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**SHOUGANG CENTURY HOLDINGS LIMITED**  
**首 佳 科 技 製 造 有 限 公 司**

*(Incorporated in Hong Kong with limited liability)*  
 (Stock Code: 103)

**FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024**

The Board announces that the audited consolidated results of the Group for the year ended 31 December 2024 and that final results were reviewed by the audit committee of the Company.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the year ended 31 December 2024*

		<b>Year ended 31 December</b>	
		<b>2024</b>	<b>2023</b>
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	3	<b>2,396,950</b>	2,494,534
Cost of sales	7	<b>(2,071,381)</b>	(2,120,368)
Gross profit		<b>325,569</b>	374,166
Other income	5	<b>8,190</b>	8,039
Other gains, net	6	<b>1,787</b>	662
Selling and distribution expenses	7	<b>(129,167)</b>	(124,033)
Administrative expenses	7	<b>(62,768)</b>	(56,433)
Research and development expenses	7	<b>(101,977)</b>	(108,296)
Foreign exchange gains / (losses), net		<b>14,641</b>	(2,926)
Changes in fair values of investment properties	12(a)	<b>(3,444)</b>	(2,077)
Net impairment losses on financial assets	14(c)	<b>(372)</b>	(518)
Finance costs, net	8	<b>(20,579)</b>	(18,914)
Share of losses of a joint venture		<b>(43)</b>	-
Profit before income tax		<b>31,837</b>	69,670
Income tax expense	9	<b>(190)</b>	(7,164)
Profit for the year attributable to the owners of the Company		<b>31,647</b>	62,506

**Year ended 31 December**

**2024**

**2023**

*Notes*

***HK\$'000***

***HK\$'000***

**Other comprehensive (loss) / income**

*Items that will not be reclassified to profit or loss*

Exchange differences arising on translation into presentation currency		<b>(43,836)</b>	(7,810)
Revaluation of leasehold land and buildings	<i>12(b)</i>	<b>(1,130)</b>	(6,729)
Recognition of deferred income tax asset on revaluation of leasehold land and buildings		<b>220</b>	1,051
		<b>(44,746)</b>	(13,488)
Total comprehensive (loss) / income for the year attributable to the owners of the Company		<b>(13,099)</b>	49,018
		<b><i>HK cents</i></b>	<b><i>HK cents</i></b> (Restated)
Earnings per share for profit for the year attributable to the owners of the Company			
Basic	<i>11(a)</i>	<b>1.55</b>	3.15
Diluted	<i>11(b)</i>	<b>1.55</b>	2.63

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		As at 31 December	
		2024	2023
	Notes	HK\$'000	HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	12(a)	39,822	43,728
Property, plant and equipment	12(b)	1,166,909	1,251,122
Right-of-use assets		4,691	416
Land use rights	13	118,338	124,604
Interest in a joint venture		46	-
Prepayments and deposits		3,053	30,325
Deferred income tax assets		20,716	10,026
<b>Total non-current assets</b>		<b>1,353,575</b>	<b>1,460,221</b>
<b>Current assets</b>			
Inventories		363,192	350,013
Trade receivables	14	638,935	645,519
Bills receivables	14	665,267	713,917
Prepayments, deposits and other receivables		40,407	45,339
Derivative financial instruments		1,839	-
Pledged bank deposits		24,060	20,002
Bank balances and cash		374,207	77,138
<b>Total current assets</b>		<b>2,107,907</b>	<b>1,851,928</b>
<b>Total assets</b>		<b>3,461,482</b>	<b>3,312,149</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other payables		67	140
Lease liabilities		2,960	-
Deferred income tax liabilities		29,566	27,733
<b>Total non-current liabilities</b>		<b>32,593</b>	<b>27,873</b>
<b>Current liabilities</b>			
Trade and bills payables	15	810,194	795,445
Other payables and accruals	15	242,809	304,427
Current income tax liabilities		5,444	6,105
Bank borrowings	16	582,973	487,537
Lease liabilities		1,932	446
Derivative financial instruments		-	643
<b>Total current liabilities</b>		<b>1,643,352</b>	<b>1,594,603</b>
<b>Total liabilities</b>		<b>1,675,945</b>	<b>1,622,476</b>
<b>EQUITY</b>			
Share capital	18	1,344,345	1,215,798
Reserves		441,192	473,875
<b>Total equity</b>		<b>1,785,537</b>	<b>1,689,673</b>
<b>Total equity and liabilities</b>		<b>3,461,482</b>	<b>3,312,149</b>

## **NOTES:**

### **1. GENERAL INFORMATION**

Shougang Century Holdings Limited (the “Company”) is an investment holding company and together with its subsidiaries (collectively referred to as the “Group”) are principally engaged in the manufacturing and sales of steel cords.

The Company is a limited company incorporated in Hong Kong. The address of its registered office is Room 1215, 12/F., Honour Industrial Centre, 6 Sun Yip Street, Chai Wan, Hong Kong.

The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The consolidated financial statements are presented in thousands of Hong Kong dollar (HK\$’000), unless otherwise stated.

### **2. BASIS OF PREPARATION**

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) and requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, except for leasehold land and buildings, investment properties and derivative financial instruments, which are measured at fair values.

The financial information relating to the years ended 31 December 2023 and 2024 included in this preliminary announcement of annual results 2024 does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2023 to the Hong Kong Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the consolidated financial statements for the year ended 31 December 2024 in due course.

The Company’s auditor has reported on the consolidated financial statements of the Group for both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

## 2.1 Amended standards and interpretations adopted by the Group

The Group has applied the following amended standards and interpretations for the first time for the annual reporting period commencing from 1 January 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendment to Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statement - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The adoption of the above amended standards and interpretations did not have any significant financial impact on these consolidated financial statements.

## 2.2 Impact of new and amended standards and interpretations issued but not yet applied by the Group

Certain new and amended standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group.

		<b>Effective for accounting periods beginning on or after</b>
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards - Volume 11	1 January 2026

HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendment to Hong Kong Interpretation 5	Hong Kong Interpretation 5 Presentation of Financial Statement - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Management is in the process of assessing potential impact of the above new and amended standards and interpretations that are relevant to the Group upon initial application. It is not yet in a position to state whether these amended standards and interpretations will have a significant impact on the Group's results of operations and financial position.

### 3. REVENUE

The Group is principally engaged in the manufacturing of steel cords. Revenue recognised during the year are as follows:

	Year ended 31 December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Sales of goods - Manufacturing of steel cords	2,395,754	2,493,165
Rental income	1,196	1,369
	<b>2,396,950</b>	<b>2,494,534</b>

### 4. SEGMENT INFORMATION

The Company's managing director, being the chief operating decision-maker ("CODM"), examines the Group's performance and allocates resources from a product perspective. The Group's operations are currently organised into one reportable segment which is steel cord segment.

Segment results represent the profit or loss of each segment without allocation of changes in fair values of investment properties, share of losses of a joint venture, central administration costs, interest income on bank deposits, other income, certain other gains, net and foreign exchange gains, net, finance costs and rental income. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's revenue and results by operating and reportable segment:

**For the year ended 31 December 2024**

	<b>Steel cord</b> <i>HK\$'000</i>
<u>Sales of goods</u>	
Segment revenue from external customers	2,395,754
Segment results	<u>66,047</u>
Unallocated amounts	
Rental income	1,196
Other income	53
Other gains, net and foreign exchange gains, net	1,885
Share of losses of a joint venture	(43)
Changes in fair values of investment properties	(3,444)
Expenses	(13,278)
Finance costs, net	<u>(20,579)</u>
Profit before income tax	31,837
Income tax expense	<u>(190)</u>
Profit for the year	<u><u>31,647</u></u>

For the year ended 31 December 2023

	Steel cord <i>HK\$'000</i>
<u>Sales of goods</u>	
Segment revenue from external customers	2,493,165
Segment results	<u>101,939</u>
Unallocated amounts	
Rental income	1,369
Other income	61
Other gains, net and foreign exchange losses, net	873
Changes in fair values of investment properties	(2,077)
Expenses	(13,581)
Finance costs, net	<u>(18,914)</u>
Profit before income tax	69,670
Income tax expense	<u>(7,164)</u>
Profit for the year	<u><u>62,506</u></u>

## 5. OTHER INCOME

	Year ended 31 December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Government grants ( <i>Note</i> )	5,891	5,963
Sales of scrap materials	1,533	1,826
Others	766	250
	<u>8,190</u>	<u>8,039</u>

*Note:* The government grants mainly represented financial supports for business development by the local governments in the PRC (2023: same). There are no unfulfilled conditions or other contingencies attaching to these grants.

## 6. OTHER GAINS, NET

	Year ended 31 December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Fair value gain on financial liability at fair value through profit or loss ( <i>Note 17</i> )	-	3,554
Fair value gain / (loss) on derivative financial instruments	2,482	(643)
Loss on disposals of property, plant and equipment, net	(425)	(2,055)
Others	(270)	(194)
	<u>1,787</u>	<u>662</u>

## 7. EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses, administrative expenses and research and development expenses are analysed as follows:

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Cost of inventories sold (including net provision for inventories)	2,059,787	2,108,550
Employee benefit expense (including directors' emoluments)	319,080	301,678
Depreciation of property, plant and equipment ( <i>Note 12(b)</i> )	99,344	101,811
Depreciation of right-of-use assets	1,459	1,249
Amortisation of land use rights ( <i>Note 13</i> )	3,653	3,707
Auditor's remuneration		
- Audit services	1,292	1,485
- Non-audit services	408	408
	<u>2,059,787</u>	<u>2,108,550</u>

## 8. FINANCE COSTS, NET

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
<b>Finance income</b>		
Interest income on bank deposits	4,706	2,515
Foreign exchange gain on financial liability at fair value through profit or loss ( <i>Note</i> )	-	4,488
Total finance income	<u>4,706</u>	<u>7,003</u>
<b>Finance costs</b>		
Interest expenses on bank borrowings	(20,510)	(22,846)
Interest expenses on lease liabilities	(123)	(60)
Amortisation of loan transaction costs	-	(10)
Foreign exchange losses on borrowings	(4,652)	(3,001)
Total finance costs	<u>(25,285)</u>	<u>(25,917)</u>
Finance costs, net	<u>(20,579)</u>	<u>(18,914)</u>

*Note:* It represented fair value change on financial liability at fair value through profit or loss attributable to foreign exchange translation (*Note 17*).

## 9. INCOME TAX EXPENSE

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Current income tax:		
- China corporate income tax	11,227	13,855
(Over) / under-provision in prior years	(2,328)	945
Total current income tax	8,899	14,800
Deferred income tax	(8,709)	(7,636)
Income tax expense	190	7,164

No provision for Hong Kong profits tax for the year ended 31 December 2024 as there is no assessable profit subject to Hong Kong profits tax (2023: same).

Pursuant to the Corporate Income Tax Law of the PRC effective from 1 January 2008, companies in the PRC are subject to income tax of 25% unless preferential rate is applicable. The applicable CIT tax rate for Jiaxing Eastern Steel Cord Co., Ltd (“JESC”) and Tengzhou Eastern Steel Cord Co., Ltd (“TESC”) were 15% for the year (2023: 15%), as they are qualified as High and New Technology Enterprise.

## 10. DIVIDENDS

On 18 March 2024, the Board has recommended the payment of a final dividend of HK1 cent per fully paid ordinary share, with total amount of approximately HK\$19,584,000 for the year ended 31 December 2023. The dividend was paid in July 2024.

On 31 March 2025, the Board has recommended a final dividend with the total amount of approximately HK\$40,186,000 payable to shareholders for the year ended 31 December 2024. Based on the 2,350,058,193 ordinary shares in issue, such a final dividend would amount to HK1.71 cents per share.

The final dividend is subject to the shareholders’ approval at the forthcoming annual general meeting. The final dividend proposed after 31 December 2024 has not been recognised as a liability as at 31 December 2024.

## 11. EARNINGS PER SHARE

### (a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year, adjusted for bonus elements in ordinary shares issued during the years.

	Year ended 31 December	
	2024	2023
	<i>HK cents</i>	<i>HK cents</i> (Restated)
Basic earnings per share attributable to the owners of the Company	<u>1.55</u>	<u>3.15</u>

### (b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of potentially dilutive ordinary shares: convertible bonds for the year ended 31 December 2023. For the convertible bonds, calculations are done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares for the period) based on the monetary value of the subscription rights attached to outstanding convertible bonds. The convertible bonds were matured in February 2023 and the Company has made full redemption of outstanding principal amount of HK\$126,000,000 of the convertible bonds.

For the year ended 31 December 2023, convertible bonds issued are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share from their date of issue to the mature date in February 2023. The convertible bonds have not been included in the determination of basic earnings per share.

For the year ended 31 December 2024, there was no dilutive potential shares during the year.

	Year ended 31 December	
	2024	2023
	<i>HK cents</i>	<i>HK cents</i> (Restated)
Diluted earnings per share attributable to the owners of the Company	<u>1.55</u>	<u>2.63</u>

(c) Reconciliations of earnings used in calculating earnings per share

	Year ended 31 December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Basic earnings per share</b>		
Profit attributable to the owners of the Company used in calculating basic earnings per share	<u>31,647</u>	<u>62,506</u>
<b>Diluted earnings per share</b>		
Profit attributable to the owners of the Company used in calculating basic earnings per share	31,647	62,506
Profit adjustment for convertible bonds	-	(8,042)
	<u>31,647</u>	<u>54,464</u>

(d) Weighted average number of shares used as the denominator

	Year ended 31 December	
	2024	2023
	<i>Number</i>	<i>Number</i>
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share <i>(Note)</i>	2,042,791,201	1,984,586,082
Adjustment for convertible bonds	-	86,489,201
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share <i>(Note)</i>	<u>2,042,791,201</u>	<u>2,071,075,283</u>

*Note:* Basic and diluted earnings per share for the year ended 31 December 2023 have been restated to take into account the effects of the bonus element in ordinary shares issued as a result of the rights issue of the Company completed in October 2024.

## 12. INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

### (a) Investment properties

The movement of the net book amount for investment properties is as follows:

	Leasehold land and buildings <i>HK\$'000</i>
At 1 January 2023	55,637
Changes in fair values recognised in profit or loss	(2,077)
Transfer to property, plant and equipment	(9,358)
Exchange differences	(474)
At 31 December 2023	<u>43,728</u>
At 1 January 2024	<b>43,728</b>
Changes in fair values recognised in profit or loss	<b>(3,444)</b>
Exchange differences	<b>(462)</b>
At 31 December 2024	<u><b>39,822</b></u>

### (b) Property, plant and equipment

The movement of the net book amount for property, plant and equipment is as follows:

	<i>HK\$'000</i>
At 1 January 2023	1,187,280
Additions	182,639
Disposals	(2,965)
Depreciation ( <i>Note 7</i> )	(101,811)
Revaluation	(6,729)
Transfer from investment properties ( <i>Note 12(a)</i> )	9,358
Exchange differences	(16,650)
At 31 December 2023	<u>1,251,122</u>
At 1 January 2024	<b>1,251,122</b>
Additions	<b>43,465</b>
Disposals	<b>(999)</b>
Depreciation ( <i>Note 7</i> )	<b>(99,344)</b>
Revaluation	<b>(1,130)</b>
Exchange differences	<b>(26,205)</b>
At 31 December 2024	<u><b>1,166,909</b></u>

### 13. LAND USE RIGHTS

The Group's interests in land use rights represent the prepaid lease payments under operating leases, being a part of the right-of-use assets of the Group.

	<i>HK\$'000</i>
At 1 January 2023	130,142
Amortisation ( <i>Note 7</i> )	(3,707)
Exchange differences	(1,831)
At 31 December 2023	<u>124,604</u>
At 1 January 2024	<b>124,604</b>
Amortisation ( <i>Note 7</i> )	<b>(3,653)</b>
Exchange differences	<b>(2,613)</b>
At 31 December 2024	<b><u>118,338</u></b>

### 14. TRADE RECEIVABLES AND BILLS RECEIVABLES

	<b>As at 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
Trade receivables ( <i>Note (a)</i> )	<b>660,654</b>	667,322
Less: provision for impairment losses on trade receivables ( <i>Note (c)</i> )	<b>(21,719)</b>	(21,803)
	<b><u>638,935</u></b>	<u>645,519</u>
Bills receivables ( <i>Note (b)</i> )	<b>665,267</b>	713,917
	<b><u>1,304,202</u></b>	<b><u>1,359,436</u></b>

**(a) Trade receivables**

The Group's credit terms to trade debtors range from 30 to 90 days. The aging analysis of the trade receivables based on invoice date was as follows:

	<b>As at 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
Up to 90 days	<b>469,593</b>	512,979
91 to 180 days	<b>137,869</b>	111,399
Over 180 days	<b>53,192</b>	42,944
	<b><u>660,654</u></b>	<b><u>667,322</u></b>

**(b) Bills receivables**

The aging analysis of the bills receivables based on invoice date was as follows:

	<b>As at 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
Up to 90 days	<b>55,479</b>	80,533
91 to 180 days	<b>247,791</b>	311,170
Over 180 days	<b>361,997</b>	322,214
	<b><u>665,267</u></b>	<b><u>713,917</u></b>

As at 31 December 2024, the Group's bills receivables mature within one year (2023: same).

**(c) Provision for impairment losses on trade receivables**

The movement on the provision for impairment losses on trade receivables is as follows:

	<b>As at 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
At beginning of the year	<b>21,803</b>	21,586
Net impairment losses on trade receivables for the year	<b>372</b>	518
Exchange differences	<b>(456)</b>	(301)
At end of the year	<b><u>21,719</u></b>	<b><u>21,803</u></b>

## 15. TRADE AND BILLS PAYABLES / OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
Trade payables ( <i>Note (a)</i> )	707,120	707,608
Bills payables ( <i>Note (b)</i> )	103,074	87,837
	<u>810,194</u>	<u>795,445</u>
<b>Other payables and accruals - current</b>		
Contract liabilities ( <i>Note (c)</i> )	4,124	4,793
Accrued wages and salaries	29,610	30,566
Other tax payables	8,408	8,306
Other accruals	5,434	9,058
Interest payables	2,833	2,215
Other payables (including payables for property, plant and equipment)	192,400	249,489
	<u>242,809</u>	<u>304,427</u>
	<u>1,053,003</u>	<u>1,099,872</u>

### (a) Trade payables

The Group's credit period granted by the suppliers is 30 days. The aging analysis of the trade payables based on invoice date was as follows:

	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
Up to 30 days	278,522	319,356
31 to 90 days	163,202	191,594
91 to 180 days	188,180	169,927
181 to 365 days	53,075	20,231
Over 365 days	24,141	6,500
	<u>707,120</u>	<u>707,608</u>

## (b) Bills payables

The aging analysis of the bills payables based on invoice date was as follows:

	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
Up to 30 days	25,269	5,628
31 to 90 days	30,561	33,524
91 to 180 days	33,235	36,851
Over 180 days	14,009	11,834
	<u>103,074</u>	<u>87,837</u>

The bills payables of the Group are secured by pledged bank deposits.

## (c) Contract liabilities

As at 31 December 2024, the contract liabilities for the advanced payments received from the customers included in the other payables and accruals amounted to HK\$4,124,000 (2023: HK\$4,793,000).

Revenue recognised during the year ended 31 December 2024 that was included in the contract liabilities at the beginning of the year amounted to HK\$4,793,000 (2023: HK\$861,000). The Group expects to deliver the goods to satisfy the remaining performance obligations of these contract liabilities within one year or less.

## 16. BANK BORROWINGS

	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
Bank loans	582,973	469,936
Discounted bills with recourse	-	17,601
	<u>582,973</u>	<u>487,537</u>
Current portion	<u>582,973</u>	<u>487,537</u>
Secured	-	17,601
Unsecured	582,973	469,936
	<u>582,973</u>	<u>487,537</u>

The Group's bank borrowings were repayable as follows:

	<b>As at 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
Within 1 year	<b><u>582,973</u></b>	<b><u>487,537</u></b>

## **17. FINANCIAL LIABILITY AT FAIR VALUE THROUGH PROFIT OR LOSS**

On 11 February 2019 (the "Issuance Date"), the Company issued convertible bonds in the principal amount of HK\$150,000,000 (the "Convertible Bonds") to Jingxi Holdings Limited ("Jingxi Holdings"), a wholly owned subsidiary of Shougang Group Co., Ltd ("Shougang Group", which is the substantial shareholder with significant influence of the Company). The consideration for the Convertible Bonds was HK\$150,000,000. The Convertible Bonds are interest bearing at a coupon rate of 4% per annum.

The holder of the Convertible Bonds has:

- (i) the option to demand the Company to redeem the Convertible Bonds on 11 February 2022 (the "Original Maturity Date") at 100% of the principal amount outstanding plus any accrued and unpaid interest;
- (ii) the option to convert the Convertible Bonds into ordinary shares of the Company at a conversion price derived on certain conditions at the date of conversion falling 6 months from the Issuance Date and up to the maturity date of the Convertible Bonds; and
- (iii) the option to extend the Original Maturity Date twice by one year each to the date falling on 11 February 2024.

The Convertible Bonds, together with the abovementioned options, were designated as a financial liability at fair value through profit or loss.

The Convertible Bonds were matured in February 2023 and the Company has made full redemption of outstanding principal amount of HK\$126,000,000 of the Convertible Bonds. As a result of redemption of the remaining extended Convertible Bonds, a gain on fair value of HK\$3,554,000 was recorded in profit or loss during the year ended 31 December 2023.

The movements of the financial liability at fair value through profit or loss during the year are as below:

	<b>Year ended 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
At beginning of the year	-	132,074
Settlement	-	(128,520)
Fair value gain recognised in profit or loss ( <i>Note 6</i> )	-	(3,554)
At end of the year	<u>-</u>	<u>-</u>

## 18. SHARE CAPITAL

	<b>Number of shares</b>	<b>HK\$'000</b>
	<b>('000)</b>	
Issued and fully paid:		
At 1 January 2023	1,971,380	1,215,798
Cancellation of shares ( <i>Note (a)</i> )	(2,476)	-
At 31 December 2023 and 1 January 2024	<u>1,968,904</u>	<u>1,215,798</u>
Cancellation of shares ( <i>Note (a)</i> )	(10,522)	-
Rights issue of shares ( <i>Note (b)</i> )	391,676	128,547
At 31 December 2024	<u>2,350,058</u>	<u>1,344,345</u>

*Notes:*

- (a) During the year ended 31 December 2023 and 2022, the Company repurchased 12,654,000 and 344,000 ordinary shares for approximately HK\$2,699,000 and HK\$69,000 respectively. 2,476,000 repurchased shares for approximately HK\$449,000 were cancelled during the year ended 31 December 2023. The remaining 10,522,000 ordinary shares for approximately HK\$2,319,000 were cancelled in January 2024 and was charged to retained earnings within shareholders' equity.

The buy-back and cancellation were approved by shareholders at last year's annual general meeting, and the payment was made out of the Company's distributable profits with no reduction of capital in compliance with the Hong Kong Companies Ordinance.

- (b) During the year ended 31 December 2024, the Company issued 391,676,365 ordinary shares, for a consideration of HK\$0.33 per share. HK\$128,547,000 is received after deducted all the related expenses. The 391,676,365 ordinary shares were issued on 25 October 2024 pursuant to the rights issue on the basis of one rights share for every five existing ordinary shares held on 30 September 2024.

## 19. CAPITAL COMMITMENTS

	As at 31 December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Commitments in respect of the acquisition of property, plant and equipment - contracted for but not provided in the consolidated financial statements	<b>29,626</b>	78,842

## 20. OPERATING LEASE COMMITMENTS

### The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	As at 31 December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within one year	444	1,035
Between one to two years	-	1,010
	<b>444</b>	2,045

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### Review of operations

The Group is principally engaged in the manufacturing and sales of steel cords for radial tyres, sawing wires and hose wires. For the year ended 31 December 2024, the Group recorded revenue of HK\$2,396,950,000 (2023: HK\$2,494,534,000), representing a decrease of 3.9% as compared with the last year. Meanwhile, the gross profit decreased by 13.0% to HK\$325,569,000 (2023: HK\$374,166,000). Therefore, the Group's net profit decreased by 49.4% from same period last year of HK\$62,506,000 to HK\$31,647,000.

#### *Revenue*

In 2024, China's gross domestic product for the entire year reached RMB134.9 trillion, with a year-on-year growth of 5.0% calculated at constant prices. The economic operation was generally stable and made progress steadily. According to the statistics of the Ministry of Public Security, domestic motor vehicle ownership reached 453 million vehicles, of which car ownership was 353 million vehicles with new energy vehicle ownership reaching 31.40 million vehicles. Motor vehicle ownership recorded a year-on-year increase of 4.1%. The rises in automotive demand and sales volume have led to an increase in the demand for accessorial and replacement tyres, which has attracted the new entrant of sales of steel cords for radial tyres. The new comer significantly intensified market competition in the second half of year 2024. In order to maintain market share, the sales price of steel cords of the Group has continued to decline, resulting in a continued decline in revenue.

For the year ended 31 December 2024, the Group's revenue of steel cord segment amounted to HK\$2,395,754,000 (2023: HK\$2,493,165,000), representing a decrease of 3.9% from the previous year. Because of the increase demand of radial tyres, the steel cord segment sold 240,049 tonnes of steel cord during the year, increased by 5.0% as compared to 228,637 tonnes last year. In respect of the sales of sawing wire products, the sales volume increased by 11.9% from 757 tonnes to 847 tonnes for the corresponding period last year attributable to our persistent effort in exploring new customers as well as the improvement of the photovoltaic, sapphire, and magnetic material markets. There was an increase of 22.2% in the sales volume of our other wire products from 10,782 tonnes to 13,175 tonnes for the corresponding period. The sales volume of this segment for the year is analysed as follows:

	Year ended 31 December				
	2024		2023		
	Sales volume (Tonnes)	% of total sales volume of steel cords	Sales volume (Tonnes)	% of total sales volume of steel cords	% change
Steel cords for:					
- truck tyres	133,211	55.5	133,308	58.3	-0.1
- off the road truck tyres	17,014	7.1	15,568	6.8	+9.3
- passenger car tyres	89,824	37.4	79,761	34.9	+12.6
Total for steel cords	<u>240,049</u>	<u>100.0</u>	<u>228,637</u>	<u>100.0</u>	+5.0
Sawing wire products	847		757		+11.9
Other steel wires	13,175		10,782		+22.2
Total	<u>254,071</u>		<u>240,176</u>		+5.8

There was no significant change in sales mix during the year, the proportion of sales of steel cords for truck tyres accounted for 55.5% of total sales volume of steel cords for the year, decreased by 2.8pp as compared to the previous year, it remained as the largest sales volume of steel cords of the Group for the year. Attributable to the great effort made by our sales team, the sales of steel cords for off the road truck tyres increased by 9.3% to 17,014 tonnes from 15,568 tonnes last year.

In respect of sales by region, the revenue from export sales amounted to HK\$844,606,000 for the year, decreased by 5.9% as compared to HK\$897,554,000 last year. The export sales represented 35.3% of total revenue from sales for the year, compared to 36.0% for last year. The breakdown of sales of steel cords segment for the year by geographical location is as follows:

	Year ended 31 December				
	2024		2023		
	Revenue HK\$'000	% of total revenue of steel cord segment	Revenue HK\$'000	% of total revenue of steel cord segment	% change
PRC	<u>1,551,148</u>	<u>64.7</u>	<u>1,595,611</u>	<u>64.0</u>	-2.8
Export sales:					
Asia (other than PRC)	508,496	21.2	518,171	20.8	-1.9
EMEA (Europe, Middle East and Africa)	157,485	6.6	188,739	7.5	-16.6
North America	134,552	5.6	148,860	6.0	-9.6
South America	44,073	1.9	41,784	1.7	+5.5
Total export sales	<u>844,606</u>	<u>35.3</u>	<u>897,554</u>	<u>36.0</u>	-5.9
Total	<u>2,395,754</u>	<u>100.0</u>	<u>2,493,165</u>	<u>100.0</u>	-3.9

## Gross profit

Gross profit of this segment decreased by 13.0% over last year to HK\$324,492,000 (2023: HK\$372,939,000) for the year. The gross profit margin also decreased from 15.0% over last year to 13.5% for the year. This decrease was mainly due to the fierce competition within the industry, which in turn pushed selling prices down.

## FINANCIAL REVIEW

### Revenue

Revenue of the Group amounted to HK\$2,396,950,000 (2023: HK\$2,494,534,000) for the year, decreased by 3.9% over last year. The breakdown of revenue of the Group for the year is as follows:

	Year ended 31 December				% change
	2024	% of total	2023	% of total	
	HK\$'000	revenue	HK\$'000	revenue	
Steel cords	2,395,754	99.9	2,493,165	99.9	-3.9
Property rental	1,196	0.1	1,369	0.1	-12.6
Total	<u>2,396,950</u>	<u>100.0</u>	<u>2,494,534</u>	<u>100.0</u>	<u>-3.9</u>

### Gross profit

Gross profit of the Group decreased by 13.0% over last year to HK\$325,569,000 (2023: HK\$374,166,000), which was mainly due to the decrease of gross profit of steel cord segment. Accordingly, the gross profit margin of the Group decreased by 1.4pp to 13.6% for the year as compared to that of last year. The breakdown of gross profit of the Group for the year is as follows:

	Year ended 31 December				% change
	2024	Gross profit	2023	Gross profit	
	HK\$'000	margin (%)	HK\$'000	margin (%)	
Steel cords	324,492	13.5	372,939	15.0	-13.0
Property rental	1,077	90.1	1,227	89.6	-12.2
Total	<u>325,569</u>	<u>13.6</u>	<u>374,166</u>	<u>15.0</u>	<u>-13.0</u>

### Selling and distribution expenses

Selling and distribution expenses amounted to HK\$129,167,000 (2023: HK\$124,033,000) for the year, increased by 4.1% over last year, mainly due to the increase in sales volume of steel cord segment.

## **Administrative expenses**

Administrative expenses of the Group amounted to HK\$62,768,000 (2023: HK\$56,433,000) for the year, increased by 11.2% as compared to last year. The Group would implement the cost control measures.

## **Research and development expenses**

Research and development expenses of the Group amounted to HK\$101,977,000 for the year, decreased by 5.8% as compared to HK\$108,296,000 for last year. Such expenses were all incurred by the steel cord segment for aligning with the requirements from our tyres manufacturing customers.

## **Other income**

Other income of the Group mainly consisted of the government grants of HK\$5,891,000 and sales of scrap materials of HK\$1,533,000 for the year ended 31 December 2024.

## **Other gains, net**

Other gains, net of the Group increased by 169.9% from HK\$662,000 for the year ended 31 December 2023 to HK\$1,787,000 for the year ended 31 December 2024. This was mainly because the derivative financial instruments for the year ended 31 December 2024 recorded the gain of HK\$2,482,000 while those for the year ended 31 December 2023 were the loss of HK\$643,000.

## **Finance costs, net**

Finance costs, net of the Group increased by 8.8% from HK\$18,914,000 to HK\$20,579,000 for the year. This was mainly because there is no foreign exchange gain on the Convertible Bonds during the year.

## **TREASURY AND FUNDING POLICIES**

The treasury and funding policies of the Group concentrate on the management of liquidity and the monitoring of financial risks, including interest rate risk, currency risk and counterparty risk. The objectives are to ensure the Group has adequate financial resources to maintain business growth with a viable financial position.

Surplus funds of the Group are generally placed on short term deposits denominated in HKD, EUR, RMB or USD with reputable banks in Hong Kong and the PRC. The financing of the Group principally comprises bank loans. The financing portfolio takes into consideration of the liquidity of the Group and interest costs.

## SHARE CAPITAL, LIQUIDITY AND FINANCIAL RESOURCES

### Share capital and net asset value

The Company manages its capital structure with the objectives of ensuring that the businesses of the Group can maintain a sustainable growth and providing a long-term reasonable return to its Shareholders.

The total number of issued shares of the Company was 2,350,058,193 Shares as at 31 December 2024 (2023: 1,968,903,828 Shares). Net asset value of the Group was HK\$1,785,537,000 as at 31 December 2024, increased by 5.7% as compared to HK\$1,689,673,000 as at 31 December 2023. Net asset value per Share was HK\$0.76 as at 31 December 2024, also decreased by 11.6% as compared to HK\$0.86 as at 31 December 2023.

### Bank balances and cash and interest bearing borrowings

The Group's bank balances and cash (including pledged bank deposits) amounted to HK\$398,267,000 as at 31 December 2024, increased by 310.0% as compared to HK\$97,140,000 as at 31 December 2023. Total interest bearing borrowings of the Group were HK\$582,973,000 (comprised of bank borrowings) as at 31 December 2024, increased by 19.6% as compared to HK\$487,537,000 (comprised of bank borrowings) as at 31 December 2023. The amount of net interest bearing borrowings (total interest bearing borrowings less pledged bank deposits, bank balances and cash) therefore decreased from HK\$390,397,000 as at 31 December 2023 to HK\$184,706,000 as at 31 December 2024.

### Debt and liquidity ratios

Gearing ratio represented total interest bearing borrowings less bank balances and cash (including pledged bank deposits) divided by total equity of the Group and decreased from 23.1% as at 31 December 2023 to 10.3% as at 31 December 2024. The current ratio (calculated as current assets divided by current liabilities) of the Group increased from 1.2 times as at 31 December 2023 to 1.3 times as at 31 December 2024.

During the year, the Group seized favorable opportunities in the market to successfully complete the fund raising by way of rights issue and raised net proceeds of approximately HK\$128,547,000. The funds raised from the rights issue will be mainly used for general working capital and repayment of unsecured/secured loan of the Group. At the same time, the completion of the rights issue will further enhance the capital position and strengthen the core competitiveness of the Group. For details of the rights issue, please refer to the Company's announcements dated 13 September 2024 and 24 October 2024 and the Company's prospectus dated 2 October 2024.

## **FOREIGN CURRENCY AND INTEREST RATE EXPOSURES**

The Group's source of revenue is mainly denominated in EUR, RMB and USD, while those of purchases and payments are mainly denominated in HKD, RMB and USD. As at 31 December 2024, the interest bearing borrowings were mainly at variable rates, the Group also entered into cross currency swap transactions to manage our risks on exchange and interest rate in respect of our interest bearing borrowings.

We will review and adjust the currency composition of our interest bearing borrowings from time to time to minimise these risk. In any event, we would keep monitoring the currency and interest rate composition of the Group's interest bearing borrowings under the guidance of the Internal Control Manual and take appropriate action to minimise our exchange and interest rate risks when needed.

## **CAPITAL COMMITMENTS**

As at 31 December 2024, the Group had commitments in respect of property, plant and equipment amounted to HK\$29,626,000.

## **BUSINESS DEVELOPMENT PLAN**

In 2019, TESC entered into agreements with the governmental authorities of Tengzhou in relation to the investment of a construction project to be carried out on the three parcels of land through a public auction (the "Lands"). Pursuant to the agreements, TESC shall invest in construction of the production lines for an annual capacity of 100,000 tonnes steel cords on the Lands. The Tengzhou governmental authorities shall assist TESC in the construction project, such as handling relevant procedures for the construction, facilitating in the construction of infrastructure of the project such as water, electricity and roads, and assisting in application of governmental policy support and applicable support funds. The construction project has commenced to acquire the machineries and construct the factory plant, ancillary facilities and peripheral roads since November 2019. The project is carried out by phases according to the market conditions and the financial capacity of the Company from time to time. Facing the growing automotive and tyre market, the Group strives to enhance its productivity and continues to propel an expansion plan at TESC. The increase in productivity significantly enhances the Group's core competitiveness and profitability, the Group continues to make great strides towards its goal to manufacture over 300,000 tonnes of high-quality steel cords annually. This increase in productivity also significantly enhances the Group's core competitiveness and profitability.

Besides, the Company will continue to focus on expanding high-end customers and establishing an international market network to achieve expanded global operations by optimising global production capacity, strengthening deep cooperation with institutions and universities, as well as exploring diversified, forward-looking innovative products and solutions, so to seize new opportunities in technology manufacturing and create an influential "Eastern" brand recognition, thereby bringing the best interests to the Group and the shareholders of the Company.

## **EMPLOYEES, REMUNERATION POLICIES AND TRAINING SCHEME OF THE GROUP**

As at 31 December 2024, the Group had a total of 2,498 employees located in Hong Kong and the PRC. The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence as well as the prevailing market condition of the industry. Remuneration packages, which include an element of discretionary bonuses, are generally reviewed annually. In addition to salary payments, other employee benefits include medical subsidies, hospitalisation scheme and a defined contribution provident fund, Mandatory Provident Fund Scheme and other retirement scheme or other similar defined contribution provident fund stipulated by the regulations of the PRC which provided retirement benefits to employees in Hong Kong and the PRC respectively. The Group's contributions to these schemes are charged against profits or loss as they are incurred. The total employee benefit expense for the year amounted to approximately HK\$319.1 million.

The Group had also provided training programmes or courses for the mainland staff at all levels from different departments, and also for Directors and employees of the Company so as to further enhance their technical skills in production operation and management, professional skills and knowledge, respectively.

The emoluments of the Directors are decided by the remuneration committee of the Company, having regard to individual performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

## **CONTINGENT LIABILITIES AND PLEDGE OF ASSETS**

The Group had no contingent liabilities as at 31 December 2024.

As at 31 December 2024, the carrying amounts of assets pledged as security for bills payables are bank deposits of HK\$24,060,000.

## **BUSINESS OUTLOOK**

Looking forward, the instability of the political and economic situation arising from the Sino-American relations, conflicts in Russia-Ukraine and the Middle East region, as well as the risk of global recession due to high interest rates have not yet been averted. But we, Shougang Century, are confident and optimistic about our business in light of the followings:

- To continue the construction of our production lines at TESC to facilitate the expansion plan of an additional 100,000 tonnes of steel cords manufacturing capacity;
- To further reduce our cost of production by streamlining our manufacturing process and increasing automation;

- By taking into consideration the Chinese government’s regulations on energy conservation and emission reduction, the constant increase in output of electric cars drives demand for their accessorial tyres, which will in turn expedite the market expansion of steel cords for domestic radial tyres and bring a more ample room for development to steel cord industry in the long term; and
- To reduce carbon emissions through reduction of energy consumption, application of clean energy, research and development on low-carbon products, the application of new technologies and new equipment and so on, the Group can achieve the green, low-carbon and sustainable corporate development and fulfil social responsibilities.

## **FINAL DIVIDEND**

The Board has recommended a final dividend in the total amount of approximately HK\$40,186,000 for the year ended 31 December 2024 (2023: HK\$19,584,000), payable to Shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 17 July 2025. Based on the 2,350,058,193 Shares in issue, such a final dividend would amount to HK1.71 cents per Share (2023: HK1 cent per Share).

Subject to Shareholders’ approval of the proposed final dividend at the Company’s annual general meeting to be held on Tuesday, 10 June 2025, the final dividend is expected to be paid on or about Thursday, 31 July 2025. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. (Hong Kong time) on Thursday, 17 July 2025, for registration.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 3 June 2025 to Tuesday, 10 June 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be entitled to attend and vote at the forthcoming annual general meeting which is scheduled to be held on Tuesday, 10 June 2025, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Monday, 2 June 2025.

## **SCOPE OF WORK OF PRICEWATERHOUSECOOPERS**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group’s auditor, PricewaterhouseCoopers, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

## **CORPORATE GOVERNANCE CODE**

The Board is committed to practicing and achieving a high standard of corporate governance. It also recognises that effective risk management and internal control systems are crucial to the long term development of the Company. Thus, the Board reviews from time to time the daily corporate governance practices and procedures of the Company and its subsidiaries and procures the Company and its subsidiaries to strictly comply with the relevant laws and regulations, and the rules and guidelines of regulatory bodies, aiming to maintain sound and effective risk management and internal control systems of the Group, such as financial, operational and compliance controls and risk management functions. The Company has adopted the SCHL Corporate Governance Code and the Internal Control Manual, which will be amended and revised where appropriate, in order to enhance the effectiveness of the corporate governance practices and the risk management and internal control systems, and to get in line with the relevant amendments of law, rules and regulations.

In the opinion of the Board, the Company has complied with all the principles and Code Provisions of the Code and also the SCHL Corporate Governance Code.

## **ACKNOWLEDGEMENTS**

On behalf of the Board, I would like to express sincere gratitude to all Shareholders, suppliers and customers for their longstanding support. I would also like to thank my fellow members on the Board and the staff members of the Group for their unwavering commitment to the Group's business. I am confident that the Group will continue to explore and capture opportunities in the coming year and beyond.

## **FORWARD LOOKING STATEMENTS**

This announcement contains certain forward looking statements with respect to the financial condition, results of operations and business of the Group. These forward looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions have the meanings set out below:

“Board”	the board of Directors
“Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Company” / “Shougang Century”	Shougang 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
“Convertible Bonds”	the 4% unsecured fixed coupon convertible bonds issued by the Company to Jingxi Holdings pursuant to the subscription agreement dated 18 December 2018
“Director(s)”	the director(s) of the Company
“EUR”	Euros, the lawful currency of the participating states within the European Union
“Group”	the Company and its subsidiaries
“HKD” / “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Internal Control Manual”	an internal management and control manual of the Company adopted in 1999 and revised from time to time thereafter
“JESC”	Jiaying Eastern Steel Cord Co., Ltd., a company incorporated under the laws of the PRC and an indirect wholly owned subsidiary of the Company
“Jingxi Holdings”	Jingxi Holdings Limited, a company incorporated under the laws of Hong Kong with limited liability and a wholly owned subsidiary of Shougang Fund
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“pp”	percentage point(s)
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SCHL Corporate Governance Code”	Shougang Century Holdings Limited Code on Corporate Governance (revised from time to time)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shougang Fund”	Beijing Shougang Fund Co., Ltd., a company established in the PRC with limited liability and a wholly-owned subsidiary of Shougang Group Co., Ltd.

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TESC”	Tengzhou Eastern Steel Cord Co., Ltd., a company incorporated under the laws of the PRC and an indirect wholly owned subsidiary of the Company
“USD”	United States dollars, the lawful currency of the United States
“%”	per cent

By order of the Board  
**Shougang Century Holdings Limited**  
**SU Fanrong**  
*Chairman*

Hong Kong, 31 March 2025

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

*Mr. Su Fanrong (Chairman), Mr. Zhao Yue (Vice Chairman), Mr. Li Jinping (Managing Director), Mr. Yang Junlin (Deputy Managing Director), Mr. Zhang Dan (Executive Director), Ms. Xu Hongyan (Non-executive Director)(Mr. Sun Chao as her Alternate Director), Mr. Lam Yiu Kin (Independent Non-executive Director), Mr. Feng Yaoling (Independent Non-executive Director) and Ms. Ho Shuk Ying, Sabrina (Independent Non-executive Director).*

*This final results announcement is published on the websites of the Company at <http://www.irasia.com/listco/hk/shougangcentury/> and the Stock Exchange at <http://www.hkexnews.hk>. The 2024 Annual Report will be despatched to Shareholders and made available on the above websites in due course.*