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VSC万顺昌

VAN SHUNG CHONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1001)

EARLY EXERCISE OF CALL OPTION

The Company is pleased to announce that CAMP BVI, a wholly-owned subsidiary of the Company, received and accepted a call notice from Ryerson LLC for the exercise of the Ryerson Majority Call Option to acquire an additional 20% of the equity interest in VSC-Ryerson China from CAMP BVI at a consideration of US\$4,304,000 (equivalent to approximately HK\$33,571,200).

BACKGROUND

Reference is made to the announcement and the circular of Van Shung Chong Holdings Limited (the “Company”) dated 11 September 2006 and 29 September 2006 respectively (hereinafter referred to as the “Previous Announcement” and the “Circular” respectively). Unless the context otherwise requires, the terms used herein have the same meanings as defined in the Circular.

As disclosed in the Previous Announcement and the Circular, CAMP (B.V.I.) Holdings Limited (“CAMP BVI”), which is a wholly-owned subsidiary of the Company, has granted Ryerson Pan-Pacific LLC (“Ryerson LLC”) the Ryerson Majority Call Option (“RMCO”) exercisable by it to purchase 20% equity interest in VSC-Ryerson China Limited (“VSC-Ryerson China”) (the “Shares”) from CAMP BVI at a purchase price based on the calculation method as set forth in the investors’ rights agreement (“IRA”) entered into between the Company, CAMP BVI, Ryerson Inc. (“Ryerson”), Ryerson LLC and VSC-Ryerson China (collectively the “Parties”) on 31 October 2006. All terms of the IRA and the exercise of the RMCO were approved by the Company’s shareholders at the special general meeting held on 23 October 2006.

EXERCISABILITY OF THE RMCO

The Company announces that CAMP BVI received and accepted a call notice from Ryerson LLC on 27 October 2008, stating that Ryerson LLC intends to exercise the RMCO pursuant to the IRA to purchase the Shares for a cash consideration of US\$4,304,000 (equivalent to approximately HK\$33,571,200), which shall be payable in full upon completion of the sale and purchase of the Shares. Pursuant to the IRA, the RMCO should be exercisable by Ryerson LLC on one occasion only at any time during a 180-day period commencing on the third

anniversary from 31 October 2006. After seeking the agreements of the Parties, the time restriction for the exercise of the RMC0 as set forth in the IRA is waived by CAMP BVI and the RMC0 shall become immediately exercisable.

Ryerson LLC also elects that the Shares be issued to Rhombus Holding Corporation (“Rhombus”) in its stead. Ryerson is a wholly-owned subsidiary of Rhombus.

COMPLETION

The completion of the sale and purchase of the Shares pursuant to the early exercise of the RMC0 shall take place at 3:00 p.m. (Hong Kong time) on or about 31 October 2008 (the “Closing”).

EFFECT OF THE TRANSACTION

Immediately before the Closing, Ryerson LLC and CAMP BVI respectively hold 40% and 60% of the equity interest in VSC-Ryerson China. Immediately after the Closing, Ryerson LLC, CAMP BVI and Rhombus (or its nominees) will respectively hold 40%, 40% and 20% of the equity interest in VSC-Ryerson China. Following the Closing, VSC-Ryerson China will cease to be a subsidiary of the Company.

INFORMATION ABOUT VSC-RYERSON CHINA

As at 31 March 2008, the net asset value of VSC-Ryerson China is approximately HK\$526,497,000.

For the year ended 31 March 2008, the net profits (before and after taxation) of VSC-Ryerson China are approximately HK\$30,830,000 and HK\$29,375,000 respectively.

For the year ended 31 March 2007, the net profits (before and after taxation) of VSC-Ryerson China are approximately HK\$43,782,000 and HK\$37,417,000 respectively.

INFORMATION ABOUT THE COMPANY

The Company is an investment holding company and its subsidiaries are principally engaged in manufacturing of industrial products such as processing of rolled flat steel products and manufacturing of enclosure systems and plastic resins distribution, and distribution and stockholding of construction materials such as steel products, sanitary ware and kitchen cabinets.

INFORMATION ABOUT RYERSON

Ryerson is one of North America’s leading distributors and processors of metals with revenues of US\$6 billion (equivalent to approximately HK\$46.8 billion) for their fiscal year ended 31 December 2007. Ryerson services customers through a network of service centers across the United States and in Canada, Mexico and India. Ryerson LLC is a company incorporated in the United States and a wholly-owned subsidiary of Ryerson. The principal activity of Ryerson LLC is investment holding.

In this announcement, conversion of US\$ into HK\$ is based on the exchange rate of US\$1.00 = HK\$7.80.

By Order of the Board
Van Shung Chong Holdings Limited
Andrew Cho Fai Yao
Chairman

Hong Kong, 27 October 2008

As at the date of this announcement, the board of directors comprises:

Executive Directors: Andrew Cho Fai Yao (Chairman) and Fernando Sai Ming Dong.

Independent Non-executive Directors: Chow Yei Ching; Harold Richard Kahler; Kenny King Ching Tam and Xu Lin Bao.