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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 FOR THE SIX MONTHS ENDING 30 JUNE 2015

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

Based on the currently available information which includes, but without limitation to, the unaudited management accounts of the Group for the five months ended 31 May 2015, it is expected that the Group will record an unaudited consolidated loss in the range of HK\$80,000,000 to HK\$90,000,000 for the six months ending 30 June 2015 as compared to an unaudited consolidated loss of HK\$38,397,000 for the six months ended 30 June 2014, representing an increase of 108% to 134%. The expected discernible loss was mainly due to the decrease in sales volume of steel cords attributable to the slowdown in demand during the first half year, the continual significant decline in the selling price of steel cords since the second half year of 2014 and no sign of rebound as at the date hereof, which was attributable to the over production capacity of steel cord suppliers and severe market competition in the steel cord industry. The gross profit margin of the Group has been eroded substantially due to the aforesaid market condition. The expected discernible loss has not included any other potential provisions/impairment which have to be made subject to the review of the Board and the audit committee of the Company together with the discussion with the independent auditor of the Company.

The Directors expect that the announcement of the unaudited consolidated results of the Group for the six months ending 30 June 2015 will be published in August 2015 in compliance with the requirements under the Listing Rules.

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 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).

Based on the currently available information which includes, but without limitation to, the unaudited management accounts of the Group for the five months ended 31 May 2015, it is expected that the Group will record an unaudited consolidated loss in the range of HK\$80,000,000 to HK\$90,000,000 for the six months ending 30 June 2015 as compared to an unaudited consolidated loss of HK\$38,397,000 for the six months ended 30 June 2014, representing an increase of 108% to 134%. The expected discernible loss was mainly due to the decrease in sales volume of steel cords attributable to the slowdown in demand during the first half year, the continual significant decline in the selling price of steel cords since the second half year of 2014 and no sign of rebound as at the date hereof, which was attributable to the over production capacity of steel cord suppliers and severe market competition in the steel cord industry. The gross profit margin of the Group has been substantially eroded due to the aforesaid market condition. The expected discernible loss has not included any other potential provisions/impairment which have to be made subject to the review of the Board and the audit committee of the Company together with the discussion with the independent auditor of the Company.

Despite the above discernible loss, there has been no material adverse 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.

The Company will finalise the unaudited consolidated interim results of the Group for the six months ending 30 June 2015. Hence, the information disclosed in this announcement only represents a preliminary assessment by the Board and the management of the Group based on the information currently available to them, which have not yet been reviewed by the independent auditor of the Company or audit committee of the Company. The unaudited consolidated interim results of the Group may be subject to adjustments following further review by the Board.

The Directors expect that the announcement of the unaudited consolidated results of the Group for the six months ending 30 June 2015 will be published in August 2015 in compliance with the requirements under the Listing Rules.

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, 30 June 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) and Mr. Law, Yui Lun (Independent Non-executive Director).