



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



2024
Interim Results



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2,498 million HKD

Revenue

↓ 27%

837 million HKD

Attributable Profit

↓ 32%

56%

GPM

↓ 9pts

17.0 HK cents

Basic EPS

9 HK cents/Share

Interim Dividend

7%

Annualized Dividend Yield

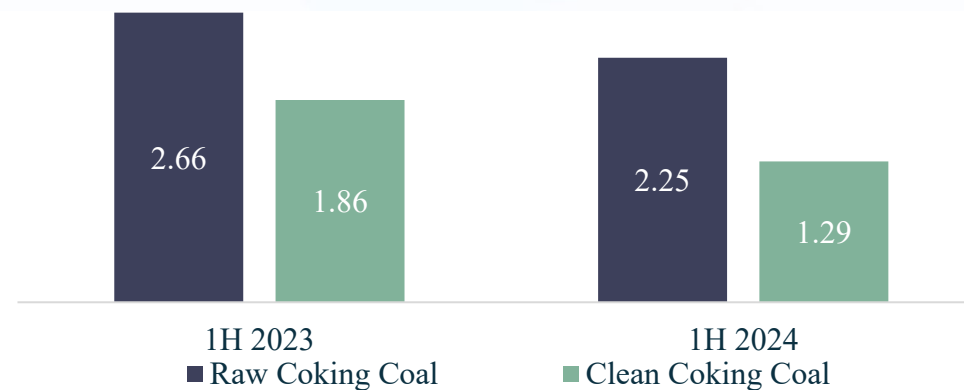
(closing price of 29 August 2024)

2024 Interim Result

Completion and Successful Operation of Xingwu Lower Coal Seam Project



Raw and Clean Coking Coal Output (million tonnes)

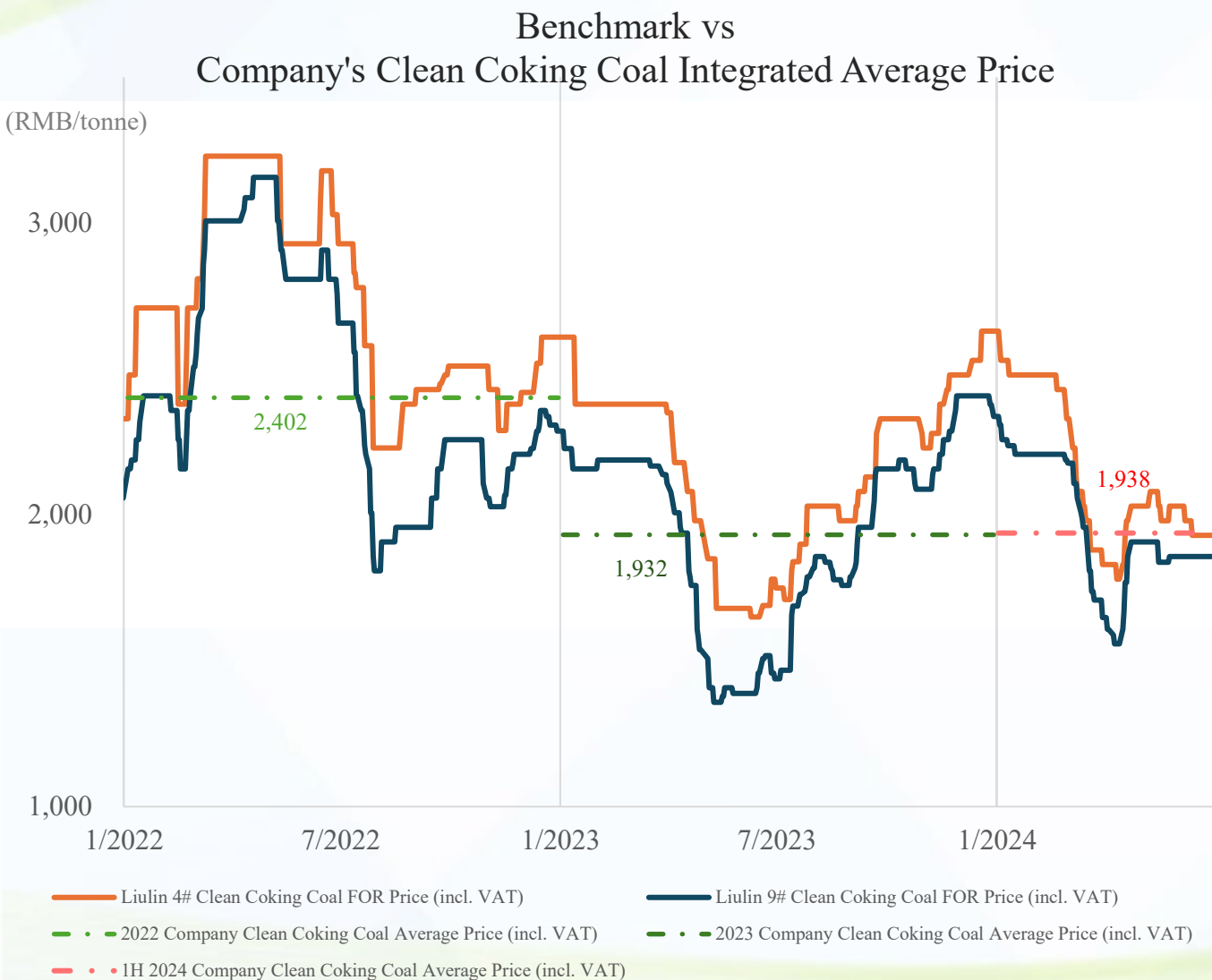


Clean Coking Coal Sales Volume (million tonnes)





Price Trends in line with the Market



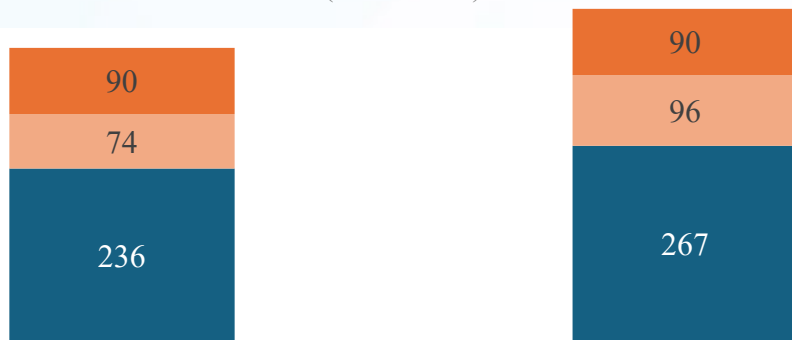
- In 1H 2024, the company's product structure was adjusted due to the transition from upper to lower coal seams at Xingwu Coal Mine. As a result, the integrated average selling price (incl. VAT) of clean coking coal experienced a slight decline of 2% to RMB 1,938 /tonne
- The coal market experienced a decline at the end of Q1 but subsequently rebounded, stabilizing around mid-to-late May. Domestic safety supervision continues to be stringent, and after a significant reduction in domestic coking coal supply during Q1, it has shown a gradual recovery. At the same time, the price of imported coal decreased, narrowing the price gap and boosting the supply of imported coking coal



Unit Cost Impacted by Temporary Production Decline

Raw Coking Coal Production Cost

(RMB/tonne)



2023 1H

2024 1H

- 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)

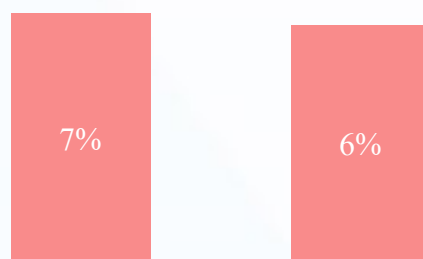


2023 1H

2024 1H

Period Expenses Ratio

(RMB/tonne)



2023 1H

2024 1H

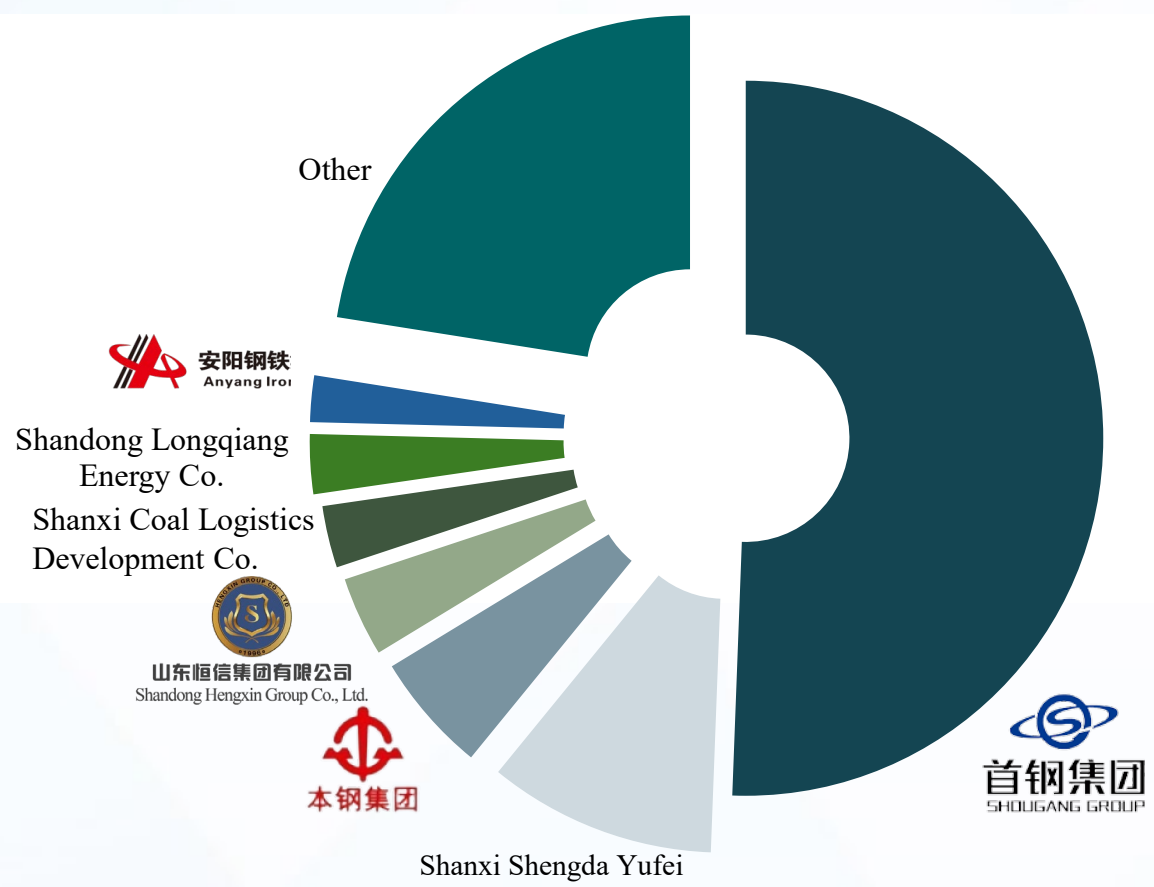
- Unit cost rose:
 - Raw coking coal production dropped 15% yoy
 - Clean coking coal production dropped 31% yoy
- D&A expenses increased partly due to the Xingwu lower seam project construction noted into the account
- Since April 2024, the resource tax rate of clean coking coal in Shanxi province has been increased from 6.5% to 9% on the selling prices



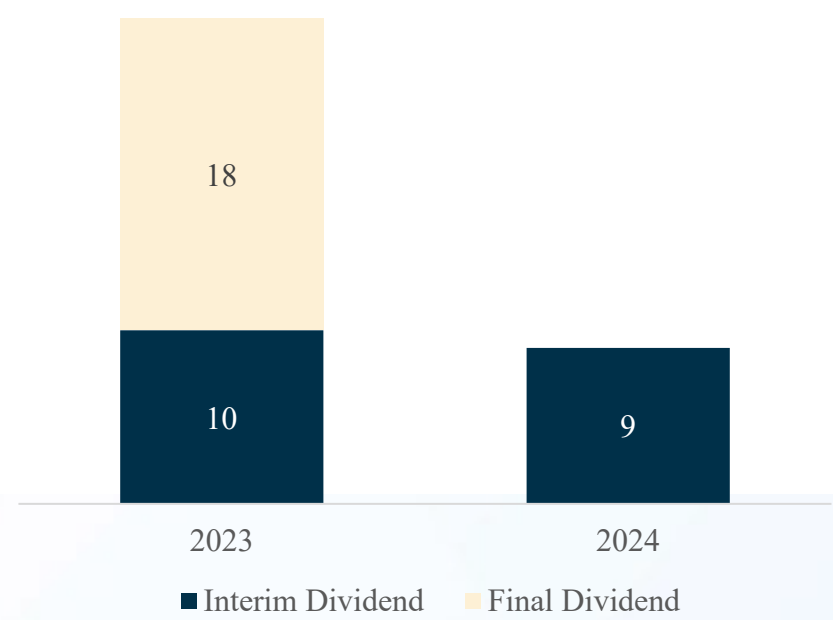


Expanding New Channels in Response to Product Structure

Major Customers



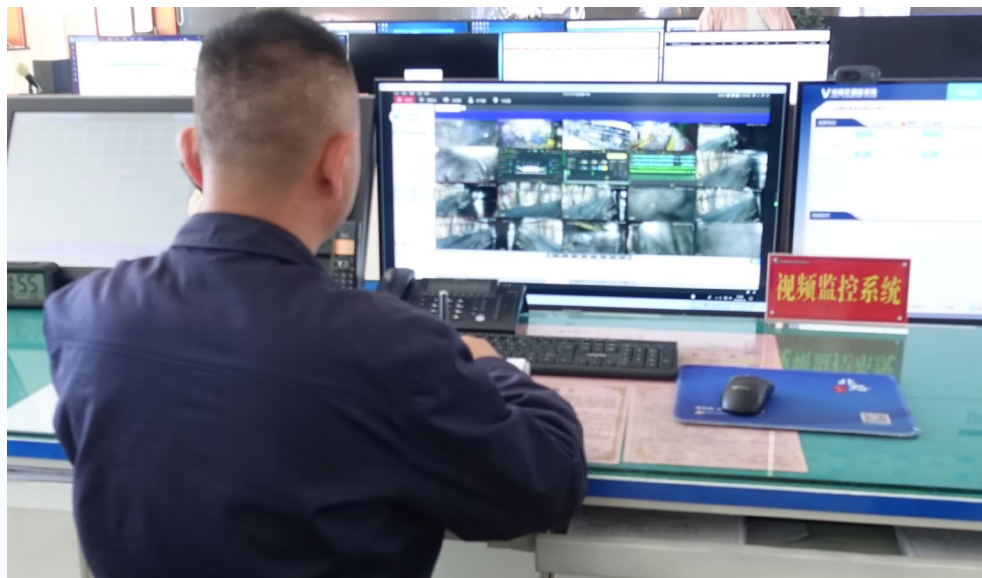
Dividend (HK cents/ Share)





Continuously Enhancing Company Governance Standards

The company is committed to advancing its level of intelligence. The Zhaiyadi Mine has completed the intermediate evaluation for intelligent mines at the provincial level. Similarly, the other two mines have both passed the preliminary assessment. Among the three mines, the comprehensive mining system has preliminarily achieved "remote control, one-button start, and automatic mining"; the tunneling system now boasts "remote control and monitoring"; Additionally, the main belt transportation system, central substation, main drainage system, and ventilation system have all adopted intelligent technologies, enabling them to operate with "unattended operation, manual inspection, and remote centralized control."



Several intelligent upgrades have been completed at Xingwu Coal Processing Plant



The safety workstation of Zhaiyadi mine has been rated as a 'Four-Star Intelligent Enterprise Safety Workstation' by the Lvliang government. It consistently upholds the concept of 'prevention first, masses prevention and control, integrating community and professional efforts, and legal supervision,' while following the main theme of safety development



'Five Small Achievements' boosts employee creativity by encouraging small improvements, small designs, small inventions, small creations, and small suggestions to improve efficiency, reduce costs, enhance product quality, and optimize the work environment



Continuously Maintain

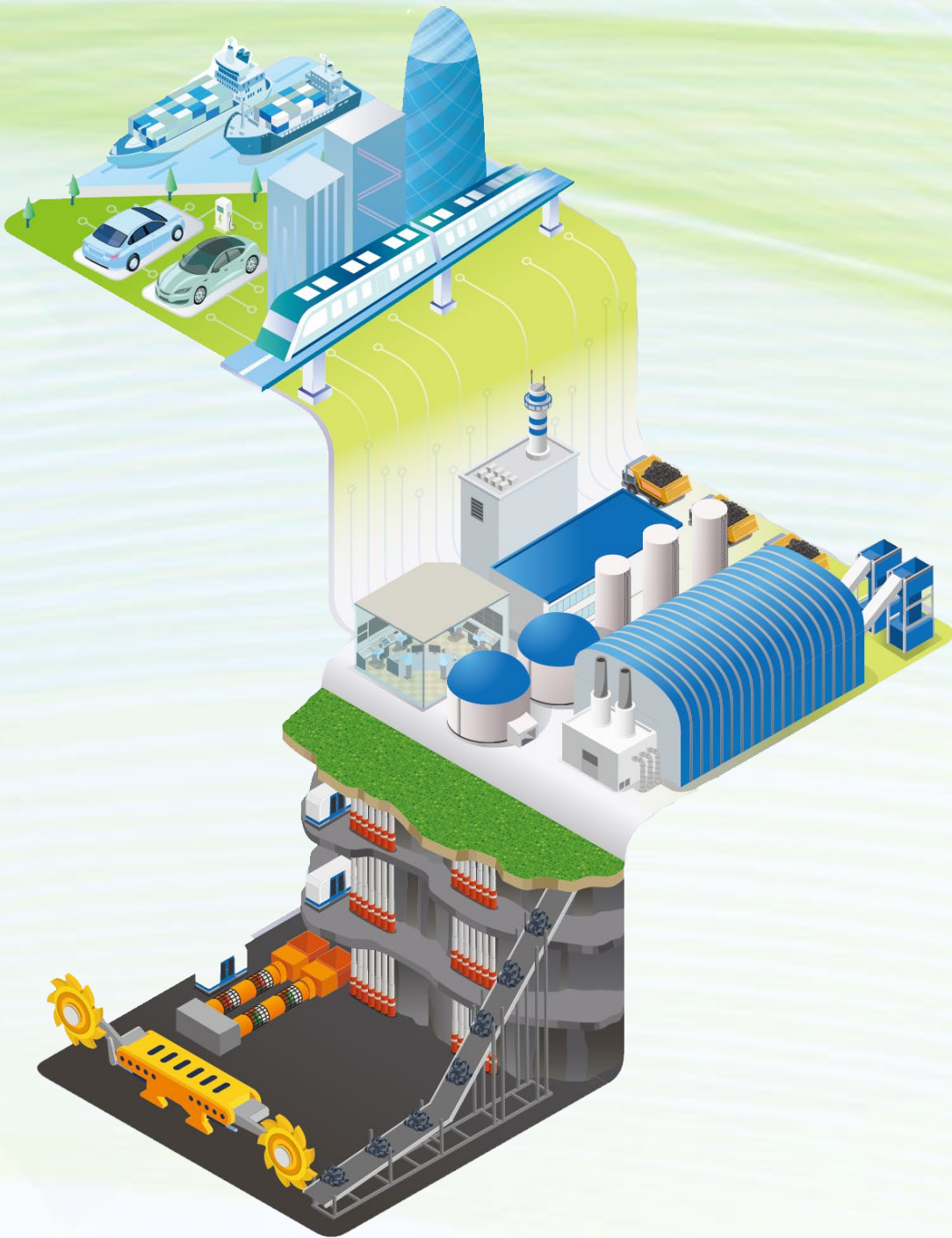


Workplace Safety-related Casualties



Xingwu Mine's first operational permanent refuge chamber has been successfully completed, with installation and commissioning of equipment finished, providing a strong safeguard for the staff

Regular safety activities and drills are held to enhance employees' safety production management and ensure that safety conditions improve steadily



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