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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)

INSIDE INFORMATION

POSITIVE PROFIT ALERT

This announcement is made by Shougang Fushan Resources Group 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) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “Board”) would like to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group for the six months ended 30 June 2022 and other information currently available, the profit attributable to owners of the Company for the six months ended 30 June 2022 is expected to be not less than HK\$ 1.5 billion representing a year-on-year (“YoY”) significant increase of at least 124% compared to that of approximately HK\$0.67 billion for the six months ended 30 June 2021.

The Board considers that the expected significant increase in profit for the six months ended 30 June 2022 is mainly attributable to the following factors:

- (1) due to the strong coal demand in the domestic coal market in the first half of 2022, the average benchmark market selling prices of the Group’s clean coking coal products for the six months ended 30 June 2022 significantly surged by approximately 88% YoY;
- (2) the increase in sales volume of the Group’s self-produced clean coking coal products by approximately 13% YoY; and
- (3) the effective stringent cost controls continuously implemented by the Group.

The information above is only a preliminary assessment by the Board based on the information currently available to it, which has not been finalised and not reviewed by the Company's auditors or audit committee. Accordingly, the actual results of the Group may be different from what is disclosed in this announcement. Shareholders and potential investors of the Company are advised to read the unaudited interim results announcement of the Company for the six months ended 30 June 2022, which is expected to be published by the end of August 2022.

Further announcements will be made by the Company if there is any significant change in the expected interim results of the Group for the six months ended 30 June 2022 as disclosed in this announcement.

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

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

Hong Kong, 22 July 2022

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. Liu Qingshan (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).