

2023

全年业绩发布
Annual Results



首鋼福山資源集團有限公司
SHOUGANG FUSHAN RESOURCES GROUP LIMITED
Stock Code 股份代號 : 639



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2023

Reduce Costs and Increase Efficiency
Continuously Shareholders Return



Revenue
5.89
↓28% billion HKD

Basic EPS
37.66
HK cents

Attributable Profit
1.89
↓30% billion HKD

- Affected by a 4.6% decrease in the average exchange rate of the RMB

Gross Profit Margin
59 %

Annual Dividend
28 HK cents
per share

Dividend Yield
10 %
(closing price of 27 Mar. 2024)

Payout Ratio
75 %





Market Drop First then Rebound, Tracing a V-shaped

Benchmark vs Company's Clean Coking Coal
Realised Average Price



- Liulin 4# Clean Coking Coal FOR Price (incl. VAT)
- Liulin 9# Clean Coking Coal FOR Price (incl. VAT)
- - - 2021 Company Clean Coking Coal Realised Average Price (incl. VAT)
- . - 2022 Company Clean Coking Coal Realised Average Price (incl. VAT)
- . - 2023 Company Clean Coking Coal Realised Average Price (incl. VAT)

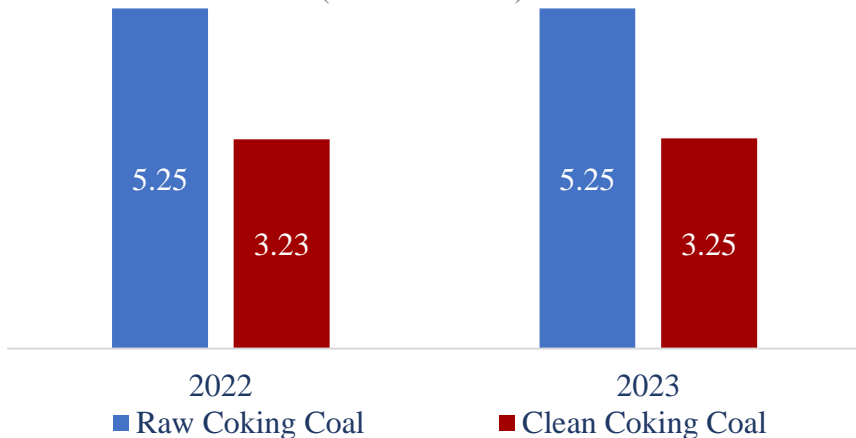
- Coal price tracing a V-shaped trend in 2023. Strict safety inspections limited coal production in Shanxi, driving coal prices back to the high levels seen at the beginning of the year
- The Company's Clean Coking Coal realised average price was in line with the market trend, which was decline by about 20%



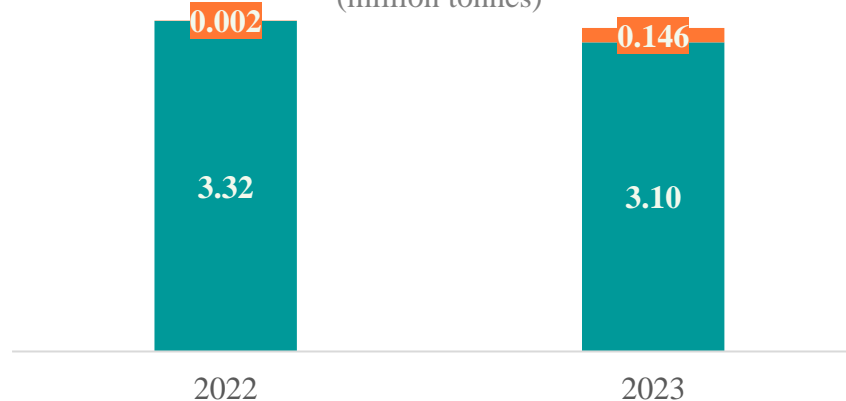


Extend the Xingwu Upper Seam's Mine Life, Achieved the ROM Capacity Again

Raw and Clean Coking Coal Output (million tonnes)



Clean Coking Coal Sales Volume (million tonnes)



By the end of 2023, there were approximately 140k tonnes of clean coking coal in transit, with almost zero when at the end of 2022

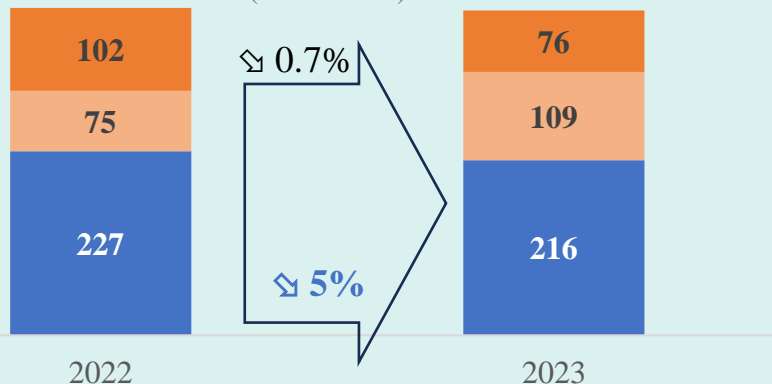




Strict Cost Control, Prioritise Efficiency

Raw Coking Coal Production Cost

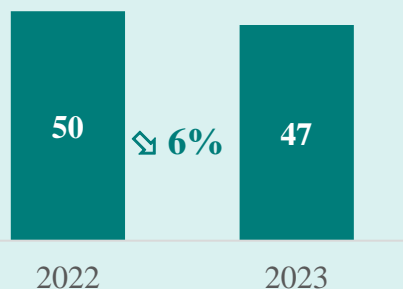
(RMB/tonne)



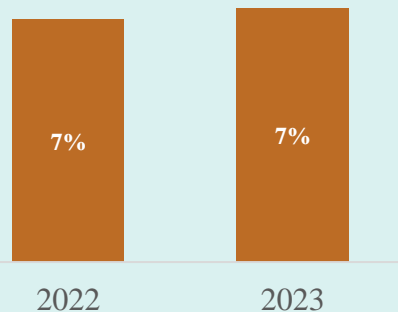
- Resource Tax and Other VAT related Levies
- Depreciation and Amortization
- Cash Production Cost (excl. uncontrollable taxes and related levies)

Processing Cost for Clean Coking Coal

(RMB/tonne)



Period Expenses Ratio



- Shougang Resources continuously promotes cost reduction and efficiency enhancement. Cash production cost per tonne of raw coking coal (excl. resource taxes and related) decreased by 5% with the same level of production in 2023; The processing cost for clean coking coal decreased by 6%





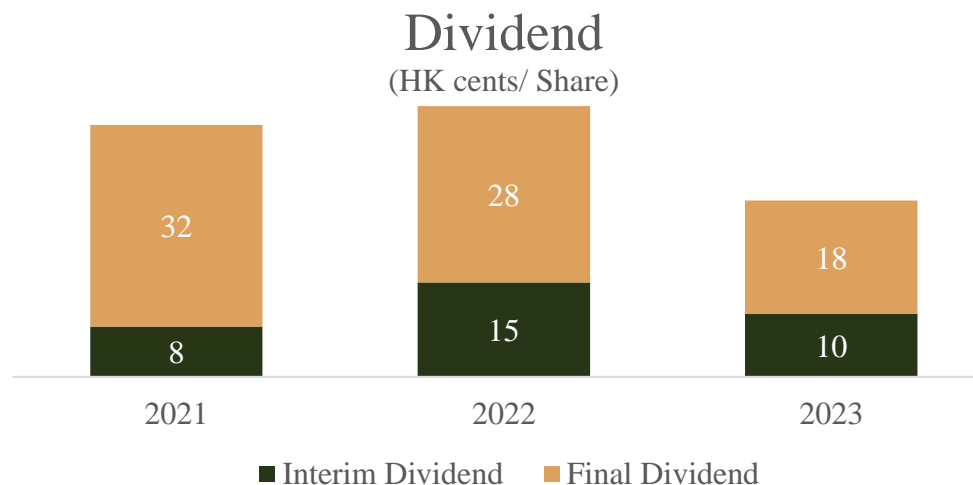
Deepen Customer Relationships

Customers remain stable



Continuous Returns to Shareholders

Sustained High Dividend Payout



Share Buyback Demonstrates Confidence

- Shougang Resources announced on July 11 2023 that it would buy back up to 125 million company shares at a premium of 17.65% at HK\$2.4 per share (“Offer”) and the Offer was oversubscribed. The Company pays HK\$300 million in the aggregate to shareholders in cash
- This buyback has protected the interests of shareholders and demonstrates the confidence of the board of directors and management in the company



Consolidate Production Safety, Prioritise Safety Work

3 mine managers committed the "Production Safety Responsibility Statement 2024"



2023 Keep



Workplace Safety-related Casualties



Conduct regular safety inspections and training to enhance awareness and ensure production safety



A knowledge competition was held to emphasize the importance of safety within the company culture during "Production Safety Month". All employees take this competition as an opportunity to establish the "All risks are preventable, and all safety aspects are controllable" concept



Technology Leads the Development of New Quality Productive Forces



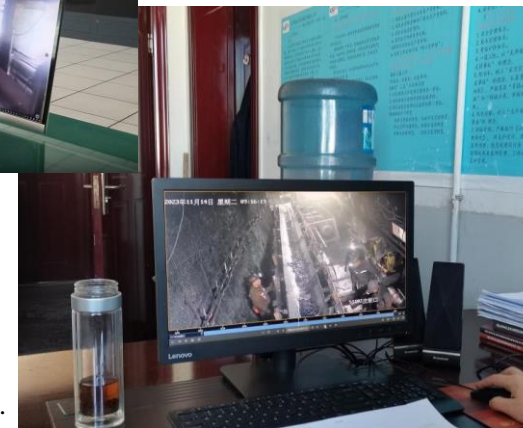
Improving the quality of our staff by providing hands-on training on new processes and technologies. Ensures they are proficient in both understanding and operating. Guarantee the safe and stable performance of the intelligent operations to secure the highest levels of safety and efficiency

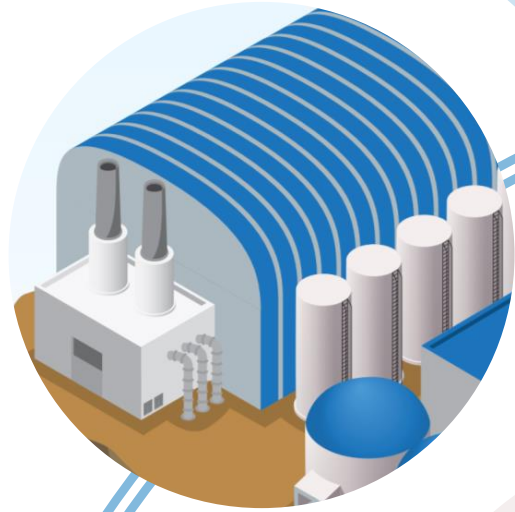
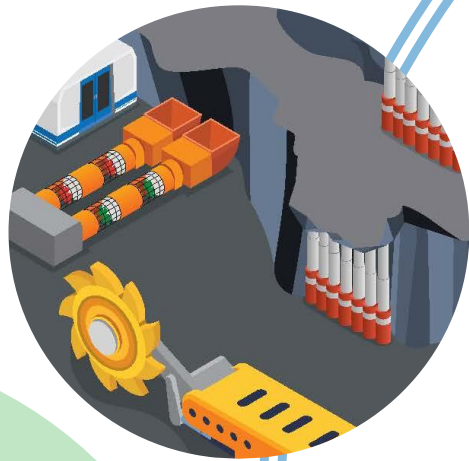


In 2023, the Shanxi company was awarded the "May 1st Labor Medal of Shanxi Province", the Jinjiazhuang Mining Team received the "Shanxi Workers' Pioneer", and the Jinjiazhuang Monitoring Center was honored with the "Shanxi Provincial Youth Safety Production Demonstration Post". Additionally, the staff was awarded the "May 1st Labor Medal of Shanxi Province", won the first prize in the Safety and Environmental Protection category, and the third prize in the Job Skills category at the Shougang Group Micro-lecture Competition, among other honors



The company has made consistent progress in advancing intelligence. Currently, the main underground transportation system has achieved centralized control, regular positions have achieved unmanned operation, mining operations have achieved intelligence, the underground is fully covered by a high-speed internet connection. A comprehensive management and control platform is under construction. In Feb 2024, Zhaiyadi mine passed the intermediate evaluation of intelligent mines from the provincial-level, and the intelligent mining for both Jinjiazhuang and Xingwu mine are also under construction





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