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This announcement, for which the directors (“Directors”) of iSteelAsia.com Limited (“Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of the Stock Exchange 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.

iSteelAsia.com

iSteelAsia.com Limited

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT

Summary

On 15 August 2002, the Company was formally informed by VSCH of its intention to make the Possible Offer for the securities of the Company. Today, the Company was further informed by VSCH that the VSCH’s Board has decided not to proceed with the Possible Offer. Accordingly, the Possible Offer will not be made.

Trading in the securities of the Company was suspended at 9:30 a.m. on 16 August 2002 at the request of the Company pending issue of an announcement relating to the Possible Offer. Application has been made to the Stock Exchange for resumption of trading in the securities of the Company with effect from 9:30 a.m. on 23 August 2002.

On 15 August 2002, iSteelAsia.com Limited (“Company”) was formally informed by Van Shung Chong Holdings Limited (“VSCH”) of its intention to make a possible voluntary conditional share exchange offer (“Possible Offer”) for all issued shares in, and outstanding warrants and options of the Company, therefore trading in the securities of the Company was suspended at 9:30 p.m. on 16 August 2002 at the request of the Company pending issue of an announcement relating to the Possible Offer. Today, the Company was further informed by VSCH that its board of directors (“VSCH’s Board”) has subsequently taken into account the concerns from certain minority shareholders of VSCH raised since 16 August 2002, the probable reactions of such minority shareholders of VSCH to the Possible Offer and the general unfavourable market sentiment and considered that it would not be the best timing to proceed with the Possible Offer; hence the VSCH’s Board has decided not to proceed with the Possible Offer. Accordingly, the Possible Offer will not be made.

Application has been made to the Stock Exchange for resumption of trading in the securities of the Company with effect from 9:30 a.m. on 23 August 2002.

By order of the Board
iSteelAsia.com Limited
Drina C. Yue
Director and Chief Executive Officer

Hong Kong, 22 August 2002

This announcement will remain on the "Latest Company Announcements" page of the GEM website for 7 days from the date of its posting.