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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)

**ADJUSTMENT TO THE CONVERSION PRICE OF
HK\$1,850,000,000 ZERO COUPON CONVERTIBLE BONDS**

DUE 2023

(Stock Code: 5105)

The Company announces that the Conversion Price of the Bonds will be adjusted from HK\$9.54 per H Share to HK\$9.20 per H Share with effect from 15 June 2018 as the Shareholders have approved the distribution of the Final Dividend of RMB0.232 per Share for the year ended 31 December 2017 at the 2017 AGM held on 5 June 2018.

References are made to the announcements of Angang Steel Company Limited* (the “**Company**”) dated 11 May 2018 and 25 May 2018 in relation to the issue of HK\$1,850,000,000 zero coupon convertible bonds due 2023 (the “**Bonds**”), the announcement of the Company dated 5 June 2018 in relation to the approval of the ordinary resolution by the Shareholders at the 2017 annual general meeting (“**2017 AGM**”) for, among other things, the distribution of the final dividend for the year ended 31 December 2017 (the “**Poll Results Announcement**”), the announcement of the Company dated 5 June 2018 in relation to the payment of the final dividend for the year ended 31 December 2017 (the “**Dividend Announcement**”) and the clarification announcement dated 8 June 2018 in relation to the distribution date for the final dividend (the “**Clarification Announcement**”) (collectively, the “**Announcements**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements unless the context otherwise requires. The Bonds are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 5105).

As disclosed in the Poll Results Announcement, the Dividend Announcement and the Clarification Announcement, the final dividend for the year ended 31 December 2017 of RMB0.232 per Share (equivalent to HK\$0.2838 per Share (tax inclusive)) (the “**Final Dividend**”) will be distributed by the Company to the Shareholders.

Pursuant to the terms and conditions of the Bonds, the Conversion Price is subject to adjustment for, among other things, distributions made by the Company. The Company therefore announces that the Conversion Price of the Bonds will be adjusted from HK\$9.54 per H Share to HK\$9.20 per H Share (the “**Adjustment**”) as the Shareholders have approved the distribution of the Final Dividend at the 2017 AGM. The Adjustment will become effective from 15 June 2018, being the day immediately after the record date for the determination of the entitlement to the Final Dividend payable to the Shareholders on 14 June 2018. Save as disclosed above, all other terms of the Bonds remain unchanged.

Based on the total outstanding principal amount of the Bonds of HK\$1,850,000,000 at the date of this announcement, the maximum number of Shares that will be issued upon conversion of all the outstanding Bonds at the initial Conversion Price and the adjusted Conversion Price are 193,920,335 Shares and 201,086,956 Shares, respectively.

Any holder of the Bonds who is in doubt as to the action to be taken should consult his/her/its stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

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

Anshan City, Liaoning Province, the PRC
15 June 2018

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

Executive Directors:

Wang Yidong
Li Zhen
Ma Lianyong
Xie Junyong

Independent Non-executive Directors:

Wu Dajun
Ma Weiguo
Feng Changli

* *For identification purposes only*