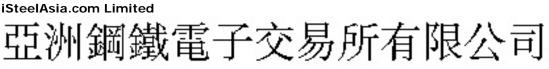
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(Incorporated in Bermuda with limited liability)

Listing on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited by way of Placing

> Number of Placing Shares : 100,000,000 new Shares (subject to Over-allotment Option) Issue Price : HK\$1.08 per Placing Share Nominal value : HK\$0.10 each Stock code : 8080

Global Coordinator, Bookrunner and Sponsor



Lead Manager



Co-Managers

ABN AMRO Rothschild CLSA Emerging Markets Salomon Smith Barney International Asia Financial (Securities) Limited Dresdner Kleinwort Benson

Summary

The 100,000,000 Placing Shares were fully subscribed.

• iSteelAsia.com Limited wishes to announce that the BNP Prime Peregrine Option was exercised on 18th April, 2000.

Dealings in the Shares on GEM are expected to commence at 10:00 a.m. on Thursday, 20th April, 2000.

Unless otherwise defined herein, the terms used in this announcement have the same meanings as in the prospectus of the Company dated 14th April, 2000 (the "Prospectus").

Level of Interest

The initial 100,000,000 Placing Shares were fully subscribed, and have been conditionally allocated in full to individual, professional and institutional investors. The placees are independent of and not connected with any of the directors, chief executive, substantial shareholders or management shareholders of the Company or any of its subsidiaries or an associate of any of them.

According to the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the Company is required to maintain a public float of not less than 15% of its issued share capital. Immediately following the Placing (but before exercise of the Over-allotment Option and the BNP Prime Peregrine Option), the Company will have a public float of about 20.5% of its issued share capital.

Deposit of Share Certificates into CCASS

The share certificates in respect of the Placing Shares are expected to be deposited into CCASS for credit to the respective CCASS participants' stock accounts of the Underwriters. All new Shares are expected to be issued on 19th April, 2000.

Over-allotment Option

The Company has granted to the Underwriters of Over-allotment Option exercisable by BNP Prime Peregrine Securities on behalf of the Underwriters at any time and from time to time during the period of 28 days from the date of the Prospectus of 14th April, 2000 to require the Company to issue up to an aggregate of 15,000,000 new Shares. If the Over-allotment Option is exercised, an announcement will be made on the GEM website.

BNP Prime Peregrine Option

The Company has granted an option in favour of BNP Prime Peregrine Securities under the Underwriting Agreement pursuant to which the Company may be required to issue and allot up to an aggregate of 2,500,000 additional new Shares at the Issue Price to BNP Prime Peregrine Securities (or its nominee(s)) in lieu of payment of all or part of the underwriting and management fee (but not the selling concessions) payable by the Company to BNP Prime Peregrine Securities in respect of the new Shares under the Underwriting Agreement (but exclude any underwriting and management fee payable to BNP Prime Peregrine Securities as a result of the exercise of the Over-allotment Option).

The Company wishes to announce that the BNP Prime Peregrine Option was exercised on 18th April, 2000. Pursuant to which 2,500,000 new Shares will be issued at HK\$1.08 per Share to BNP Prime Peregrine Securities (or its nominee(s)). The 2,500,000 new Shares to be issued pursuant to the BNP Prime Peregrine Option represent 0.17% of the issued share capital of the Company as enlarged by the Placing and the BNP Prime Peregrine Option.

Commencement of Dealings

Dealings in the Shares on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited are expected to commence at 10:00 a.m. on Thursday, 20th April, 2000.

By order of the Board Andrew Yao Cho Fai Chairman

Hong Kong, 18th April, 2000

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission

of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement and a copy of the listing document referred to above appear on the GEM website.

* For identification purposes only