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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)

CONNECTED TRANSACTION
PROPOSED PURCHASE OF PROPERTY

THE PROPOSED PURCHASE

The Board is pleased to announce that on 25 June 2026 (after trading hours), the Purchaser, an indirect wholly owned subsidiary of the Company entered into the Master Contract with the Vendor, an indirect non-wholly owned subsidiary of Shougang Group (a substantial shareholder of the Company). E-contracts shall be signed within the prescribed timeframe set out in the Master Contract. The Master Contract and E-contracts are the documents forming the Sale and Purchase Agreements. Pursuant to the Master Contract, the Purchaser has agreed to purchase and the Vendor has agreed to sell the Property at a consideration of RMB530,000,000 (inclusive of VAT of RMB43,761,467.89).

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Purchaser is an indirect wholly owned subsidiary of the Company, and the Vendor is an indirect non-wholly owned subsidiary of Shougang Group (a substantial shareholder of the Company). Accordingly, the Vendor is a connected person of the Company by virtue of being an associate of Shougang Group under the Listing Rules. Therefore, the entering into of the Sale and Purchase Agreements and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Proposed Purchase exceed 0.1% but are less than 5%, the entering into of the Sale and Purchase Agreements and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular and independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

THE PROPOSED PURCHASE

The Board is pleased to announce that on 25 June 2026 (after trading hours), the Purchaser, an indirect wholly owned subsidiary of the Company entered into the Master Contract with the Vendor, an indirect non-wholly owned subsidiary of Shougang Group (a substantial shareholder of the Company). E-contracts shall be signed within the prescribed timeframe set out in the Master Contract. The Master Contract and E-contracts are the documents forming the Sale and Purchase Agreements. Pursuant to the Master Contract, the Purchaser has agreed to purchase and the Vendor has agreed to sell the Property at a consideration of RMB530,000,000 (inclusive of VAT of RMB43,761,467.89).

The key terms of the Sale and Purchase Agreements are summarised as follows:

Date	25 June 2026
Parties	Vendor: Beijing Shouyi Kexin Real Estate Co., Ltd.* (北京首怡科新置業有限公司) Purchaser: Beijing Fushan Shoufu Enterprise Management Limited* (北京福山首福企業管理有限公司)
Nature of transaction	Proposed Purchase of the Property by the Purchaser from the Vendor
Property	A total of 22 office units located at Levels 2 to 12 of Block A of Building No. 1 of the property development known as “Shouyi Development Building” (首怡發展大廈), situated within Shougang Park (首鋼園), with a total gross floor area of approximately 21,337.51 square meters.
Property location	Block A, Building No. 1, No. 11, Sijiaolu North Road, Shougang Park North Zone, Shijingshan District, Beijing, the PRC (中國北京市石景山區首鋼園北區四焦爐北路11號院1號樓A棟)
Use of the Property	Office purpose

Total consideration

RMB530,000,000 (equivalent to approximately HK\$609,111,386.94, comprising a property price of RMB486,238,532.11 (equivalent to approximately HK\$558,817,786.18 and VAT of RMB43,761,467.89 (equivalent to approximately HK\$50,293,600.76 calculated at 9% of the property price), Based on a gross floor area of 21,337.51 square metres, the unit price of the Property is approximately RMB24,838.89 per square metre (inclusive of VAT).

Payment terms

- (1) **First-stage payment:** As a deposit, an amount equal to 10% of the total consideration for the Property (i.e. RMB53,000,000) shall be payable within 10 business days after the signing of the E-contracts.
- (2) **Second-stage payment:** The remaining balance of 90% of the total consideration for the Property (i.e. RMB477,000,000) shall be payable before 30 September 2026.

Completion

Unless otherwise agreed between the Parties, delivery and handover of the Property and full payment of the consideration shall be made by no later than 30 September 2026 (the “**Long-stop Date**”).

Completion of the Proposed Purchase is structured as follows: (i) within 5 days after signing of the Master Contract, the Parties shall sign the 22 E-contracts and complete the online filing and registration (網簽備案); (ii) after completion of such filing, and in any event no later than 30 June 2026, the Vendor shall issue a conditional move-in notice, the condition for which is full payment of the consideration by the Purchaser; (iii) upon satisfaction of that condition, delivery and handover of the Property shall take place on or before the Long-stop Date; and (iv) the Vendor shall procure the issuance of the building ownership certificate (不動產權證) in respect of the Property within 90 working days after delivery, failing which (where attributable to the Vendor) the Purchaser is entitled to rescind. Either Party may terminate the Sale and Purchase Agreements (with a full refund of all sums paid, including the deposit, and without liability on either side) if completion is frustrated by force majeure or by the non-satisfaction of conditions outside the Purchaser’s control, including the requisite approvals of the SASAC and the completion of the relevant registration and filing procedures.

Parking spaces

The Vendor has agreed to irrevocably grant the Purchaser the right of use of 100 motor vehicle parking spaces located in the civil defense engineering area on the second basement floor of the Shouyi Development Building over land use term of the Property free of charge, subject to compliance with applicable PRC laws and payment of applicable management fees.

Taxes and other fees

The consideration payable for the Property is inclusive of VAT calculated in accordance with applicable PRC regulations, but excludes all other transaction-related taxes and fees, including transfer registration fees and associated charges, deed tax, contract stamp duty, property agency fees (if any), other public utility charges (if any), and special maintenance funds (if any). Save as otherwise stipulated by applicable PRC laws and policies, all the aforesaid taxes and fees shall be borne and paid by the Purchaser to the relevant PRC authorities.

BASIS OF THE CONSIDERATION FOR THE PROPOSED PURCHASE

The consideration payable for the Property under the Proposed Purchase was determined following arm's length negotiations between the Purchaser and the Vendor. In determining the price, the Board has taken into account the valuation amount of approximately RMB531,000,000 (inclusive of VAT), as set out in the property valuation report by way of market approach prepared in accordance with valuation requirements and standards stipulated in the PRC by an independent valuer.

In addition to the said valuation report, the Board has also considered in assessing the reasonableness of the consideration for the Proposed Purchase (i) the unit price per square metre of comparable office properties in the Shijingshan District and the broader Beijing property market; (ii) the scale, location and condition of the Property; and (iii) the costs incurred by the Vendor in developing and making enhancements to the Property (inclusive of land premium paid, construction costs and related development expenses); (iv) the potential and utility of the Property for stable long-term use and asset value preservation and (v) the reasons for and benefits of the Proposed Purchase, as further explained in the section headed "Reasons for and Benefits of the Proposed Purchase" below.

Based on the information provided by the Vendor, (i) the original acquisition cost of the Property is not applicable as the Property was developed by the Vendor, and the original acquisition cost of the relevant land use rights of the Property was approximately RMB309,000,000 (equivalent to approximately HK\$355,274,504.17); and (ii) as at the date of this announcement, the Property was in bare shell condition and had not generated any rental income since the completion of the construction of the Property.

REASONS FOR AND BENEFITS OF THE PROPOSED PURCHASE

The Proposed Purchase is intended to promote the Group's business diversification, foster industrial synergies and make effective use of surplus funds of its wholly-owned subsidiaries in the PRC, and long-term investment opportunities. The Property is situated in Shijingshan District, Beijing, an area undergoing urban regeneration, where infrastructure continues to improve and overall development potential is cautiously optimistic. The Proposed Purchase will be financed by the Group's internal funds.

The Proposed Purchase is based on the following comprehensive considerations:

1. Supporting Business Expansion

As the Group's coal trading operations continue to advance, it is necessary to establish a stable, branded business presence in Beijing. The purchase of the Property will also grant the Group naming rights to entire building, which will further enhance the Group's brand image and enable it to establish a more distinctive corporate identity and consolidate its market position through a strategically located and landmark development. The industrial foundation and locational advantages of Shougang Park will facilitate closer engagement with customers, financial institutions and strategic partners, thereby enhancing operational efficiency and market trust.

2. Strengthening Regional Hub Functions

The Property is intended to be used for the establishment of an office in Beijing to facilitate the Group's businesses, as well as for long term investment and leasing operations. To support future requirements in supply chain management, resource coordination and investment activities, acquiring owned office space will provide a long-term, stable operational base and reinforce the Group's integrated coordination capabilities within the PRC.

3. Improving Capital Utilisation Efficiency

The Company maintains a robust financial position and intends to allocate a small portion of its surplus funds to office assets. Under reasonable occupancy and rental assumptions, the expected return from the Property are anticipated to compare favourably with prevailing RMB deposit rates, thereby improving the asset structure.

4. No Impact on Core Business or Financial Policy

This Proposed Purchase is a capital expenditure which represented approximately 2.78% of total assets as at 31 December 2025 (and adjusted by the amount of the 2025 final dividend to be paid) and has been evaluated with due consideration to its impact on cash flow and shareholder returns. The Proposed Purchase has not significantly affected the Group's financial position. The Company remains firmly committed to its core coking coal business and will continue to prudently pursue related initiatives. The Proposed Purchase will not affect the Company's future dividend distribution arrangements; the Company's future dividends will continue, as always, to be determined in accordance with its dividend policy and based on profitability, cash flow, investment plans, and the decisions of the Board.

In summary, Proposed Purchase is a strategic arrangement focusing on regional platform development, trade business expansion and enhanced capital utilisation efficiency and thus is not a standalone real estate long-term investment.

The Directors, having made all reasonable and due inquiries, are of the view that the Sale and Purchase Agreements and the transactions contemplated thereunder are fair and reasonable and on normal commercial terms, and are in the interests of the Company and its shareholders as a whole.

The independent non-executive Directors, having considered the terms of the Sale and Purchase Agreements and the Proposed Purchase and taken into account the advice of the Board as well as the expected benefits of the Proposed Purchase for the Group as described, are of the view that, although the Proposed Purchase is not in the ordinary and usual course of business of the Group (which is principally engaged in coking coal mining, coal preparation and coal trading), (i) the Proposed Purchase is on normal commercial terms; (ii) the terms of the Sale and Purchase Agreements are fair and reasonable; and (iii) the Proposed Purchase is in the interests of the Company and its shareholders as a whole.

As Mr. Chen Yi is currently a director of the Company and certain subsidiaries of Shougang Group, he is considered to be materially interested in the transactions contemplated under the Sale and Purchase Agreements (including the Proposed Purchase) and has abstained from voting on the Board resolutions approving the entering into of the Sale and Purchase Agreements and the Proposed Purchase. Other than Mr. Chen Yi, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the other Directors has a material interest in the Sale and Purchase Agreements or the Proposed Purchase such as to require him/her to abstain from voting on the said resolutions of the Board.

GENERAL INFORMATION

Information on the Shougang Group

Shougang Group is a state-owned enterprise established in the PRC and a substantial shareholder of the Company, which is principally engaged in a wide variety of businesses such as steel industry, mining, machinery and equipment development, electronics, building, real estate, and related services, etc. As at the date of this announcement, Shougang Group holds, indirectly through controlled corporations, approximately 29.99% of the issued share capital of the Company and is accordingly a substantial shareholder (as defined in the Listing Rules) of the Company.

Information on the Company

The Company is a company incorporated in Hong Kong with limited liability, the Shares of which are listed on Main Board of the Stock Exchange (Stock code: 639). The Company is an investment holding company and the Group is principally engaged in coking coal mining, production and sales of coking coal products in the PRC.

Information on the Purchaser

The Purchaser, Beijing Fushan Shoufu Enterprise Management Limited* (北京福山首福企業管理有限公司), is a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It has a registered capital of RMB300,000,000. The Purchaser's business scope covers enterprise management, entrepreneurship space services, information consulting, artificial intelligence public data platform, artificial intelligence general application systems, non-residential real estate leasing and property management.

Information on the Vendor

The Vendor, Beijing Shouyi Kexin Real Estate Co., Ltd.* (北京首怡科新置業有限公司), is a company incorporated in the PRC with limited liability. It has a registered capital of RMB5,500,000,000 and its business scope covers real estate development and operation, parking services and non-residential property leasing.

The issued equity of the Vendor is held as to 60% by Beijing Shougang Construction Investment Co., Ltd. (北京首鋼建設投資有限公司), a wholly-owned subsidiary of Shougang Group, and as to 40% by Beijing Yizhi Jingxi Real Estate Development Co., Ltd (北京怡置京西房地產開發有限公司), the issued equity of which is in turn held as to 50% by the wholly-owned subsidiaries of each of (i) China Merchants Shekou Industrial Zone Holdings Co., Ltd (招商局蛇口工業區控股股份有限公司), a subsidiary of the China Merchants Group; and (ii) Hongkong Land (HK) Investments Limited (置地(香港)投資有限公司), a wholly-owned subsidiary of Hongkong Land Holdings Limited, a Bermuda incorporated listed company with primary listing on the London Stock Exchange and a member of the Jardine Matheson Group, respectively.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, the Purchaser is an indirect wholly owned subsidiary of the Company, and the Vendor is an indirect non-wholly owned subsidiary of Shougang Group (a substantial shareholder of the Company). Accordingly, the Vendor is a connected person of the Company by virtue of being an associate of Shougang Group under the Listing Rules. Therefore, the entering into of the Sale and Purchase Agreements and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Proposed Purchase exceed 0.1% but are less than 5%, the entering into of the Sale and Purchase Agreements and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular and independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Company”	Shougang Fushan Resources Group Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 0639);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company from time to time;

“E-contract(s)”	22 sets of the Contract for Sale and Purchase of Existing Beijing Commercial Property* (北京市商品房現房買賣合同) in accordance with the relevant PRC laws and regulations which set forth standard terms in connection with the sale and purchase of the 22 office units under the Property;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Master Contract”	the Master Contract for Sale and Purchase of Existing Beijing Commercial Property* (北京市商品房現房買賣總合同) which set forth the agreed terms of the Proposed Purchase between the Parties;
“Parties”	collectively, the Purchaser and the Vendor, and each a Party;
“PRC”	the People’s Republic of China, but for the purposes of this announcement and for geographical reference only, unless the context otherwise requires, excluding Hong Kong, the Macau Special Administrative Region and Taiwan of the PRC;
“Property”	a total of 22 office units located at Levels 2 to 12 of Block A of Building No. 1 of the property development known as “Shouyi Development Building” (首怡發展大廈);
“Proposed Purchase”	the proposed purchase of the Property by the Purchaser from the Vendor pursuant to the terms of the Sale and Purchase Agreements as described in this announcement;
“Purchaser”	Beijing Fushan Shoufu Enterprise Management Limited*(北京福山首福企業管理有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC;

“Sale and Purchase Agreements”	collectively, (i) the Master Contract; and (ii) E-contract(s), to be entered into between the Purchaser and the Vendor in connection with the Proposed Purchase of the Property;
“SASAC”	The State-owned Assets Supervision and Administration Commission of the State Council;
“Share(s)”	share(s) of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Shougang Group”	Shougang Group Co., Ltd. (首鋼集團有限公司), a solely state-owned company established in the PRC with limited liability and a substantial shareholder of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“VAT”	value-added tax;
“Vendor”	Beijing Shouyi Kexin Real Estate Co., Ltd.* (北京首怡科新置業有限公司), a company incorporated in the PRC with limited liability and an indirect non-wholly owned subsidiary of Shougang Group; and
“%”	per cent.

By Order of the Board
Shougang Fushan Resources Group Limited
Chen Yi
Chairman

Hong Kong, 25 June 2026

As at the date of this announcement, the Board comprises Mr. Chen Yi (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. Xu Qian (Non-executive Director), Mr. Chen Jianxiong (Independent Non-executive Director), Mr. Choi Wai Yin (Independent Non-executive Director), Mr. Li Zeping (Independent Non-executive Director) and Mr. Shi Yubao (Independent Non-executive Director).

* For identification purpose only