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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)

UPDATE ON PROFIT WARNING

This announcement is made by the Board pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions.

Reference is made to the Profit Warning Announcement. The Board wishes to update the Shareholders and investors of the Company that it is expected that the consolidated loss of the Group for the year ended 31 December 2014 as mentioned in the Profit Warning Announcement will be further increased to approximately HK\$276,000,000.

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

This announcement is made by the board (the “Board”) of directors (the “Directors”) of Shougang Concord Century Holdings Limited (the “Company” which together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the inside information provisions (the “Inside Information Provisions”) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Reference is made to the profit warning announcement of the Company dated 18 December 2014 (the “Profit Warning Announcement”). Capitalised terms used herein shall have the same meanings as defined in the Profit Warning Announcement, unless otherwise specified.

As mentioned in the Profit Warning Announcement, the Group expected to record a consolidated loss in the range of HK\$105,000,000 to HK\$115,000,000 for the year ended 31 December 2014 as compared to a consolidated loss of HK\$16,590,000 for the year ended 31 December 2013, representing an increase of 533% to 593%. The expected discernible loss was mainly due to the significant decline in the selling price of steel cords especially during the second half year, which was attributable to the further slowdown in economic growth and business activities in the PRC during the said period that intensified market competition in the steel cord industry. Such significant decline in selling price of steel cords has severe negative impact to the gross profit margin of the Group. This expected discernible loss had not included any other potential provisions which have to be made subject to the review of the Board and audit committee of the Company together with the discussion

with the auditors of the Company.

The Board wishes to update the Shareholders and investors of the Company that upon further review by the Company of the latest unaudited management accounts of the Group, it is expected that the consolidated loss of the Group for the year ended 31 December 2014 will be further increased to approximately HK\$276,000,000. Such an increase is mainly attributable to the recognition of non-cash impairment loss on property, plant and equipment and further provision of allowance for bad and doubtful debts of the Group.

The recognition of impairment loss on property, plant and equipment is non-cash in nature. It is not expected that this recognition of impairment loss would have any material impact on the cash flow and the operations of the Group. We are also of the view that the overall operation and financial position of the Group remain stable.

The information contained in this announcement is only based on the information currently available after a review by the Company of the latest unaudited management accounts of the Group, of which the auditing work has not been completed or reviewed by the Company's auditors and the Group's audited annual results may be different. As at the date of this announcement, the Group's annual results for the year ended 31 December 2014 have not yet been finalised, and are subject to necessary adjustments. Further details of the Group's financial information will be disclosed as and when the Group's audited annual results for the year ended 31 December 2014 are announced on 26 March 2015.

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
Li Shaofeng
Chairman

Hong Kong, 19 March 2015

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. Liao Jun (Non-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).