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首長科技集團有限公司
SHOUGANG CONCORD TECHNOLOGY HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 521)

PROFIT WARNING

This announcement is made by the Company pursuant to rule 13.09(1) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors it is expected that the Group will record a consolidated loss for the six months ended 30 June 2011 as compared to a consolidated profit for the corresponding period ended 30 June 2010.

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

This announcement is made by Shougang Concord Technology Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to rule 13.09(1) 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 (the “Shareholders”) and potential investors it is expected that the Group will record a consolidated loss in its unaudited financial statements for the six months ended 30 June 2011 as compared to a consolidated profit for the corresponding period ended 30 June 2010. Such anticipated consolidated loss is mainly attributable to the following factors:

- (1) a substantial decrease in the fair value gain of the derivative portion of the US\$15 million convertible bonds by approximately HK\$34.5 million as compared to the corresponding period last year;
- (2) an increase of approximately HK\$9.7 million finance costs for bank borrowings obtained for the business development of the Group in the PRC; and
- (3) an increase in income tax expenses of approximately HK\$16 million for the Group’s digital television business services and information intelligence business as a result of cessation of preferential tax treatment of certain PRC companies from the year 2011.

The information in this profit warning announcement is only based on the preliminary consolidated management accounts of the Group. The Group is still in the process of finalizing its interim results for the six months ended 30 June 2011, which is expected to be published in late August 2011.

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

By Order of the Board
Shougang Concord Technology Holdings Limited
Li Shaofeng
Chairman

Hong Kong, 5 August 2011

As at the date of this announcement, the Board comprises Mr. Li Shaofeng (Chairman), Mr. Mung Kin Keung (Vice Chairman), Mr. Chau Chit (Managing Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Chan Wah Tip, Michael (Non-executive Director), Mr. Lee Fook Sun (Non-executive Director), Mr. Wong Kun Kim (Independent Non-executive Director), Mr. Leung Kai Cheung (Independent Non-executive Director) and Mr. Wong Wai Kwan (Independent Non-executive Director).