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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 WARNING**

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 discussion with the auditor of the Company (the “Auditor”), an potential impairment loss in the amount of approximately HK\$400 million would be made on the goodwill in relation to the Group’s investment in its principal associate, Shougang Fushan Resources Group Limited (“Shougang Resources”) for the six months period ended 30 June 2015 (“Impairment”) due to the persisting weak coking coal market as the business of Shougang Resources is exploration and sale of coking coal. There was no such impairment loss for the same period of last year. The loss attributable to the Shareholders for the six months ended 30 June 2015 will increase to the range of HK\$1,200 million to HK\$1,300 million from the loss of HK\$866 million last period because of the Impairment. Nevertheless, the core operating loss of the Group before share of results of associates for the six months ended 30 June 2015 was similar to that for the corresponding period last year of approximately HK\$750 million.

The actual basis and amount of the Impairment are yet to be determined by the Board and agreed with the Auditor. The Board would note that the Impairment is an accounting related adjustment and a non-cash item and therefore, will not have any impact on the cash flow of the Group irrespective of the amount of the Impairment ultimately determined.

The Impairment and the Group’s interim results for the six months ended 30 June 2015 contained in this announcement are still under review and subject to finalization and confirmation by the Auditor as well as approvals of the audit committee of the Company and the Board at the respective meetings to be held in late August 2015. The announcement of the unaudited consolidated results of the Group for the six months ended 30 June 2015 will be published in late August 2015.

Further announcement 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**  
**Li Shaofeng**  
*Managing Director*

Hong Kong, 12 August 2015

*As at the date of this announcement, the Board comprises Mr. Zhang Gongyan (Chairman), Mr. Li Shaofeng (Managing Director), Mr. Zhang Wenhui (Deputy Managing Director), Mr. Ding Rucai (Deputy Managing Director), Mr. Ip Tak Chuen, Edmond (Non-executive Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Ms. Kan Lai Kuen, Alice (Independent Non-executive Director), Mr. Wong Kun Kim (Independent Non-executive Director) and Mr. Leung Kai Cheung (Independent Non-executive Director).*