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 year ended 31 December 2022 in comparison with the corresponding period of 2021.

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 year ended 31 December 2022 in comparison with the corresponding period of 2021.

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

1. ESTIMATED DECLINE

	For the year ended 31 December		
	2022	2021	
	(RMB)	*(RMB)*	
	(Unaudited)	(Audited)	
		After adjustment *(Note)*	Before adjustment *(Note)*
Net profit attributable to shareholders of the Company	**Approximately 156 million (Decrease as compared to corresponding period of last year (after adjustment): approximately 97.76%)**	6,965 million	6,925 million
Net profit after deducting non-recurring profit or loss attributable to shareholders of the Company	**Approximately 59 million (Decrease as compared to corresponding period of last year (after adjustment): approximately 99.15%)**	6,941 million	6,941 million
Basic earnings per share	**Approximately 0.017**	0.741	0.736

Note: On 30 December 2021, the Company entered into an agreement (the "**Agreement**") with Anshan Iron & Steel Group Co., Ltd. ("**Angang Holding**") for the acquisition of the net assets of the Second Power Plant under Angang Holding after the approval at the 55th meeting of the eighth session of the Board. The Company completed the acquisition 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 according to the asset delivery date under the Agreement.

2. REASONS FOR THE ESTIMATED DECLINE

Since the second quarter of 2022, due to the impact of the global economic situation, changes in market supply and demand, as well as the pandemic and other factors, the steel market has shown a weak cycle and lower degree of prosperity with insufficient demand, a sharp decline in steel prices, and increasing losses in the steel industry. In the face of the extremely severe market situation, the Company has actively taken measures to increase sales market development, improve the competitive advantage of its products and services, and strived to adjust products and increase efficiency; expanded the channels of procurement resources, adjusted the pace of procurement, reasonably controlled inventory, and made efforts to reduce procurement and consumption; focused mainly on high efficiency, low cost, robust system and cost reduction to promote extreme cost reduction; completed indicators, fulfilled responsibilities, strengthened assessment, and tapped potential. In 2022, the net profit attributable to shareholders of the Company was approximately RMB156 million, which showed a significant decline compared with 2021, which had a strong cycle and higher degree of prosperity of market conditions.

The financial information for the year ended 31 December 2022 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 year ended 31 December 2022 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
30 January 2023

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

Executive Directors
Wang Yidong
Wang Baojun
Tian Yong

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

* *For identification purposes only*