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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 based on the unaudited financial statements of the Group for the year ended 31 December 2008, it is expected its financial performance to be adversely affected by the current widespread economic financial uncertainty and profit attributable to equity holders of the Company will record a significant decline as compared to that for the corresponding period last year.

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 based on the unaudited financial statements of the Group for the year ended 31 December 2008, it is expected its financial performance to be adversely affected by the current widespread economic financial uncertainty and profit attributable to equity holders of the Company will record a significant decline as compared to that for the corresponding period last year. Based on the information currently available, such decline is primarily attributable to the followings:

- (1) an increase in the non-cash expenditures including (i) loss on foreign exchange attributable to the translation of Hong Kong dollar assets into Renminbi in line with functional currency principle under accounting standard requirement; (ii) share based payment from the issue of the share options granted under the share option scheme of the Company; and (iii) potential impairment in the value of inventories at the year end; and
- (2) a significant decrease in domestic and foreign demand for steel cords and copper and brass products, the main products which the Group’s manufacturing and selling, caused by the protean dearth of economic confidence, during the fourth quarter of 2008.

Despite the above adverse change mainly due to the non-cash expenditures, there has been no negative impact on the cash flow and the operations of the Group and the Group still maintains profit from operation for the year of 2008. The Board is of the view that the overall operation and financial position of the Group remain sound and solid and the Group can weather the current deteriorating economic conditions and can meet the challenges ahead.

The Company is still in the process of finalizing the Group's final results for the year ended 31 December 2008. The information contained in this announcement is only a preliminary assessment of the consolidated management accounts as at 31 December 2008 which have not been audited by the Company's auditors. Details of the Company's financial performance will be disclosed in the final results for the year ended 31 December 2008 in due course.

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
Cao Zhong
Chairman

Hong Kong, 20 March 2009

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

Mr. Cao Zhong (Chairman), Mr. Li Shaofeng (Managing Director), Mr. Tong Yihui (Deputy Managing Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Tang Cornor Kwok Kau (Deputy Managing Director), Mr. Geert Johan Roelens (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).