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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 six months ended 30 June 2024 in comparison with the corresponding period of 2023.

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 six months ended 30 June 2024 in comparison with the corresponding period of 2023.

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

1. ESTIMATED DECLINE

	For the six months ended 30 June		
	2024 (RMB) (Unaudited)	2023 (RMB) (Unaudited)	
		After adjustment ^(Note)	Before adjustment ^(Note)
Net profit/(loss) attributable to shareholders of the Company	Approximately (2,679) million (Decrease as compared to corresponding period of last year: approximately 99.33%)	(1,334) million	(1,346) million
Net profit/(loss) after deducting non-recurring profit or loss attributable to shareholders of the Company	Approximately (2,690) million (Decrease as compared to corresponding period of last year: approximately 98.52%)	(1,355) million	(1,355) million
Basic earnings/(loss) per share	Approximately (0.285)	(0.143)	(0.143)

Note: After the approval at the 27th meeting of the ninth session of the Board of the Company on 28 March 2024, the Company adjusted the capital contribution method of its subsidiary, Angang Steel Green Gold Industry Development Co., Ltd.* (鞍鋼綠金產業發展有限公司) (hereinafter referred to as Green Gold), Anshan Iron & Steel Co., Ltd. and Angang Group Zhongyuan Industrial Development Co., Ltd. contributed capital to Green Gold with their equity interests in Angang Steel Scrap Resources (Anshan) Limited* (鞍鋼廢鋼資源(鞍山)有限公司) (hereinafter referred to as Steel Scrap), respectively, making Steel Scrap a controlling subsidiary of Green Gold. During the reporting period, the capital contribution by the shareholders of Green Gold was completed, and the Company retrospectively adjusted the accounting figures of the corresponding period of last year based on the principle of business combinations under common control.

2. REASONS FOR THE ESTIMATED DECLINE

In the first half of 2024, the steel industry remained in a weak market condition and the industry suffered losses as a whole. The downstream demand for steel products continued to be low, leading to fluctuating steel prices at a low level. Although the cost of raw materials decreased, it did not match the decline in sales, and the price scissors between the procurement and sales sides further narrowed, further compressing profitability. In the face of the downward pressure in the steel market, the Company took the opportunity to purchase to reduce the cost of procurement in the procurement side; strengthened the adjustment of products to increase efficiency in the sales side, tended to increase resources allocation to products with higher profit margins; and continued to promote systematic cost reduction in the manufacturing side. However, due to the impact of the continuous narrowing of the market on both the supply and sales sides, the production and operation of the Company remained in a loss position.

The financial information for the six months ended 30 June 2024 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 six months ended 30 June 2024 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 Jun
Executive Director and Chairman of the Board

Anshan City, Liaoning Province, the PRC
9 July 2024

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

Executive Directors

Wang Jun
Zhang Hongjun
Wang Baojun
Deng Qiang

Independent Non-executive Directors

Wang Jianhua
Wang Wanglin
Zhu Keshi
Hu Caimei

Non-executive Director

Tan Yuhai

* For identification purposes only