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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)

(1) TERMINATION OF CONTINUING CONNECTED TRANSACTION IN RELATION TO TENANCY AGREEMENT AND (2) CHANGE OF REGISTERED OFFICE

Reference is made to the Announcement of the Company in relation to, among other things, the entering into the Tenancy Agreement. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement.

(1) TERMINATION OF CONTINUING CONNECTED TRANSACTION IN RELATION TO TENANCY AGREEMENT

INTRODUCTION

Reference is made to the Announcement of the Company in relation to, among other things, the entering into the Tenancy Agreement between Gold Regal, as tenant, and Billioncorp, as landlord, in respect of the lease of the Premises.

On 23 December 2016, Gold Regal and Billioncorp have entered into the Tenancy Agreement, pursuant to which Billioncorp agreed to lease to Gold Regal for a fixed term of thirty-six (36) months commencing from 1 January 2017 at a monthly rental of HK\$282,000.00.

The parties to the Tenancy Agreement will agree to terminate the Tenancy Agreement with effect from 1 August 2018.

TERMINATION NOTICE

The Board announces that the parties to the Tenancy Agreement mutually will agree to terminate the Tenancy Agreement with effect from 1 August 2018, pursuant to which all parties to the Tenancy Agreement shall be released and discharged from their respective liabilities, obligations, and duties under the Tenancy Agreement.

Pursuant to the Tenancy Agreement, the termination of the Tenancy Agreement can be terminated by either Gold Regal, as tenant, or Billioncorp, as landlord before its expiration by giving two months prior written notice to the other party.

Yet, Billioncorp has agreed to grant Gold Regal a short notice as required pursuant to the condition in the Tenancy Agreement without any penalty or compensation or charges due to the termination of the terms of the lease and short notice of termination of the Tenancy Agreement.

LISTING RULES IMPLICATIONS

As the date hereof, the Company is held as to approximately 47.15% by Shougang Holding and its controlled corporations (as defined under the SFO) as recorded in the register under the SFO. Pursuant to the Listing Rules, Shougang Holding is regarded as a substantial Shareholder. Billioncorp is an indirect wholly owned subsidiary of Shougang Holding. Billioncorp is therefore a connected person of the Company under the Listing Rules. Accordingly, the termination of Tenancy Agreement constitutes a connected transaction of the Company.

As all the applicable percentage ratios calculated with reference to the annual rent payable under the Tenancy Agreement, being HK\$3,384,000, exceeds 0.1% but less than 5%, the termination of Tenancy Agreement is only subject to the reporting and announcement requirements under the Listing Rules, and is exempt from independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

REASONS OF TERMINATION OF THE TENANCY AGREEMENT

For the purpose of administrative cost-saving and avoidance of unnecessary rental expenses, the Group will relocate to a premises, which is owned by the Company's wholly owned subsidiary, as our new registered office situated at Room 1215, 12/F, Honour Industrial Centre, 6 Sun Yip Street, Chai Wan, Hong Kong.

The Board, including the independent non-executive Directors, is of the opinion that the termination of the Tenancy Agreement has been arrived under normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the said termination of the Tenancy Agreement and none of them has abstained from voting on the relevant board resolutions approving the same.

(2) CHANGE OF REGISTERED OFFICE

The Board announces that the registered office of the Group will change to Room 1215, 12/F, Honour Industrial Centre, 6 Sun Yip Street, Chai Wan, Hong Kong with effect from 1 August 2018.

INFORMATION OF THE COMPANY AND THE GROUP AND BILLIONCORP

The Company is an investment holding company. The Group is principally engaged in the manufacturing of steel cords for radial tyres, sales and processing and trading of copper and brass products, and manufacturing of sawing wires.

Billioncorp is a limited liability company in Hong Kong. It is an indirect wholly owned subsidiary of Shougang Holding, which is a limited liability company in Hong Kong and a substantial shareholder of the Company.

DEFINITIONS

In this announcement, except where the context otherwise requires, the following expressions shall have the following meanings:

“Announcement”	the announcement dated 23 December 2016 of the Company
“Billioncorp”	Billioncorp Development Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly owned subsidiary of Shougang Holding
“Board”	the board of Directors
“Company”	Shougang Concord Century Holdings Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Gold Regal”	Gold Regal Limited, a company incorporated in Hong Kong with limited liability, a wholly owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Premises”	Portion of the 5 th Floor of Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong with an aggregate gross floor area of approximately 6,000 square feet
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	shareholder(s) of the Company
“Shougang Holding”	Shougang Holding (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, a substantial shareholder of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the tenancy agreement dated 23 December 2016 in respect of the lease of the Premises
“%”	per cent

By order of the Board
Shougang Concord Century Holdings Limited
SU Fanrong
Chairman and Managing Director

Hong Kong, 13 July 2018

As at the date of this announcement, the Board comprises the following Directors:

Mr. Su Fanrong (Chairman and Managing Director), Mr. Tang Cornor Kwok Kau (Deputy Managing Director), Mr. Liao Jun (Non-executive Director), Mr. Yip Kin Man, Raymond (Independent Non-executive Director), Mr. Law, Yui Lun (Independent Non-executive Director) and Mr. Lam Yiu Kin (Independent Non-executive Director).