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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)

**IMPLEMENTATION AND COMPLETION OF REPURCHASE AND
CANCELLATION OF PART OF THE RESTRICTED SHARES
AND
CANCELLATION OF THE SHARES IN THE DESIGNATED
SECURITY ACCOUNT FOR REPURCHASE**

References are made to the following announcements and circulars of Angang Steel Company Limited* (鞍鋼股份有限公司) (the “**Company**”): (i) the announcement dated 26 November 2020, in relation to the proposed adoption of the Restricted Share Incentive Scheme of A Shares (the “**Scheme**”); (ii) the circular of extraordinary general meeting dated 10 December 2020, in relation to, among other things, the proposed adoption of the Scheme; (iii) the announcement dated 29 December 2020, in relation to the approval on the Scheme by SASAC; (iv) the poll results announcement dated 31 December 2020, in relation to, among other things, the approval on proposed adoption of the Scheme by general meeting of the Company; (v) the announcement dated 8 January 2021, in relation to the adjustment in the number of Incentive Participants and the number of Restricted Shares under the First Grant; (vi) the announcement dated 8 January 2021, in relation to the First Grant (the “**First Grant**”); (vii) the announcement dated 27 January 2021, in relation to the results of the First Grant; (viii) the announcement dated 12 December 2021, in relation to the repurchase and cancellation of part of the Restricted Shares; (ix) the announcement dated 12 December 2021, in relation to the reserved grant of the Restricted Shares (the “**Reserved Grant**”); (x) the circular dated 16 December 2021, in relation to, among other things, the repurchase and cancellation of part of the Restricted Shares; (xi) the announcement dated 6 January 2022, in relation to, among other things, the approval of the repurchase and cancellation of part of the Restricted Shares by general meeting of the Company; (xii) the announcement dated 6 February 2022, in relation to the results of the Reserved Grant; (xiii) the announcement dated 25 February 2022, in relation

to the implementation and completion of the repurchase and cancellation of part of the Restricted Shares; (xiv) the announcement dated 23 November 2022, in relation to the repurchase and cancellation of part of the Restricted Shares; (xv) the circular dated 28 November 2022, in relation to, among other things, the Repurchase and Cancellation of part of the Restricted Shares; (xvi) the poll results announcement dated 19 December 2022, in relation to, among other things, the approval of the Repurchase and Cancellation of part of the Restricted Shares by general meeting of the Company; (xvii) the announcement dated 10 February 2023, in relation to the implementation and completion of repurchase and cancellation of part of the Restricted Shares; (xviii) the announcement dated 30 March 2023, in relation to the repurchase and cancellation of part of the Restricted Shares (the “**Repurchase and Cancellation**”) and the cancellation of the Shares in the designated security account for repurchase; (xix) the circular dated 25 April 2023, in relation to, among other things, the repurchase and cancellation of part of the Restricted Shares and the cancellation of the Shares in the designated security account for repurchase; and (xx) the poll results announcement dated 29 May 2023, in relation to, among other things, the obtaining of the approval of the repurchase and cancellation of part of the Restricted Shares and the cancellation of the Shares in the designated security account for repurchase at the general meeting of the Company. Unless otherwise specified, capitalised terms used in this announcement shall have the meanings as those defined in the above announcements and the circulars.

I. IMPLEMENTATION AND COMPLETION OF THE REPURCHASE AND CANCELLATION OF PART OF THE RESTRICTED SHARES

Reasons for, Number of Shares, Repurchase Price and Fund Source for the Repurchase and Cancellation of Part of the Restricted Shares

9 Incentive Participants under the First Grant are no longer qualified as Incentive Participants as they have severed or terminated their labor relationship with the Company due to resignation or job relocation or retirement; 1 Incentive Participant under the Reserved Grant is no longer qualified as an Incentive Participant as he/she has severed or terminated his/her labor relationship with the Company due to job relocation and thus the Company repurchased and cancelled the 1,098,670 Restricted Shares held by the abovementioned Incentive Participants in accordance with the relevant provisions of the Scheme. Among the employees who have severed or terminated their labor relationship with the Company due to job relocation or retirement, the repurchase price for the Restricted Shares originally held by the Incentive Participants under the First Grant was RMB1.92 per share (the repurchase price was calculated at the Grant Price plus the interest on time deposits with the same term at the banks), and the repurchase price for the Restricted Shares originally held by the Incentive Participants under the Reserved Grant was RMB2.36 per share (the repurchase price was calculated at the Grant Price plus the interest on time deposits with the same term at the banks); the repurchase price for the Restricted Shares originally

held by the resigned employees was RMB1.85 per share (since the current market price of the Shares of the Company was higher than the Grant Price, the repurchase price for the Restricted Shares for the abovementioned Incentive Participants was RMB1.85 per share).

As the result of the personal performance appraisal of 2 Incentive Participants under the First Grant for the appraisal year was “C” with a personal performance appraisal coefficient of 0.8, the Company decided to repurchase and cancel the 29,700 Restricted Shares granted to the aforesaid Incentive Participants but still subject to lock-up. Since the current market price of the Shares of the Company was higher than the Grant Price, the repurchase price for the Restricted Shares for the abovementioned Incentive Participants was RMB1.85 per share.

The Company repurchased and cancelled a total of 1,128,370 Restricted Shares this time. The total amount of the repurchase funds paid by the Company for the repurchase of the Restricted Shares was RMB2,216,868.80, which was entirely from the Company’s self-owned funds.

Arrangements for the Repurchase and Cancellation

As reviewed and confirmed by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the Repurchase and Cancellation has been completed on 21 July 2023.

Changes in Share Structure of the Company Upon Completion of the Repurchase and Cancellation

On 21 July 2023, the Repurchase and Cancellation of a total of 1,128,370 A Shares has been completed. The Company’s total number of Shares is reduced from 9,400,979,520 to 9,399,851,150. The changes in the share capital of the Company are further detailed below:

Nature of Shares	Before the Repurchase and Cancellation		Increase/ decrease Number of Shares	After the Repurchase and Cancellation	
	Number of Shares	Percentage of total share capital (%)		Number of Shares	Percentage of total share capital (%)
Restricted A Shares	33,407,751	0.36	-1,128,370	32,279,381	0.34
Outstanding Shares	9,367,571,769	99.64	0	9,367,571,769	99.66
– A Shares	7,956,031,769	84.63	0	7,956,031,769	84.64
– H Shares	1,411,540,000	15.01	0	1,411,540,000	15.02
Total	9,400,979,520	100.00	-1,128,370	9,399,851,150	100.00

Notes:

1. The percentage figures in the above table are rounded up to two decimal places, and any discrepancy between the sum of the sub-items and the total figure is due to rounding.
2. The share capital structure before this change was the share capital of the Company as at 14 July 2023, and the data on the share capital structure of the A Shares are sourced from the share capital structure table provided by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

The Repurchase and Cancellation will not result in any change in the controlling Shareholder of the Company. The Company's shareholding structure will remain in compliance with relevant requirements under the listing rules of the Shenzhen Stock Exchange and The Stock Exchange of Hong Kong Limited.

Impact of the Repurchase and Cancellation on the Operating Results of the Company

The Repurchase and Cancellation will not have any material impact on the operating results and financial conditions of the Company.

II. IMPLEMENTATION AND COMPLETION OF THE CANCELLATION OF THE SHARES IN THE DESIGNATED SECURITY ACCOUNT FOR REPURCHASE

Particulars of the Cancellation of the Shares in the Designated Security Account for Repurchase

In December 2020, the Company repurchased 52,450,023 A Shares by way of centralized bidding, which was planned to be used in the Scheme. A total of 52,041,400 A Shares were granted for the First Grant and the Reserved Grant, and the remaining 408,623 treasury shares in the Company's designated security account for repurchase would be cancelled. In accordance with the Company Law and the Implementation Rules of the Shenzhen Stock Exchange on the Repurchase of Shares by Listed Companies, the Company has completed the procedures for the cancellation of the remaining 408,623 treasury Shares in the Company's designated security account for repurchase on 21 July 2023 with Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. The number of Shares cancelled, the completion date and the period of cancellation were in compliance with the requirements of relevant laws and regulations.

Changes in Share Structure After Completion of the Cancellation of the Shares in the Designated Security Account for Repurchase

The Company has completed the relevant procedures on 21 July 2023. Upon completion of the Repurchase and Cancellation, the total number of Shares changed to 9,399,851,150 shares. The total number of Shares in the designated security account for repurchase under the cancellation is 408,623 treasury Shares. Upon completion of the cancellation of Shares in the designated security account for repurchase, the Company's total number of Shares decreased from 9,399,851,150 to 9,399,442,527. The share capital of the Company before and after the cancellation of the Shares in the designated security account for repurchase is as follows:

Nature of Shares	Before the Cancellation		Increase/ decrease	After the Cancellation	
	Number of Shares	Percentage of total share capital (%)		Number of Shares	Percentage of total share capital (%)
Restricted Shares	32,279,381	0.34	-408,623	31,870,758	0.34
Outstanding Shares	9,367,571,769	99.66	0	9,367,571,769	99.66
– A Shares	7,956,031,769	84.64	0	7,956,031,769	84.64
– H Shares	1,411,540,000	15.02	0	1,411,540,000	15.02
Total	9,399,851,150	100.00	-408,623	9,399,442,527	100.00

Notes:

1. The percentage figures in the above table are rounded up to two decimal places, and any discrepancy between the sum of the sub-items and the total figure is due to rounding.
2. All of the Restricted Shares are A Shares, 408,623 of which are treasury shares.
3. The share capital structure before this change was the share capital of the Company as at 14 July 2023, and the data on the share capital structure of the A Shares are sourced from the share capital structure table provided by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

The cancellation of the Shares in the designated security account for repurchase will not result in any change in the controlling Shareholder of the Company. The Company's shareholding structure will remain in compliance with relevant requirements under the listing rules of the Shenzhen Stock Exchange and Stock Exchange.

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

Anshan City, Liaoning Province, the PRC
24 July 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*