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SHOUGANG CONCORD CENTURY HOLDINGS LIMITED

首長寶佳集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 103)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a discernible loss for the year ending 31 December 2012 as compared to a profit for the year ended 31 December 2011 based on the unaudited financial statements of the Group.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Shougang Concord Century Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a discernible loss for the year ending 31 December 2012 as compared to a profit for the year ended 31 December 2011 based on the unaudited financial statements of the Group. Based on the information currently available, such discernible loss is primarily attributable to the followings:

- (1) the substantial decrease in gross profit as a result of decline in average selling price of steel cords from increased market competition;
- (2) significant allowance for doubtful debts in respect of the long aged trade receivables; and
- (3) potential allowance for decrease in value of inventories.

Despite the above adverse change, there has been no material impact on the operations of the Group. We are also of the view that the overall operation and financial position of the Group remain stable. More importantly, we will use our best endeavour to improve the Group’s performance under the predicted difficult operating environment in 2013.

The Company is still in the process of finalizing the Group's final results for the year ending 31 December 2012. The information contained in this announcement is only a preliminary assessment by the Company based on the information available for the time being, which have not yet been reviewed by the independent auditor of the Company or audit committee of the Company. Financial information and other details of the Group will be disclosed in the announcement of final results of the Group for the year ending 31 December 2012.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Shougang Concord Century Holdings Limited
Tang Cornor Kwok Kau
Deputy Managing Director

Hong Kong, 28 December 2012

As at the date of this announcement, the Board comprises the following directors:

Mr. Li Shaofeng (Chairman), Mr. Yang Kaiyu (Managing Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Zhang Wenhui (Non-executive Director), Mr. Tang Cornor Kwok Kau (Deputy Managing Director), Mr. Zhang Zhong (Executive Director), Mr. Yip Kin Man, Raymond (Independent Non-executive Director), Mr. Law, Yui Lun (Independent Non-executive Director) and Mr. Chan Chung Chun (Independent Non-executive Director).