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China Zhongsheng Resources Holdings Limited

中國中盛資源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 02623)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Board wishes to inform the Shareholders and potential investors that based on the unaudited management accounts of the Group and the management's estimate, the Group is expected to record a significant decrease in the profit for the six months ending 30 June 2014 as compared to that for the six months ended 30 June 2013.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Zhongsheng Resources Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong). The Company and its subsidiaries are collectively referred to in this announcement as the “**Group**”.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (“**Shareholders**”) of the Company and potential investors that based on the unaudited management accounts of the Group and the management's estimate, the Group is expected to record a significant decrease in the profit for the six months ending 30 June 2014 as compared with that for the six months ended 30 June 2013.

The Board considered that the expected significant decrease in the profit of the Group for the six months ending 30 June 2014 as compared with that for the six months ended 30 June 2013 was primarily attributable to, among others, (i) the non-occurrence of the one-off gain on bargain purchase (negative goodwill) of approximately RMB60.3 million arising from the acquisition of 95% of the equity interests of Linyi Luxing Titanium Co. Ltd. which has been completed in the first quarter of 2013; and (ii) decrease in average selling price of products in the first quarter of 2014.

The information contained in this announcement is only a preliminary assessment by the Board with reference to the unaudited management accounts of the Group and is not based on any figures or information that have been audited or reviewed by the auditors of the Company. The actual results of the Group may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the consolidated results announcement of the Company for the six months ending 30 June 2014 which is expected to be published in accordance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
China Zhongsheng Resources Holdings Limited
Li Yunde
Chairman

Hong Kong, 2 May 2014

As at the date of this announcement, the executive Directors are Mr. Li Yunde (Chairman), Mr. Geng Guohua (Chief Executive Officer and Chief Operating Officer) and Mr. Lang Weiguo; and the independent non-executive Directors are Mr. Zhang Jingsheng, Mr. Li Xiaoyang and Mr. Lin Chu Chang.