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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 ALERT

This announcement is made by Shougang Concord International Enterprises Company Limited (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 2018 (the “**Year 2018**”) and other information currently available to the Board, the Group expects to record an increase of approximately 450% to 550% in consolidated profit attributable to the Shareholders for the Year 2018, as compared to HK\$57 million for the year ended 31 December 2017 (the “**Year 2017**”).

The Year 2018 was the first year that the Group focuses on the management and operation of car parking assets and management of private funds that are oriented towards urban redevelopment. With the efforts of the Group, the car parking business has begun to contribute revenues and the gross profit margin increased along with the improvement of operation. As the portfolio assets under the private funds managed by the Group are selected meticulously, more investors are willing to subscribe these funds. Due to the rapid expansion in the scale of funds, the management of funds business becomes a stable source of profit to the Group. In addition, the iron ore trading turned around from loss to profit under the guidance of the principle of “product reduction, risk control and profit increase” formulated in the beginning of year 2018. For the above reasons, the Group’s consolidated profit attributable to the Shareholders in the Year 2018 is expected to record an increase as compared to the Year 2017’s by the abovementioned percentages.

The information contained in this announcement is a preliminary assessment by the Board based on the information currently available. The Group’s results for the Year 2018 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 2019. The results announcement of the Company for the Year 2018 will be published in late March 2019.

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

Hong Kong, 15 February 2019

As at the date of this announcement, the Board comprises Mr. Zhao Tianyang (Chairman), Mr. Li Shaofeng (Vice Chairman), Mr. Xu Liang and Mr. Liang Hengyi (Managing Director) as Executive Directors; Dr. Li Yinhui, Mr. Liu Jingwei, Mr. Ho Gilbert Chi Hang and Mr. Li Hao as Non-executive Directors; Dr. Wang Xin, Mr. Choi Fan Keung Vic, Mr. Deng Yougao and Ms. Zhang Quanling as Independent Non-executive Directors.