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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)

REPURCHASE AND CANCELLATION OF PART OF THE RESTRICTED SHARES

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 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, among other things, the repurchase and cancellation of part of the Restricted Shares; (xix) the circular dated 25 April 2023, in relation to, among other things, the repurchase and cancellation of part of the Restricted Shares; (xx) the poll results announcement dated 29 May 2023, 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; (xxi) the announcement dated 24 July 2023, in relation to the implementation and completion of repurchase and cancellation of part of the Restricted Shares; (xxii) the announcement dated 30 August 2023, in relation to the repurchase and cancellation of part of the Restricted Shares; (xxiii) the circular dated 3 October 2023, in relation to, among other things, the repurchase and cancellation of part of the Restricted Shares; (xxiv) the poll results announcement dated 26 October 2023, 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; and (xxv) the announcement dated 21 December 2023, in relation to the implementation and completion of repurchase and cancellation of part of the Restricted Shares. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the above announcements and circulars.

I. PARTICULARS OF THE REPURCHASE AND CANCELLATION

1. Reasons for and Quantity and Price of the Repurchase and Cancellation

Twelve Incentive Participants of the First Grant and one Incentive Participant of the Reserved Grant were no longer qualified as Incentive Participants as they severed or terminated their labor relationship with the Company due to job relocation and retirement; and one Incentive Participant of the Reserved Grant was no longer qualified as an Incentive Participant as he/she became an independent director or supervisor who could not hold the Restricted Shares. In accordance with the relevant provisions of the Scheme, it is proposed to repurchase and cancel 450,666 Restricted Shares of A shares held by the above Incentive Participants. The repurchase price of the Restricted Shares previously held by the Incentive Participants of the First Grant was RMB2.01 per share (the repurchase price is calculated based on the grant price plus the interest of bank fixed deposit in the same period), and the repurchase price of the Restricted Shares previously held by the Incentive Participants of Reserved Grant was RMB2.41 per share (the repurchase price is calculated based on the grant price plus the interest of bank fixed deposit in the same period).

2. Number of A Shares under the Repurchase and Cancellation

The Company proposes to repurchase and cancel an aggregate of 450,666 Restricted Shares.

3. Total Amount and Source of Funds for the Repurchase

A total amount of RMB977,304.66 will be used to effect the repurchase and cancellation, which will be entirely the own funds of the Company.

II. SHARE CAPITAL AFTER COMPLETION OF THE REPURCHASE AND CANCELLATION

The total number of Restricted Shares under the repurchase and cancellation is 450,666 A Shares. Upon completion of the procedures of the repurchase and cancellation of Restricted Shares, the Company's total number of shares will be reduced from 9,383,851,972 to 9,383,401,306. The share capital of the Company before and after the repurchase and cancellation (if implemented) will be as follows:

Nature of shares	Before the Repurchase		Increase/ decrease	After the Repurchase	
	Number of shares	Percentage of total share capital (%)		Number of shares	Number of shares
Restricted A Shares	16,415,939	0.17	-450,666	15,965,273	0.17
Outstanding Shares	9,367,436,033	99.83	0	9,367,436,033	99.83
– A Shares	7,955,896,033	84.79	0	7,955,896,033	84.79
– H Shares	1,411,540,000	15.04	0	1,411,540,000	15.04
Total	<u>9,383,851,972</u>	<u>100.00</u>	<u>-450,666</u>	<u>9,383,401,306</u>	<u>100.00</u>

Notes:

1. The percentage figures in the 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. Specific changes in share capital shall be subject to the “Issuer's Share Capital Structure Table” issued by 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.

III. 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.

IV. OPINION OF THE SUPERVISORY COMMITTEE

Upon verification, the Supervisory Committee is of the view that the repurchase and cancellation complies with the Scheme and the Administrative Measures and other relevant laws and regulations, and the process for approval is lawful and compliant. The Supervisory Committee agreed with the repurchase and cancellation.

V. THE CONCLUSION OF THE LEGAL OPINION

As at the date of the legal opinion, the Company has obtained the necessary approvals and authorizations at this stage in respect of this Restricted Share repurchase and cancellation. The number, price and reasons for this restricted share repurchase and cancellation are in compliance with the relevant provisions of the Administrative Measures for Share Incentives of Listed Companies, the Guidelines for the Implementation of Share Incentives by Listed Companies Controlled by Central Enterprises, the 2020 Restricted Share Incentive Plan (Draft) and the Articles of Association. The Company has yet to obtain the approval of the shareholders' general meeting and fulfill the information disclosure obligation for this repurchase and cancellation of restricted shares, as this repurchase and cancellation will lead to the reduction of the registered capital of the Company, the Company has yet to fulfill the corresponding capital reduction procedures in accordance with the relevant provisions of the Company Law and the Articles of Association.

VI. ADJUSTMENTS TO THE REGISTERED SHARE CAPITAL OF THE COMPANY AND PROPOSED CORRESPONDING AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Following the completion of the repurchase and cancellation, the registered share capital of the Company is expected to decrease by RMB450,666 and corresponding amendments will also be made to the articles in relation to the registered share capital in the Articles of Association.

VII. SHAREHOLDERS' GENERAL MEETING

The special resolutions in relation to the repurchase and cancellation, including the adjustment to the registered share capital and proposed corresponding amendments to the Articles of Association, are required to be submitted to the shareholders' general meeting, A Share class meeting and H Share class meeting of the Company for consideration and approval. A circular for the shareholders' general meeting containing, among other things, information on the repurchase and cancellation, will be dispatched to the shareholders in due course.

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

Anshan City, Liaoning Province, the PRC
1 April 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*