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鞍 鋼 股 份 有 限 公 司

ANGANG STEEL COMPANY LIMITED*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0347)

PROFIT WARNING

This announcement is published by the Company simultaneously in Shenzhen pursuant to the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange and in Hong Kong pursuant to the disclosure obligations under Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board hereby announces that the Company is expecting to record a decline in the net profit attributable to shareholders of the Company for the three months ended 31 March 2023 in comparison with the corresponding period of 2022.

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

This announcement is published by Angang Steel Company Limited* (the “**Company**”) simultaneously in Shenzhen pursuant to the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange and in Hong Kong pursuant to the disclosure obligations under Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The board of directors of the Company (the “**Board**”) hereby announces that the Company (together with its subsidiaries, the “**Group**”) is expecting to record a decline in the net profit attributable to shareholders of the Company for the three months ended 31 March 2023 in comparison with the corresponding period of 2022.

Details of and the reasons for such estimated decline are set out below.

1. ESTIMATED DECLINE

	For the three months ended 31 March	
	2023 (RMB) (Unaudited)	2022 (RMB) (Unaudited)
Net profit/(loss) attributable to shareholders of the Company	Approximately (149) million (Decrease as compared to corresponding period of last year: approximately 110.05%)	1,482 million
Net profit/(loss) after deducting non-recurring profit or loss attributable to shareholders of the Company	Approximately (150) million (Decrease as compared to corresponding period of last year: approximately 109.87%)	1,519 million
Basic earnings/(loss) per share	Approximately (0.016)	0.158

2. REASONS FOR THE ESTIMATED DECLINE

In the first quarter of 2023, the downstream demand in China's steel industry recovered slower than expected, steel prices were fluctuating at a low level, but the cost side remained high, the steel industry's business environment was under tremendous pressure and profitability was squeezed. In the face of the extremely severe market situation, the Company actively took countermeasures, formulated good marketing plans, expanded the market share of its fist products, and enhanced its ability to adjust products and create efficiency; sourced extensively, accelerated the promotion of long-term cooperation in sourcing, and enhanced the ability to reduce sourcing and create efficiency; continued to promote innovation and optimization of core product costs, and continued to enhance cost competitiveness. However, mainly due to the significant year-on-year reduction in steel prices, the net profit attributable to shareholders of Company for the first quarter was loss, while the operating results showed a larger year-on-year decrease

The financial information for the three months ended 31 March 2023 set out above is solely based on preliminary assessment by the Company in accordance with the unaudited management accounts (prepared in accordance with the PRC Accounting Standards for Business Enterprises) and is not based on the financial information audited or reviewed by the Company's auditors. Shareholders of the Company and potential investors should note that detailed information on the Group's performance for the three months ended 31 March 2023 will be disclosed in its results announcement for the same period to be published in due course. There may be differences between such information and the estimated financial information set out above.

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

By Order of the Board
ANGANG STEEL COMPANY LIMITED*
Wang Yidong
Executive Director and Chairman of the Board

Anshan City, Liaoning Province, the PRC
14 April 2023

As at the date of this announcement, the Board comprises the following directors:

Executive Directors

Wang Yidong
Zhang Hongjun
Wang Baojun
Tian Yong

Independent Non-executive Directors

Feng Changli
Wang Jianhua
Wang Wanglin
Zhu Keshi

* *For identification purposes only*