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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)

PROFIT WARNING

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

Reference is made to the Company’s announcement dated 17 February 2015 (the “Announcement”) informing the Shareholders and potential investors that, amongst others, the Group is likely to make a further non-cash impairment on the carrying amount(s) of goodwill of certain of its subsidiaries for the financial year ended 31 December 2014 (the “Further Impairment”). Capitalised terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise.

The Board wishes to inform the Shareholders and potential investors that based on the preliminary discussion with the Auditor, it is expected that the Further Impairment will be approximately HK\$524 million. Together with the impairment of approximately HK\$300 million made for the six months ended 30 June 2014, the aggregate impairment for the financial year 2014 amounts to approximately HK\$824 million (the “Total Impairment”). It is expected that the Company will record a consolidated profit of approximately HK\$463 million for the financial year ended 31 December 2014 before taking into account of the Total Impairment and a consolidated loss of approximately HK\$361 million after taking into account of the Total Impairment as compared with a consolidated profit of approximately HK\$1,299 million for the financial year ended 31 December 2013.

The Board wishes to emphasize that the Total Impairment is an accounting related adjustment and a non-cash item and therefore, will not have any impact on the cash flow of the Group. All in all, the Group continues to maintain a healthy net cash balance.

The Further Impairment and the Company’s final results for the financial year ended 31 December 2014 contained in this announcement are only based on the preliminary assessment of the Board with reference to the unaudited consolidated management accounts of the Company for the financial year ended 31 December 2014 and other information currently available, which are under review and subject to finalization and confirmation by the Auditor as well as approvals of the audit committee of the Company and the Board at the

respective meetings to be held in late March 2015. The final results announcement of the Company for the financial year ended 31 December 2014 will be published in late March 2015.

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
Li Shaofeng
Chairman

Hong Kong, 16 March 2015

As at the date of this announcement, the Board comprises Mr. Li Shaofeng (Chairman), Mr. Ding Rucai (Vice-chairman and Managing Director), Mr. Wong Lik Ping (Vice-chairman), Mr. So Kwok Hoo (Deputy Managing Director), Mr. Chen Zhaoqiang (Deputy Managing Director), Mr. Liu Qingshan (Deputy Managing Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Zhang Yaoping (Non-executive Director), Mr. Xiang Xu Jia (Non-executive Director), Mr. Kee Wah Sze (Independent Non-executive Director), Mr. Choi Wai Yin (Independent Non-executive Director), Mr. Chan Pat Lam (Independent Non-executive Director), Mr. Chan Chung Chun (Independent Non-executive Director) and Mr. Japhet Sebastian Law (Independent Non-executive Director).