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首鋼福山資源集團有限公司
SHOUGANG FUSHAN RESOURCES GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 639)

**CONDITIONAL CASH OFFER BY
OCTAL CAPITAL LIMITED
ON BEHALF OF
SHOUGANG FUSHAN RESOURCES GROUP LIMITED
TO BUY-BACK UP TO 125,000,000 SHARES FOR HK\$2.40 PER SHARE
INVOLVING AN APPLICATION FOR WHITEWASH WAIVER**

CLOSE AND RESULTS OF THE OFFER

Financial adviser to the Company



The Company announces that the Offer has closed at the Latest Acceptance Time, being 4:00 p.m. on Tuesday, 12 September 2023. As at the Latest Acceptance Time, valid acceptances in respect of a total of 1,210,449,753 Shares were received by the Registrar from the Accepting Shareholders under the Offer, representing approximately 968.36% of the Maximum Number of Shares to be bought back by the Company under the Offer and approximately 23.96% of the total number of issued Shares as at the date of this announcement.

As the Shares tendered under the Offer exceeded the Maximum Number of Shares, the total number of Shares to be bought back by the Company from each Accepting Shareholder will be determined in accordance with the formula set out in the Offer Document. As a result, a total of 125,000,000 Shares, being the Maximum Number of Shares, will be bought back and cancelled by the Company on Completion, which is expected to take place on Thursday, 21 September 2023. The total consideration payable by the Company for buying back the said Shares pursuant to the Offer is HK\$300,000,000.

As at the date of this announcement, the Shougang Concert Group comprises (a) the Shougang Holding Shareholders which were beneficially interested in 863,358,000 Shares, representing approximately 17.09% of the total issued Shares; and (b) the Shoucheng Shareholders which were beneficially interested in 863,962,490 Shares, representing approximately 17.10% of the total issued Shares.

Immediately after Completion, the aggregate interests in the total issued Shares held by the Shougang Concert Group will decrease from approximately 34.19% to approximately 33.25% comprising (a) the interest of the Shougang Holding Shareholders which will increase from approximately 17.09% to approximately 17.52%; and (b) interest of the Shoucheng Shareholders which will decrease from approximately 17.10% to approximately 15.73%.

The Registrar will send, by ordinary post at the Accepting Shareholder's own risk, a cheque for such total amount due to the individual Accepting Shareholder under the Offer (subject to deduction of the seller's ad valorem stamp duty due on the buy-back of the Shares from the amount payable in cash) and, if the Shares tendered under the Offer by the Accepting Shareholder have not been bought-back by the Company in full, the Title Documents in respect of the balance of such Shares therefor, within 7 Business Days after the close of the Offer, i.e. on or before Thursday, 21 September 2023.

References are made to (i) the announcement of Shougang Fushan Resources Group Limited (the “**Company**”) dated 11 July 2023 and the offer document (the “**Offer Document**”) of the Company dated 1 August 2023, both in relation to the Offer and the Whitewash Waiver, and (ii) the announcement of the Company dated 29 August 2023 in relation to the poll results of the General Meeting (the “**Poll Results Announcement**”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Offer Document.

As disclosed in the Poll Results Announcement, following approval of the Independent Shareholders for the Offer and the Whitewash Waiver at the General Meeting, the Offer has become unconditional on Tuesday, 29 August 2023 and would remain open for acceptance for a period of 14 days thereafter. The Offer has closed at 4:00 p.m. on Tuesday, 12 September 2023.

CLOSE AND RESULTS OF THE OFFER

The Company announces that the Offer has closed at 4:00 p.m. on Tuesday, 12 September 2023. As at the Latest Acceptance Time, valid acceptances in respect of a total of 1,210,449,753 Shares (the “**Accepted Shares**”) were received by the Registrar from the Accepting Shareholders under the Offer, representing approximately 968.36% of the Maximum Number of Shares to be bought-back by the Company under the Offer and approximately 23.96% of the total number of issued Shares as at the date of this announcement.

As the Shares tendered under the Offer exceeded the Maximum Number of Shares, the total number of Shares to be bought-back by the Company from each Accepting Shareholder will be determined in accordance with the below formula:

$$\frac{A}{B} \times C$$

A = 125,000,000 Shares, being the Maximum Number of Shares

B = Total number of Shares tendered by all Accepting Shareholders under the Offer (i.e. 1,210,449,753 Shares, being the Accepted Shares)

C = Total number of Shares tendered by the relevant individual Accepting Shareholder under the Offer

The Accepted Shares tendered under the Offer exceeded the Maximum Number of Shares. As a result, a total of 125,000,000 Shares, being the Maximum Number of Shares, will be bought back and cancelled by the Company. The total consideration payable by the Company for buying back the Maximum Number of Shares pursuant to the Offer is HK\$300,000,000. The completion of the Offer upon cancellation of the Shares bought-back by the Company (the “**Completion**”) is expected to take place on Thursday, 21 September 2023.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below shows the shareholding structure of the Company (i) as at the date of this announcement and immediately after the close of the Offer; and (ii) immediately after Completion.

Name of Shareholders	As at the date of this announcement and immediately after the close of the Offer		Immediately after Completion	
	<i>Number of</i>		<i>Number of</i>	
	<i>Shares</i>	<i>Approximate %</i>	<i>Shares</i>	<i>Approximate %</i>
Substantial Shareholders:				
<i>The Shougang Holding Shareholders (Note (i))</i>				
Ultimate Capital Limited	600,000,000	11.88	600,000,000	12.18
King Rich Group Limited	247,866,000	4.90	247,866,000	5.03
Shougang Holding (Hong Kong) Limited	15,492,000	0.31	15,492,000	0.31
(A) Sub-total	863,358,000	17.09	863,358,000	17.52
<i>The Shoucheng Shareholders (Note (ii))</i>				
Fine Power Group Limited	663,918,497	13.14	595,357,359	12.09
Fair Gain Investments Limited	200,043,993	3.96	179,385,970	3.64
(B) Sub-total	863,962,490	17.10	774,743,329	15.73
<i>The Shougang Concert Group</i>				
(A)+(B) Sub-total	1,727,320,490	34.19	1,638,101,329	33.25
<i>Funde Sino Life (Note (iii))</i>	1,413,284,000	27.98	1,413,284,000	28.69
Directors who hold the Shares:				
Mr. Chen Zhaoqiang (Note (iv))	1,110,000	0.02	1,110,000	0.02
Mr. Choi Wai Yin (Note (v))	650,000	0.01	650,000	0.01
Public Shareholders	1,909,473,352	37.80	1,873,692,513	38.03
Total	5,051,837,842	100.00	4,926,837,842	100.00

Notes:

- (i) Pursuant to the disclosure form dated 11 July 2023 (being the latest disclosure form filed up to the date of this announcement) as published on the website of the Stock Exchange, Shougang Group Co., Ltd. was interested in the Shares held by its subsidiaries, namely; (i) Ultimate Capital Limited (a company indirectly wholly-owned by Shougang Holding (Hong Kong) Limited, holding 600,000,000 Shares); (ii) King Rich Group Limited (a company wholly-owned by Shougang Holding (Hong Kong) Limited, holding 247,866,000 Shares); and (iii) Shougang Holding (Hong Kong) Limited (a company wholly-owned by Shougang Group Co., Ltd., holding 15,492,000 Shares).
- (ii) Pursuant to the disclosure form dated 11 July 2023 (being the latest disclosure form filed up to the date of this announcement) as published on the website of the Stock Exchange, Shoucheng Holdings Limited was interested in the Shares held by (a) Fine Power Group Limited (a company wholly-owned by Shoujing Yifei Holdings Limited which is in turn wholly-owned by Shoucheng Holdings Limited, holding 663,918,497 Shares); and (b) Fair Gain Investments Limited (a company wholly-owned by Shoujing Yifei Holdings Limited which is in turn wholly-owned by Shoucheng Holdings Limited, holding 200,043,993 Shares).
- (iii) Pursuant to the disclosure form dated 16 June 2023 (being the latest disclosure form filed up to the date of this announcement) as published on the website of the Stock Exchange, Funde Sino Life was interested in 1,413,284,000 Shares.
- (iv) Mr. Chen Zhaoqiang, being an executive Director who is not (a) a member of the Shougang Concert Group or a nominee of the Shougang Group Shareholders or (b) involved in the negotiations of the Offer and/or the Whitewash Waiver, is interested in 1,110,000 Shares as at the date of this announcement.
- (v) Mr. Choi Wai Yin, being an independent non-executive Director who is not (a) a member of the Shougang Concert Group or a nominee of the Shougang Group Shareholders or (b) involved in the negotiations of the Offer and/or the Whitewash Waiver, is interested in 650,000 Shares as at the date of this announcement.
- (vi) None of the persons acting in concert with the Directors is interested in the shareholdings (as defined under Note 1 to paragraph 5 of Schedule III of the Codes) in the Company.
- (vii) The aggregate percentage may not add up to 100% due to rounding.

Immediately before 11 July 2023 (being the commencement date of the Offer Period), the Shougang Concert Group was interested in an aggregate of 1,727,320,490 Shares, representing approximately 34.19% of the total number of issued Shares. Save as the foregoing, none of the members of the Shougang Concert Group held, controlled or directed any Shares and rights over Shares immediately before the Offer Period.

As at the date of this announcement, the Shougang Concert Group was interested in an aggregate of 1,727,320,490 Shares, representing approximately 34.19% of the total number of issued Shares.

The Shougang Concert Group comprises (a) the Shougang Holding Shareholders which were beneficially interested in 863,358,000 Shares, representing approximately 17.09% of the total issued Shares; and (b) the Shoucheng Shareholders which were beneficially interested in 863,962,490 Shares, representing approximately 17.10% of the total issued Shares.

Immediately after Completion, the aggregate interests in the total issued Shares held by the Shougang Concert Group will decrease from approximately 34.19% to approximately 33.25% comprising (a) the interest of the Shougang Holding Shareholders which will increase from approximately 17.09% to approximately 17.52%; and (b) the interest of the Shoucheng Shareholders which will decrease from approximately 17.10% to approximately 15.73%.

Save for the Accepted Shares, none of the members of the Shougang Concert Group has acquired or agreed to acquire any Shares or rights over Shares during the Offer Period.

None of the members of the Shougang Concert Group has borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period.

SETTLEMENT

The Registrar will send, by ordinary post at the Accepting Shareholder's own risk, a cheque for such total amount due to the individual Accepting Shareholder under the Offer (subject to deduction of the seller's ad valorem stamp duty due on the buy-back of the Shares from the amount payable in cash) and the Title Documents in respect of the balance of such Shares therefor, within 7 Business Days after the close of the Offer, i.e. on or before Thursday, 21 September 2023.

ODD LOTS ARRANGEMENT

Prudential Brokerage Limited, whose address is at 901-904, 9/F, World-wide House, 19 Des Voeux Road C, Central, Hong Kong (contact person: Mr. CY Tam (譚灼耀); telephone number: 2143 3808) has been appointed by the Company as the designated broker to match sales and purchases of odd lot holdings of Shares in the market for a period of six weeks from the Completion (which is expected to be the period from 21 September 2023 to 2 November 2023) to enable odd lot Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots of 2,000 Shares. Odd lot Shareholders should note that the matching of odd lots is not guaranteed.

By Order of the Board
Shougang Fushan Resources Group Limited
Ding Rucai
Chairman of the Board

Hong Kong, 12 September 2023

As at the date of this announcement, the Board comprises Mr. Ding Rucai (Chairman), Mr. Fan Wenli (Managing Director), Mr. Chen Zhaoqiang (Deputy Managing Director), Mr. Wang Dongming (Deputy Managing Director), Ms. Chang Cun (Non-executive Director), Mr. Shi Yubao (Non-executive Director), Mr. Choi Wai Yin (Independent Non-executive Director), Mr. Japhet Sebastian Law (Independent Non-executive Director), Mr. Chen Jianxiong (Independent Non-executive Director) and Mr. Shen Zongbin (Independent Non-executive Director).

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.