

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



首長國際企業有限公司

**SHOUGANG CONCORD INTERNATIONAL ENTERPRISES COMPANY LIMITED**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 697)

## **PROFIT ALERT**

This announcement is made by Shougang Concord International Enterprises Company Limited (the “Company”, the Company together with its subsidiaries, the “Group”) pursuant to rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that based on the preliminary assessment of the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 December 2017 (“the Year 2017”) and other information currently available to the Board, the Group would record consolidated profit attributable to the Shareholders for the Year 2017 in the range of between HK\$50 million and HK\$60 million as opposed to the consolidated loss attributable to the Shareholders of HK\$1,621 million for the year ended 31 December 2016 (“the Year 2016”). This turnaround from loss to profit is mainly attributable to (i) the completion of the disposal of Qinhuangdao business by the Group in late 2016. The Group recorded loss attributable to the Qinhuangdao Business amounted to HK\$1,145 million for the Year 2016 whereas no such loss was incurred in the Year 2017; (ii) the impairment loss of HK\$257 million on the goodwill for the investment in Shougang Fushan Resources Group Limited was made for the Year 2016 whereas no such loss was made in the Year 2017 according to the preliminary assessment at the moment; and (iii) the substantial improvement in the results of the associates of the Company. It is expected that the Group will share a profit of approximately HK\$250 million of its associates in the Year 2017 as compared to the share of profit of associates of only HK\$9 million in the Year 2016.

The Group’s final results for the Year 2017 are still under review and subject to finalization and confirmation by the auditor of the Company as well as approval by the Board at the board meeting to be held in late March 2018. The final results announcement of the Company for the Year 2017 will be published in late March 2018.

Further announcements will be made by the Company if there is any significant change in the expected financial results of the Group as disclosed in this announcement.

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

By Order of the Board  
**Shougang Concord International  
Enterprises Company Limited**  
**Zhao Tianyang**  
*Chairman*

16 March 2018

*As at the date of this announcement, the Board comprises Mr. Zhao Tianyang (Chairman), Mr. Li Shaofeng (Vice Chairman), Mr. Liang Hengyi (Managing Director), Mr. Shu Hong (Deputy Managing Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Liu Jingwei (Non-executive Director), Dr. Li Yinhui (Non-executive Director), Ms. Kan Lai Kuen, Alice (Independent Non-executive Director), Mr. Wong Kun Kim (Independent Non-executive Director), Mr. Leung Kai Cheung (Independent Non-executive Director) and Ms. Zhang Quanling (Independent Non-executive Director).*