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*(A joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 00323)**

## **ANNOUNCEMENT ON ESTIMATED LOSS FOR ANNUAL RESULTS OF 2023**

This announcement is made by the board of directors of Maanshan Iron & Steel Company Limited (the “**Company**”) pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

### **I. ESTIMATED RESULTS DURING THE PERIOD**

#### **1. Estimated results period**

1 January 2023 to 31 December 2023.

#### **2. Estimated Results**

- 1) Based on a preliminary estimate by the finance department, the net loss of the Company attributable to the shareholders of the listed company for the year 2023 is estimated to reach approximately RMB1,324 million, representing a year-on-year increase of approximately RMB466 million or 54.31%.
- 2) The net loss excluding non-recurring gains or losses attributable to the shareholders of the listed company is estimated to reach approximately RMB1,698 million, representing a year-on-year increase of approximately RMB587 million or 52.84%.

#### **3. The estimated results have not been audited by certified public accountants.**

## **II. RESULTS FOR THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR**

1. The net loss attributable to the shareholders of the listed company: RMB858 million. The net loss excluding non-recurring gains or losses attributable to the shareholders of the listed company: RMB1,111 million.
2. Earnings per share: RMB-0.115.

## **III. MAIN REASONS FOR THE ESTIMATED LOSS OF THE RESULTS DURING THE PERIOD**

### **1. Impact of principal business**

In 2023, the steel industry was in an extraordinarily severe situation, with supply exceeding demand, the actual reduction of cost being significantly smaller than that of steel prices, thus the profitability for steel enterprises was severely squeezed. The Company responded proactively and seized the opportunities in the market including rail transport, new energy vehicles, home appliances guided by the “Four directions of development (high-end, intelligent, eco-friendly and efficient)” and “Four-with” in operation concept. The operating performance in the second half of the year was improved significantly, achieving a net profit attributable to shareholders of the listed company of RMB911 million (unaudited), representing a decrease in losses as compared to last period through practicing accounting operation and strengthening lean operations, as well as focusing on cost reduction and efficiency improvement while seeking variety and channels. However, due to the impact of the high market price of raw fuels and other factors, income from operations in the second half of the year did not fully cover the first half loss, recording a loss in operating results for the year 2023.

### **2. Impact of non-recurring gains or losses**

The non-recurring profit or loss of the Company attributable to the shareholders of the listed company for 2023 recorded a net gain of approximately RMB374 million, which was mainly due to the comprehensive impacts of the profit or loss from disposal of non-current assets, the investment income from disposal of subsidiaries, the receipt of government subsidies. The year-on-year increase in the Company’s non-recurring profit or loss attributable to the shareholders of the listed company for 2023 was mainly due to the increase in government grants recognised by the Company in the profit or loss for the period of 2023 and the investment income derived from the merger of Magang Group Finance Company Limited, a controlling subsidiary of the Company, and Baowu Group Finance Co., Ltd.

#### **IV. RISK DISCLOSURE**

The Company considers that there is no material uncertainty affecting the accuracy of the estimated results.

#### **V. OTHER MATTERS**

The forecasts above are only preliminary estimates and have not been audited. The specific audited financial information will be disclosed in details in the 2023 annual report of the Company. Investors are advised to pay attention to the investment risks.

By order of the Board  
**Maanshan Iron & Steel Company Limited**  
**Ding Yi**  
*Chairman*

30 January 2024  
Maanshan City, Anhui Province, the PRC

*As at the date of this announcement, the directors of the Company include executive directors Ding Yi, Mao Zhanhong and Ren Tianbao; and independent non-executive directors Guan Bingchun, He Anrui, Liao Weiquan and Qiu Shengtao.*