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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)

## **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 2023 in comparison with the corresponding period of 2022.

**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 2023 in comparison with the corresponding period of 2022.

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

## 1. ESTIMATED DECLINE

	For the year ended 31 December		
	2023 (RMB) (Unaudited)	2022 (RMB) (Audited)	
		After adjustment <sup>(Note)</sup>	Before adjustment <sup>(Note)</sup>
Net profit/(loss) attributable to shareholders of the Company	<b>Approximately (3,257) million</b>	108 million	156 million
Net profit/(loss) after deducting non-recurring profit or loss attributable to shareholders of the Company	<b>Approximately (3,315) million</b>	(37) million	11 million
Basic earnings/(loss) per share	<b>Approximately (0.347)</b>	0.011	0.017

*Note:* The Company implemented the provisions of “No.16 Interpretation of Accounting Standards for Business Enterprises” for Deferred Income Tax related to Assets and Liabilities arising from a Single Transaction not subject to the Accounting Treatment of the Initial Recognition Exemption issued by the Ministry of Finance since 1 January 2023, and retrospectively adjusted the financial data of the same period of the previous year in accordance with the provisions of the change in accounting policy.

## 2. REASONS FOR THE ESTIMATED DECLINE

In 2023, the steel industry remained in a weak market condition. The downstream demand for steel products continued to be low, leading to fluctuating steel prices at a low level. Although the cost of raw materials decreased, it did not match the decline in sales. To combat the downward pressure of steel market, the Company took the lead in marketing, allocated more resources to profitable products, and at the same time, took the opportunity to purchase to reduce the cost of procurement and manufacturing-end systems. However, due to the impact of the continuous narrowing of the market on both the supply and sales sides, the Company incurred an operating loss.

The financial information for the year ended 31 December 2023 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 2023 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 Jun**  
*Executive Director and Chairman of the Board*

Anshan City, Liaoning Province, the PRC  
30 January 2024

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

*Executive Directors*

Wang Jun  
Zhang Hongjun  
Wang Baojun  
Tian Yong

*Independent Non-executive Directors*

Feng Changli  
Wang Jianhua  
Wang Wanglin  
Zhu Keshi

\* *For identification purposes only*