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DAMENG

CITIC Dameng Holdings Limited

中信大锰控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1091)

ANNOUNCEMENT POSITIVE PROFIT ALERT

This announcement is made by CITIC Dameng Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2014, it is expected that, as compared with the loss attributable to shareholders of HK\$243,246,000 for the year ended 31 December 2013, the financial performance of the Group will record significant improvement and turnaround into a profit attributable to shareholders of the Company. Such turnaround was mainly attributable to the following factors in the year ended 31 December 2014:

1. increase of gross profit contribution from our electrolytic manganese metal business resulting from adoption of effective cost control measures thereby reducing unit cost of production and our enlarged production capacity;
2. change of our product mix and product portfolio, including an increase of external sales of manganese carbonate ores mined in the People’s Republic of China;
3. write back in the amount of approximately HK\$47 million of provision made in prior year for an entrusted loan as a result of repayment during the year 2014; and
4. receipt of more government subsidies.

The information contained in this announcement is only based on the preliminary review by the Company's management and is not based on any figures or information that has been audited or reviewed by the auditors of the Company. Such information is subject to finalization and if the finalized information differs significantly from the estimation set forth in this announcement, the Company will provide updates on a timely basis. Shareholders and potential investors are advised to read carefully the 2014 annual results announcement of the Company which is expected to be published on 11 February 2015.

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

By order of the Board

CITIC DAMENG HOLDINGS LIMITED

Qiu Yiyong

Chairman

Hong Kong, 4 February 2015

As at the date of this announcement, the executive Directors are Mr. Qiu Yiyong, Mr. Li Weijian, Mr. Tian Yuchuan and Mr. Yin Bo; the non-executive Directors are Mr. Suo Zhengang and Mr. Chen Jiqu; and the independent non-executive Directors are Mr. Yang Zhi Jie, Mr. Mo Shijian and Mr. Tan Zhuzhong.

**For identification purpose only*