director).

This announcement will remain on the GEM website at www.hkgem.com for at least 7 days from the day of its posting and at SST's website www.SST-world.com.

Please also refer to the published version of this announcement South China Morning Post - Classified.