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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 250,000,000 SHARES FOR HK\$2.00 PER SHARE
INVOLVING APPLICATIONS FOR WHITEWASH WAIVERS**

**POLL RESULTS OF THE GENERAL MEETING
AND
FULFILLMENT OF CONDITIONS OF THE OFFER**

Financial adviser to the Company



The Board is pleased to announce that the ordinary resolution to approve the Offer and the special resolution to approve the Whitewash Waivers as set out in the Notice of General Meeting were duly passed by the Independent Shareholders by way of poll at the General Meeting held on Thursday, 3 September 2020.

As all the Conditions have been fulfilled, the Offer has become unconditional on Thursday, 3 September 2020 and will remain open for acceptance until 4:00 p.m. (Hong Kong time) on Thursday, 17 September 2020.

Independent Shareholders are advised to read the Offer Document carefully, including the recommendation from the Independent Board Committee and the advice of the Independent Financial Advisor, before deciding whether or not to accept the Offer. Independent Shareholders should also note that their voting decisions on the ordinary resolution and special resolution proposed at the General Meeting approving the Offer and the Whitewash Waivers, respectively, shall not affect their decisions as to whether to accept the Offer or not. Shareholders are advised to consult their professional advisers when in doubt.

Reference is made to the offer document (the “**Offer Document**”) of Shougang Fushan Resources Group Limited (the “**Company**”) dated 19 August 2020 in relation to the Offer and the Whitewash Waivers. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Offer Document.

POLL RESULTS OF THE GENERAL MEETING

The Board is pleased to announce that the ordinary resolution to approve the Offer and the special resolution to approve the Whitewash Waivers as set out in the notice of General Meeting dated 19 August 2020 (the “**Notice of General Meeting**”) were duly passed by the Independent Shareholders by way of poll at the General Meeting held on Thursday, 3 September 2020. Results of the poll are set out as follows:

Ordinary Resolution	Number of Votes (%)	
	For	Against
(a) To approve the Offer ^{Note}	965,802,217 98.66%	13,102,913 1.34%
As more than 50% of the votes were cast in favour of the above resolution (a), the resolution was duly passed as an ordinary resolution.		
Special Resolution	Number of Votes (%)	
	For	Against
(b) To approve the Whitewash Waivers ^{Note}	923,544,000 94.35%	55,261,130 5.65%
As at least 75% of the votes were cast in favour of the above resolution (b), the resolution was duly passed as a special resolution.		

Note: The full text of the resolutions is set out in the Notice of General Meeting

At the date of the General Meeting, the Company has a total of 5,301,837,842 Shares in issue. In accordance with the Listing Rules and the Codes and as disclosed in the Offer Document, (i) the Funde Concert Group, which was interested in 1,590,100,000 Shares; (ii) the Shougang Concert Group, which was interested in 1,582,864,490 Shares; and (iii) Mr. Ding Rucai, Mr. Chen Zhaoqiang, Mr. Kee Wah Sze and Mr. Choi Wai Yin (each being a Director), who were interested in an aggregate of 3,620,000 Shares, as at the date of the General Meeting, were required to, and did, abstain from voting on the above resolutions at the General Meeting. Therefore, the total number of Shares entitling the Independent Shareholders to attend and vote on all the above resolutions proposed at the General Meeting was 2,125,253,352 Shares.

Save as disclosed above, there were no Shares entitling the holders thereof to attend where such holders were required to abstain from voting in favour of the above resolutions at the General Meeting pursuant to Rule 13.40 of the Listing Rules, and no Shareholders were required to abstain from voting at the General Meeting under the Listing Rules and the Codes nor did any person state any intention in the Offer Document to vote against or to abstain from voting on the resolutions at the General Meeting.

Tricor Tengis Limited, the share registrar of the Company in Hong Kong, was appointed as the scrutineer in respect of the poll at the General Meeting.

GRANT OF THE WHITEWASH WAIVERS

On 2 September 2020, the Executive has granted the Whitewash Waivers, subject to:

- (i) the Whitewash Waivers and the Offer being separately approved by at least 75% and more than 50% respectively of the independent vote (as defined in Note 1 on dispensations from Rule 26 of the Takeovers Code) that are cast either in person or by proxy at the General Meeting, to be taken on a poll; and
- (ii) unless the Executive gives prior consent, no acquisition or disposal of voting rights being made by each of the Funde Concert Group and the Shougang Concert Group between the date of the Announcement, being 20 July 2020, and the completion of the Offer.

As at the date of this announcement, the aforementioned condition (i) has been fulfilled. Accordingly, subject to fulfilment of condition (ii) as mentioned above, each of the Funde Shareholder and the Shougang Shareholders will not be required to make a mandatory general offer for all the Shares not already owned by the Funde Concert Group and the Shougang Concert Group, respectively, as a result of the completion of the Offer.

FULFILLMENT OF THE CONDITIONS OF THE OFFER

As disclosed in the Offer Document, the Offer is subject to the Conditions being fulfilled in full. As all the Conditions have been fulfilled, the Offer has become unconditional on Thursday, 3 September 2020 and will remain open for acceptance until 4:00 p.m. (Hong Kong time) on Thursday, 17 September 2020.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below shows the shareholding structure of the Company as at the date of this announcement and the shareholding structure of the Company immediately after the completion of the Offer on the assumptions that (i) all Qualifying Shareholders will accept the Offer in full (and taking into account the Irrevocable Undertakings); and (ii) the number of Shares in issue as at the date of this announcement remains unchanged until the completion of the Offer.

Name of Shareholders	As at the date of this announcement		Immediately after completion of the Offer	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Substantial Shareholders:				
The Funde Shareholder ^{Note (i)}	1,590,100,000	29.99	1,590,100,000	31.48
The Shougang Shareholders ^{Note (ii)}				
Fine Power Group Limited	663,918,497	12.52	663,918,497	13.14
Ultimate Capital Limited	650,000,000	12.26	650,000,000	12.87
Fair Gain Investments Limited	149,089,993	2.81	149,089,993	2.95
King Rich Group Limited	83,000,000	1.57	83,000,000	1.64
Prime Success Investments Limited	20,410,000	0.38	20,410,000	0.40
Shougang Holding (Hong Kong) Limited	15,492,000	0.29	15,492,000	0.31
Shoucheng Holdings	954,000	0.02	954,000	0.02
<i>Sub-total</i>	<i>1,582,864,490</i>	<i>29.85</i>	<i>1,582,864,490</i>	<i>31.33</i>

Name of Shareholders	As at the date of this announcement		Immediately after completion of the Offer	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Directors and their respective concert parties (if any)^{Note(ix)} who hold the Shares:				
Mr. Ding Rucai ^{Note (iii)}	120,000	0.002	105,909	0.002
Mr. Chen Zhaoqiang ^{Note (iv)}	2,680,000	0.051	2,365,280	0.047
Mr. Kee Wah Sze ^{Note (v)}	700,000	0.013	617,797	0.012
Mr. Choi Wai Yin ^{Note (vi)}	<u>120,000</u>	<u>0.002</u>	<u>105,909</u>	<u>0.002</u>
<i>Sub-total</i>	<i>3,620,000</i>	<i>0.068</i>	<i>3,194,895</i>	<i>0.063</i>
Persons who were Directors in the past 12 months and hold the Shares:				
Mr. So Kwok Hoo ^{Note (vii)}	4,000,000	0.075	3,530,268	0.070
Mr. Chan Pat Lam ^{Note (viii)}	<u>250,000</u>	<u>0.005</u>	<u>220,642</u>	<u>0.004</u>
Public Shareholders	<u>2,121,003,352</u>	<u>40.012</u>	<u>1,871,927,547</u>	<u>37.053</u>
Total	<u>5,301,837,842</u>	<u>100.00</u>	<u>5,051,837,842</u>	<u>100.00</u>

Notes:

- (i) As informed by Funde Sino Life, Funde Sino Life was interested in approximately 29.99% of the total number of Shares as at the date of this announcement.
- (ii) Pursuant to the information published on the website of the Stock Exchange, Shougang Group Co., Ltd. was interested in the Shares held by its associated companies, namely, Shougang Holding (Hong Kong) Limited (a company wholly-owned by Shougang Group Co., Ltd., holding 15,492,000 Shares), King Rich Group Limited (a company wholly-owned by Shougang Holding (Hong Kong) Limited, holding 83,000,000 Shares), Prime Success Investments Limited (a company wholly-owned by Shougang Holding (Hong Kong) Limited, holding 20,410,000 Shares), Shoucheng Holdings (holding 954,000 Shares), Fair Gain Investments Limited (a company wholly-owned by Shoucheng Holdings, holding 149,089,993 Shares), Fine Power Group Limited (a company wholly-owned by Shoucheng Holdings, holding 663,918,497 Shares), and Ultimate Capital Limited (a company wholly-owned indirectly by Shoucheng Holdings, holding 650,000,000 Shares).
- (iii) Mr. Ding Rucai is an executive Director and the Chairman of the Company.

- (iv) Mr. Chen Zhaoqiang is an executive Director.
- (v) Mr. Kee Wah Sze is an independent non-executive Director.
- (vi) Mr. Choi Wai Yin is an independent non-executive Director.
- (vii) Mr. So Kwok Hoo ceased to be an executive Director since 21 May 2020 and does not have material interests in the Offer which is different from the interests of all other Shareholders and was not involved in and/or interested in the Offer and the Whitewash Waivers.
- (viii) Mr. Chan Pat Lam (“**Mr. Chan**”) ceased to be an independent non-executive Director since 21 May 2020 and does not have material interests in the Offer which is different from the interests of all other Shareholders and was not involved in and/or interested in the Offer and the Whitewash Waivers. As informed by Mr. Chan, he and his spouse were holding 250,000 Shares as at the date of this announcement.
- (ix) 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.

ODD LOTS ARRANGEMENT

Sanfull Securities Limited, whose address is at Suite 2001-6, 20/F, Cosco Tower, 183 Queen’s Road Central, Hong Kong (contact person: Mr. Billy Chan; telephone number: 2853 2211) 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 of the Offer 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.

Independent Shareholders are advised to read the Offer Document carefully, including the recommendation from the Independent Board Committee and the advice of the Independent Financial Advisor, before deciding whether or not to accept the Offer. Independent Shareholders should also note that their voting decisions on the ordinary resolution and special resolution proposed at the General Meeting approving the Offer and the Whitewash Waivers, respectively shall not affect their decisions as to whether to accept the Offer or not. Shareholders are advised to consult their professional advisers when in doubt.

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

Hong Kong, 3 September 2020

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 (Executive Director), Ms. Chang Cun (Non-executive Director), Mr. Shi Yubao (Non-executive Director), Mr. Kee Wah Sze (Independent Non-executive Director), Mr. Choi Wai Yin (Independent Non-executive Director), Mr. Japhet Sebastian Law (Independent Non-executive Director) and Mr. Chen Jianxiong (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.