



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)

Shougang Century Announces 2021 Interim Results

* * *

Satisfactory Results in Product Sales Volume Revenue and Gross Profit from Continuing Operations Increased by 48.7% and 48.5% Respectively

(Hong Kong, 2 September 2021) — **Shougang Concord Century Holdings Limited** (“Shougang Century”, together with its subsidiaries, “the Group”; stock code: 0103.HK) is pleased to announce its unaudited interim results for the six months ended 30 June 2021 (“the Reporting Period”).

During the Reporting Period, the Group recorded a revenue from continuing operations of approximately HK\$1,283,336,000 (2020: HK\$862,997,000), representing an increase of approximately 48.7% as compared with the last corresponding period, primarily attributable to the material increase in sales volume of steel cords. Gross profit from continuing operations increased by 48.5% over the same period last year to HK\$226,886,000 (2020: HK\$152,758,000). The Group’s net profit during the Reporting Period also increased by 45.7% from same period last year to HK\$52,256,000 (2020: HK\$35,863,000). Net asset value of the Group was HK\$1,719,423,000 at 30 June 2021, increased by 4.5% as compared to HK\$1,645,571,000 at 31 December 2020. The increase in net asset value was mainly due to the net profit during the first half of 2021. Net asset value per Share was HK\$0.91 at 30 June 2021, also increased by HK\$0.04 as compared to HK\$0.87 at 31 December 2020. During the Reporting Period, the Group also generated positive cash inflow from operations and maintained a sustained healthy financial position.

Mr. SU Fanrong, Chairman and Managing Director of Shougang Century said, “In the first half of 2021, with the pandemic outbreak generally being controlled in China, industries are gradually recovering. The PRC’s gross domestic product in the second quarter of 2021 has increased by 7.9% as compared with the corresponding period last year, achieving an

overall stable development. In addition, tyres witnessed a rigid demand amidst the general trend of recovery and growth in industries including transportation, significantly fueling sales of steel cords. Our results therefore showed a remarkable improvement during the Reporting Period.”

The steel cord segment sold 105,947 tonnes of steel cords during the Reporting Period, increased by 27.0% as compared to the same period last year (2020: 83,405 tonnes). In respect of the sales of sawing wire products, attributable to the Group’s persistent effort in exploring new customers as well as the improvement of the photovoltaic, sapphire, and magnetic material markets, sales volume increased substantially by 76.2% to 252 tonnes (2020: 143 tonnes). There was also a 3.4% increase over the corresponding period last year in sales volume of the Group’s other steel wires to 4,560 tonnes (2020: 4,410 tonnes).

Located in Zhejiang Province and Shandong Province, the Group’s two large production bases produce more than 200,000 tonnes of steel cords in total every year. To cope with the increasing demand for tyres in China and abroad, which fuels a robust market demand for steel cords, the Group expanded its production capacity through further optimizing its plant construction. In 2019, the Group kicked off an expansion plan in its Tengzhou factory and invested in new brass wire production facilities to add an additional 100,000 tonnes of steel cord production capacity. As the construction progress is satisfactory, the Group is building towards its goal to become an enterprise commanding an annual manufacturing capacity in excess of 300,000 tonnes of high-quality steel cords.

Mr. SU concluded, “Looking forward to the second half of 2021, the threat posed by the new virus variants and Sino-American relations remains uncertain. However, leveraging our exploration and experience in the steel cord industry over the years, we are confident in seizing the opportunities brought by the 14th Five Year Plan and are well poised to meet the increasing market demand for steel cords for domestic radial tyres. We will continue to make a dedicated exploration in other businesses in order to create greater synergy, whilst adopting a multi-pronged approach to improve our core competitiveness, in hope of achieve higher returns for our shareholders and investors.”

– End –



About Shougang Concord Century Holdings Limited

The Group is primarily engaged in manufacturing of steel cords for radial tyres, sawing wires and hose wires. The Group possesses two large production bases in Zhejiang Province and Shandong Province, together producing more than 200,000 tonnes of steel cords in total annually. Having been delivering products of a consistently premium quality over the years, the Group supplies products to over 20 countries worldwide and has won wide recognition from international tyres manufacturers. Listed on The Stock Exchange of Hong Kong since April 1992, the Group has a strong shareholder base with substantial shareholders including Shougang Group Co., Ltd. (a state-owned enterprise under the direct supervision of the Beijing State-owned Assets Supervision and Administration Commission), a Fortune 500 company, and its controlled corporations, Bekaert Group and Li Ka Shing Foundation Limited. Through its longstanding dedication to purveying premium quality steel cords and wire products, the Group aims to become one of the top three independent manufacturers of steel cord industry in China.

For more information, please visit: <http://www.shougangcentury.com.hk>

Media Enquiries:

Anli Financial Communications Limited

Ms. Judith Cheung 852-3956 1646

judith.cheung@anli.com.hk

Ms. Suzanne Leung 852-3956 1641

suzanne.leung@anli.com.hk