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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)

POSITIVE PROFIT ALERT

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 expected to record an increase in the net profit attributable to shareholders of the Company for the year ended 31 December 2021 in comparison with the corresponding period of 2020.

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* (鞍鋼股份有限公司) (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 expected to record an increase in the net profit attributable to shareholders of the Company for the year ended 31 December 2021 in comparison with the corresponding period of 2020.

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

1. ESTIMATED INCREASE

	For the year ended 31 December		
	2021		2020
		Increase as compared with the corresponding period of 2020	
	(RMB) **(Unaudited)**		*(RMB)* (Audited)
Net profit attributable to shareholders of the Company	**approximately 7,040 million**	**approximately 256%**	1,978 million
Net profit after deducting non-recurring profit or loss attributable to shareholders of the Company	**approximately 7,020 million**	**approximately 255%**	1,975 million
Basic earnings per share	**approximately 0.752**		0.210

2. REASON FOR THE ESTIMATED INCREASE

The estimated increase in the net profit attributable to shareholders of the Company as compared with 2020 is primarily due to the following reasons: in 2021, as there was a good overall performance of the iron and steel industry, the Company firmly seized the market opportunities, actively adapted to the market changes and the adjustment of national industrial policies, properly coped with the impact of uncertainties such as ever-evolving pandemic, extreme weather, production and power restrictions, and tried its best to overcome the adverse impact of high raw fuel prices, and effectively organised the production and operation activities, optimised the procurement and marketing strategies, vigorously adjusted the product variety structure, at the same time strengthened the meticulous management, and promoted continuous improvement and upgrading of various technical and economic indicators through benchmarking and exploring potential. The Company achieved significant results in cost reduction in the aspect of production process, and a stable and sound production and operation. A significant increase in net profit attributable to shareholders of the Company has been achieved as compared with the last year.

The financial information for the year ended 31 December 2021 above is solely based on preliminary assessment by the Company with reference to 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 and potential investors of the Company should note that detailed information on the Group's performance for the year ended 31 December 2021 will be disclosed in the Company's 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
26 January 2022

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

Executive Directors
Wang Yidong
Xu Shishuai
Li Zhongwu
Wang Baojun

Independent Non-executive Directors
Feng Changli
Wang Jianhua
Wang Wanglin
Zhu Keshi

* *For identification purpose only*