

*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.*

*iSteelAsia.com*

**iSteelAsia.com Limited**

*(Incorporated in Bermuda with limited liability)*

### **Announcement**

Reference is made to the Announcement and the Circular. The Directors would like to announce that the remaining conditions to the Subscription Agreement are expected to be satisfied on or before 19th January, 2001 or such later date as the parties to the Subscription Agreement may agree.

**Investors should therefore exercise caution when dealing in the Shares.**

Reference is made to the announcement (the “Announcement”) made by the Company on 1st December, 2000 in relation to the subscription of new shares in Stemcor by ISAS (the “Subscription”), an indirect wholly-owned subsidiary of the Company and the circular in relation to the Subscription (the “Circular”) dated 22nd December, 2000 issued to the shareholders of the Company. Terms defined in the Circular shall have the same meanings when used herein unless the context requires otherwise.

The Company refers to the Announcement and the Circular. It was originally anticipated by the Directors that all the conditions to the Subscription will be fulfilled on or before 29th December, 2000.

As at the date of this announcement, the requirement that ISAS completes its legal, financial and technical due diligence of the Stemcor Group has been satisfied. However, extra time is required to satisfy the following remaining conditions:

- (i) the representations and warranties made by ISAS and Stemcor in the Subscription Agreement shall be true and correct;
- (ii) Stemcor and ISAS shall have performed and complied with all of the covenants under the Subscription Agreement and any other agreement among the parties of the Subscription Agreements in all material respects;
- (iii) prior to completion of the Subscription, the issuance of the Tranche A Shares and the issuance and/or transfer of Tranche B Shares and the issuance and/or transfer of Tranche C Shares shall have been approved by the shareholders of Stemcor and all other requirements of section 165 of the Companies Act 1985 of the UK shall have been complied with;
- (iv) the ancillary agreements/arrangements shall have been executed and delivered by all relevant parties;

- (v) all government approvals and all consents, waivers or approvals of any third party necessary for the consummation by Stemcor of the transactions relating to the Subscription shall have been obtained to the reasonable satisfaction of ISAS;
- (vi) there shall be no order of any court or government agency outstanding and no litigation (civil or criminal), arbitration, inquiry or other administrative proceedings by or before any competent government authority or pre-litigation claim or demand pending or ongoing against the Stemcor Group wherein an unfavourable injunction, judgment, order, decree, ruling or charge would (a) prevent consummation of such transactions, (b) cause any of such transactions to be rescinded following consummation, (c) affect adversely the right of ISAS to own the Tranche A Shares and/or Tranche B Shares and/or Tranche C Shares or exercise its rights under the Subscription Agreement or (d) otherwise have a material adverse effect on Stemcor or any of its subsidiaries, its assets or its business;
- (vii) the Stemcor Group's businesses shall have been carried on in the ordinary course of business and there shall have been no material adverse change in the Stemcor Group and its businesses taken as a whole from 31st December, 1999 to the date of completion of Subscription;
- (viii) Stemcor shall have divested itself of substantially all of the assets and discontinued all of the activities constituting part of the Other Activities; and
- (ix) there shall be no order of any court or government agency outstanding and no litigation (civil or criminal), arbitration, inquiry or other administrative proceedings by or before any competent government authority or pre-litigation claim or demand pending or ongoing against ISAS, wherein an unfavourable injunction, judgment, order, decree, ruling or charge would (a) prevent consummation of any of the transactions under the Subscription Agreement or (b) cause any of the transactions under the Subscription Agreement to be rescinded following consummation.

ISAS currently anticipates that the aforesaid remaining conditions to the Subscription Agreement are to be satisfied on or before 19th January, 2001 or such later date as the parties to the Subscription Agreement may agree. Further announcement will be made if the aforesaid remaining conditions to the Subscription Agreement cannot be satisfied on or before 19th January, 2001.

## **GENERAL**

**Investors should be aware that completion of the Subscription Agreement is still subject to certain conditions being satisfied. In particular, ISAS may decide not to proceed with the Subscription if the ancillary agreement/arrangements have not been executed by 19th January, 2001. Investors should therefore exercise caution when dealing in the Shares.**

By Order of the Board  
**Drina C. Yue**  
*Director*

Hong Kong, 29th December, 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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 will remain on the GEM website on the “Latest Company Announcement” page for 7 days from the day of its posting.*