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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)

FIRST QUARTERLY REPORT 2024

The board of directors (the “**Board**”) of Angang Steel Company Limited* (鞍鋼股份有限公司) (the “**Company**”) is pleased to announce the unaudited results of the Company and its subsidiaries for the three months ended 31 March 2024 (the “**Reporting Period**”) prepared in accordance with the Accounting Standards for Business Enterprises of the People’s Republic of China. This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

The contents of this announcement are consistent with those contained in the announcement published on the Shenzhen Stock Exchange. This announcement is published simultaneously in Hong Kong and Shenzhen.

SECTION I IMPORTANT NOTICE

The Board, the supervisory committee, the directors, supervisors and senior management members of the Company warrant the truthfulness, accuracy, and completeness of the contents of this quarterly report, and that there is no false representation or misleading statement contained in, or material omission from this quarterly report and assume joint and several legal liability in respect thereof.

Wang Jun, the person-in-charge of the Company, Wang Baojun, the chief accountant of the Company and You Yu, the person-in-charge of the accounting department of the Company, warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

The first quarterly report of the Company is unaudited.

SECTION II

I. Principal Financial Data

(I) Principal accounting figures and financial indicators

Whether the Company has made any retrospective adjustment to, or restatement of, the accounting data of prior year(s)

Yes No

Unit: RMB million

Item	The Reporting Period	Corresponding period of the previous year	Increase/decrease at the Reporting Period compared with the corresponding period of the previous year (%)
Operating income	27,343	30,844	-11.35
Net profit attributable to the shareholders of the Company	-1,657	-149	-1,012.08
Net profit attributable to the shareholders of the Company after extraordinary items	-1,688	-150	-1,025.33
Net cash flows from operating activities	751	2,556	-70.62
Basic earnings per share (RMB/share)	-0.177	-0.016	-1,006.25
Diluted earnings per share (RMB/share)	-0.177	-0.017	-941.18
Weighted average return on net assets (%)	-3.08	-0.26	Decreased by 2.82 percentage points

Item	The end of the Reporting Period	The end of the previous year	Increase/decrease at the end of the Reporting Period as compared with the end of the previous year (%)
Total assets	98,241	97,014	1.26
Owners' equity attributable to shareholders of the Company	53,049	54,704	-3.03

(II) Non-recurring items and amounts

Applicable Not applicable

Unit: RMB million

Item	The Reporting Period	Explanation
1. Profit or loss from disposal and retirement of non-current assets	11	–
2. Government grants included in profit or loss for the current period (except those that are closely related to the normal operation of the Company, in compliance with national policies, subject to fixed standards and having continuous effects on the Company's profit and loss)	13	–
3. Changes in fair value of other non-current financial assets	16	–
4. Other non-operating income and expenses apart from those stated above	2	–
	<hr/>	<hr/>
Subtotal	42	–
Less: Effect on income tax	11	–
Effect on minority interest (after tax)	–	
Total	<u>31</u>	<u>–</u>

Details of other gains or losses that fall within the definition of non-recurring items

Applicable Not applicable

The Company does not have other gain or loss items that fall within the definition of non-recurring items.

Explanation on defining any extraordinary gain or loss items listed under the “Explanatory Announcement on Information Disclosure by Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses” as recurring gain or loss items

Applicable Not applicable

None of the extraordinary gain or loss items listed under the “Explanatory Announcement on Information Disclosure by Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses” was defined as a recurring gain or loss item by the Company.

(III) Changes in principal accounting figures and financial indicators and the reasons thereof

Applicable Not applicable

1. The decrease of RMB54 million in research and development expenses during the Reporting Period as compared with the corresponding period of the previous year was mainly due to the decrease in fees for trial production of new products.
2. The increase of RMB5 million in other income for the Reporting Period as compared with the corresponding period of the previous year was mainly due to the increase in government grants.
3. The increase of RMB29 million in investment income for the Reporting Period as compared with the corresponding period of the previous year was mainly due to the increase in income from investments in joint ventures and associates.
4. The increase of RMB40 million in gains from fair value variation during the Reporting Period as compared with the corresponding period of the previous year was mainly due to the changes in fair value of derivative financial instruments and others.
5. The decrease of RMB3 million in credit impairment losses during the Reporting Period as compared with the corresponding period of the previous year was mainly due to the decrease in reversal of the allowance for impairment of receivables as compared with the corresponding period of the previous year.
6. The decrease of RMB149 million in impairment losses on assets during the Reporting Period as compared with the corresponding period of the previous year was mainly due to the increase in provision for impairment of inventory as compared with the corresponding period of the previous year.
7. The decrease of RMB2 million in non-operating income during the Reporting Period as compared with the corresponding period of the previous year was mainly due to the decrease in gains on retirement of fixed assets as compared with the corresponding period of the previous year.
8. The increase of RMB65 million in income tax expenses during the Reporting Period as compared with the corresponding period of the previous year was mainly due to the deferred income tax expense not recognised for uncovered losses during the Reporting Period.

9. The decrease in operating profit, total profit, net profit and net profit attributable to owners of the parent company during the Reporting Period as compared with the corresponding period of the previous year was mainly due to the year-on-year decrease in the selling price of steel resulting from the downward trend in the steel market.
10. The decrease of RMB1 million in derivative financial assets as compared with the end of the previous year was mainly due to the decrease in gains from variation of future contracts.
11. The increase of RMB222 million in notes receivable as compared with the end of the previous year was mainly due to the fact that in the first quarter, the discount rate in the bills market remained high and the Company's discount scale decreased.
12. The increase of RMB786 million in accounts receivable as compared with the end of the previous year was mainly due to the increase in account receivables from export products.
13. The increase of RMB1,431 million in prepayments as compared with the end of the previous year was mainly due to the increase in prepayment of orders.
14. The increase of RMB36 million in other receivables as compared with the end of the previous year was mainly due to the increase in receivables of disposals of land.
15. The increase of RMB167 million in right-of-use assets as compared with the end of the previous year was mainly due to the increase in leased land use rights.
16. The decrease of RMB6 million in derivative financial liabilities as compared with the end of the previous year was mainly due to the decrease in losses from variation of future contracts.
17. The increase of RMB46 million in deferred income tax liabilities as compared with the end of the previous year was mainly due to the increase in deferred income tax liabilities recognized for financial assets held for trading and right-of-use assets.
18. The increase of RMB168 million in lease liabilities as compared with the end of the previous year was mainly due to the increase in leased land use rights.

19. The decrease of RMB1,805 million in net cash inflow from operating activities as compared with the corresponding period of the previous year was mainly due to (i) a decrease of RMB5,628 million in cash received from sales of goods and rendering of services as compared with the corresponding period of the previous year; and (ii) a decrease of RMB4,021 million in cash paid for goods purchased and services received as compared with the corresponding period of the previous year.
20. The decrease of RMB100 million in net cash outflow from investing activities as compared with the corresponding period of the previous year was mainly due to the decrease of RMB114 million in cash paid for acquisition of fixed assets, intangible assets and other long-term assets as compared with the corresponding period of the previous year.
21. The decrease of RMB166 million in net cash outflow from financing activities as compared with the corresponding period of the previous year was mainly due to (i) the decrease of RMB1,290 million in cash receipt from borrowings obtained as compared with the corresponding period of previous year; and (ii) the decrease of RMB1,400 million in cash paid for the repayment of debts as compared with the corresponding period of the previous year.
22. The decrease of RMB1,539 million in net increase of cash and cash equivalents as compared with the corresponding period of the previous year was mainly due to (i) a decrease of RMB1,805 million in net cash inflow from operating activities as compared with the corresponding period of the previous year; (ii) a decrease of RMB100 million in net cash outflow from investing activities as compared with the corresponding period; and (iii) a decrease of RMB166 million in net cash outflow from financing activities as compared with the corresponding period of the previous year.

II. Information on Shareholders

(I) Statement of the total number of holders of ordinary shares and holders of preference shares with restored voting rights, and the particulars of shareholdings of the top 10 shareholders

Unit: shares

Total number of holders of ordinary shares as at the end of the Reporting Period	105,940, amongst whom 455 are holders of H shares	Total number of holders of preference shares with restored voting rights as at the end of the Reporting Period (if any)	0
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Shareholding of the top 10 shareholders (excluding the shares lent through securities lending and refinancing)

Name of shareholder	Nature of shareholder	Percentage of Shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Status of shares	Number
Anshan Iron & Steel Group Co. Ltd (鞍山鋼鐵集團有限公司)	State-owned legal person	53.45%	5,016,111,529	0	–	–
HKSCC Nominees Limited	Overseas legal person	14.91%	1,398,802,324	0	–	–
China National Petroleum Corporation (中國石油天然氣集團有限公司)	State-owned legal person	9.00%	845,000,000	0	–	–
Central Huijin Asset Management Limited (中央匯金資產管理有限責任公司)	State-owned legal person	0.89%	83,650,620	0	–	–
Power Construction Corporation of China (中國電力建設集團有限公司)	State-owned legal person	0.60%	56,550,580	0	–	–
Hong Kong Securities Clearing Company Limited	Overseas legal person	0.39%	36,136,637	0	–	–

Shareholding of the top 10 shareholders (excluding the shares lent through securities lending and refinancing)

Name of shareholder	Nature of shareholder	Percentage of Shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged, tagged or frozen	
					Status of shares	Number
Agricultural Bank of China Limited – CSI 500 Trading Index Securities Investment Open-ended Fund (中國農業銀行股份有限公司—中證500交易型開放式指數證券投資基金)	Others	0.28%	26,560,048	0	–	–
Bank of Communications Co., Ltd. – Jingshun Great Wall China Securities Dividend Low Volatility 100 Trading Index Securities Investment Open-ended Fund (交通銀行股份有限公司—景順長城中證紅利低波動100交易型開放式指數證券投資基金)	Others	0.26%	24,673,300	0	–	–
Chen Zhiying	Overseas natural person	0.17%	15,500,000	0	–	–
Cong Zhonghong	Domestic natural person	0.16%	14,590,000	0	–	–

Shareholding of the top 10 shareholders not subject to trading moratorium

Name of shareholder	Number of shares not subject to trading moratorium	Class of shares	Number
Anshan Iron & Steel Group Co. Ltd (鞍山鋼鐵集團有限公司)	5,016,111,529	Renminbi ordinary shares	5,016,111,529
HKSCC Nominees Limited	1,398,802,324	Overseas-listed foreign shares	1,398,802,324
China National Petroleum Corporation (中國石油天然氣集團有限公司)	845,000,000	Renminbi ordinary shares	845,000,000
Central Huijin Asset Management Limited (中央匯金資產管理有限責任公司)	83,650,620	Renminbi ordinary shares	83,650,620
Power Construction Corporation of China (中國電力建設集團有限公司)	56,550,580	Renminbi ordinary shares	56,550,580
Hong Kong Securities Clearing Company Limited	36,136,637	Renminbi ordinary shares	36,136,637
Agricultural Bank of China Limited – CSI 500 Trading Index Securities Investment Open-ended Fund (中國農業銀行股份有 限公司–中證500交易型開放式指數證 券投資基金)	26,560,048	Renminbi ordinary shares	26,560,048
Bank of Communications Co., Ltd. – Jingshun Great Wall China Securities Dividend Low Volatility 100 Trading Index Securities Investment Open-ended Fund (交通銀行股 份有限公司–景順長城中證紅利低波 動100交易型開放式指數證券投資基金)	24,673,300	Renminbi ordinary shares	24,673,300
Chen Zhiying	15,500,000	Renminbi ordinary shares	15,500,000
Cong Zhonghong	14,590,000	Renminbi ordinary shares	14,590,000
Explanations on connected relationship or concert party relationship among the shareholders mentioned above	The Company is not aware of any connected relationship among the above shareholders or any such shareholders acting in concert within the meaning of the “Procedures on the Administration of Information Disclosure for Change in Shareholdings of the Shareholders of Listed Companies”.		
Description of top 10 shareholders to participate in financing business (if any)	The 15,500,000 shares held by Chen Zhiying were all held through investor credit securities accounts.		
	The 14,590,000 shares held by Cong Zhonghong were all held through investor credit securities accounts.		

Details of shareholders with more than 5% of shares, top ten shareholders and top ten shareholders not subject to trading moratorium to participate in the shares lent through securities lending and refinancing business

Applicable Not applicable

Unit: shares

Details of shareholders with more than 5% of shares, top ten shareholders and top ten shareholders not subject to trading moratorium to participate in the shares lent through securities lending and refinancing business

Name of shareholder	Shareholdings of the ordinary account and credit account at the beginning of the period		Shares lent through securities lending and refinancing at the beginning of the period and not yet returned		Shareholdings of the ordinary account and credit account at the end of the period		Shares lent through securities lending and refinancing at the end of the period and not yet returned	
	Percentage of total		Percentage of total		Percentage of total		Percentage of total	
	Total	share	Total	share	Total	share	Total	share
	number	capital	number	capital	number	capital	number	capital
Agricultural Bank of China Limited – CSI 500 Trading Index Securities Investment Open-ended Fund (中國農業銀行股份有限公司–中證500交易型開放式指數證券投資基金)	13,188,648	0.14%	3,861,000	0.04%	26,560,048	0.28%	2,728,000	0.03%

Top ten shareholders and top ten shareholders not subject to trading moratorium changed as compared with the previous period due to lending/returning of shares through securities lending and refinancing

Applicable Not applicable

(II) Total number of holders of preference shares and shareholdings of the top 10 holders of preference shares

Applicable Not applicable

III. Other Significant Events

Applicable Not applicable

IV. Quarterly Financial Statements

(I) Financial Statements

Consolidated Balance Sheet

As at 31 March 2024

Prepared by: Angang Steel
Company Limited

Monetary unit: RMB million

Item	31 March 2024	31 December 2023
Current assets:		
Cash and cash equivalents	3,112	3,221
Derivative financial assets	2	3
Notes receivable	303	81
Accounts receivable	2,479	1,693
Receivables financing	1,457	1,618
Prepayments	4,398	2,967
Other receivables	104	68
Including: Interests receivable		
Dividends receivable	27	27
Inventories	15,467	16,565
Other current assets	765	903
Total current assets	28,087	27,119
Non-current assets:		
Long-term equity investments	3,587	3,486
Other equity instrument investments	672	672
Other non-current financial assets	107	91
Fixed assets	48,877	48,692
Construction in progress	6,487	6,887
Right-of-use assets	174	7
Intangible assets	6,753	6,820
Deferred income tax assets	2,298	2,261
Other non-current assets	1,199	979
Total non-current assets	70,154	69,895
Total assets	98,241	97,014

Item	31 March 2024	31 December 2023
Current liabilities:		
Short-term loans	1,330	1,330
Derivative financial liabilities		6
Notes payable	19,166	17,560
Accounts payable	7,763	6,924
Contract liabilities	5,424	5,186
Staff remuneration payable	105	83
Tax payable	148	141
Other payables	3,350	3,421
Including: Interests payable	8	6
Dividends payable		
Other current liabilities	551	537
Total current liabilities	37,837	35,188
Non-current liabilities:		
Long-term loans	5,199	5,199
Bonds payable	300	299
Lease liability	170	2
Long-term payables	139	135
Long-term employee benefits payable	43	44
Deferred income	657	650
Deferred income tax liabilities	152	106
Total non-current liabilities	6,660	6,435
Total liabilities	44,497	41,623

Item	31 March 2024	31 December 2023
Shareholders' equity:		
Share capital	9,384	9,384
Capital reserve	33,853	33,853
Less: Treasury shares	32	32
Other comprehensive income	176	176
Special reserve	71	69
Surplus reserve	4,457	4,457
Retained earnings	5,140	6,797
	<hr/>	<hr/>
Subtotal of Shareholders' equity attributable to shareholders of parent company	53,049	54,704
	<hr/>	<hr/>
Minority interests	695	687
Total shareholders' equity	53,744	55,391
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities and shareholders' equity	98,241	97,014
	<hr/> <hr/>	<hr/> <hr/>

<i>Legal representative:</i>	<i>Financial controller:</i>	<i>Person in charge of accounting department:</i>
Wang Jun	Wang Baojun	You Yu

Consolidated Income Statement
For the three months ended 31 March 2024

Prepared by: Angang Steel

Company Limited

Monetary unit: RMB million

Item	January to March 2024	January to March 2023
I. Total operating revenue	27,343	30,844
Including: operating revenue	27,343	30,844
II. Total operating cost	29,044	31,180
Including: operating cost	28,287	30,310
Taxes and surcharges	215	216
Selling expenses	125	129
Administrative expenses	281	319
Research and development expenses	80	134
Financial expenses	56	72
Including: Interests expenses	59	100
Interests income	11	18
Add: Other incomes	13	8
Investment income (Loss is listed with “-”)	100	71
Including: Investment incomes in associates and joint ventures	103	71
Gain from fair-value changes (Loss is listed with “-”)	30	(10)
Credit impairment losses (Loss is listed with “-”)		3
Impairment on assets (Loss is listed with “-”)	(80)	69
Gains on disposal of assets (Loss is listed with “-”)	25	25
III. Operating profit (Loss is listed with “-”)	(1,613)	(170)
Add: Non-operating income	2	4
Less: Non-operating expenses	14	19
IV. Profit before income tax (Loss is listed with “-”)	(1,625)	(185)
Less: Income tax expenses	25	(40)

Item	January to March 2024	January to March 2023
V. Net profit (Loss is listed with “-”)	(1,650)	(145)
(I) Classification of business operation		
i. Continuous operating net profit	(1,650)	(145)
ii. Termination of business operating profit		
(II) Classification of ownership		
i. Net income attributable to the Company owners	(1,657)	(149)
ii. Net income attributable to minority shareholders	7	4
VI. Other comprehensive income after tax		
Other comprehensive income after tax attributable to parent company owners		
I. Other comprehensive income which cannot be reclassified subsequently to profit or loss		
i. Net gain on other equity instruments at fair value through other comprehensive income		
II. Other comprehensive income which will be reclassified subsequently to profit or loss		
i. The shares of the other comprehensive income which can be reclassified in profit or loss of the invested company in equity method		
Other comprehensive income after tax attributable to minority shareholders		
VII. Total comprehensive income	(1,650)	(145)
Total comprehensive income attributed to the Company owners	(1,657)	(149)
Total comprehensive income attributable to minority shareholders	7	4
VIII. Earning per share:		
(I) Basic earning per share (<i>RMB/share</i>)	-0.177	-0.016
(II) Diluted earning per share (<i>RMB/share</i>)	-0.177	-0.017

<i>Legal representative:</i>	<i>Financial controller:</i>	<i>Person in charge of accounting department:</i>
Wang Jun	Wang Baojun	You Yu

Consolidated Statement of Cash Flows
For the three months ended 31 March 2024

Prepared by: Angang Steel

Company Limited

Monetary unit: RMB million

Item	January to March 2024	January to March 2023
I. Cash flows from operating activities:		
Cash received from sales and services	25,702	31,330
Taxes and surcharges refunds	16	10
Other cash receipts related to operating activities	90	220
Sub-total of cash inflows from operating activities	25,808	31,560
Cash payments for goods purchased and services received	22,426	26,447
Cash payments to and on behalf of employees	1,005	1,208
Payments of taxes and surcharges	279	428
Other cash payments relating to operating activities	1,347	921
Sub-total of cash outflows from operating activities	25,057	29,004
Net cash flow from operating activities	751	2,556
II. Cash flows from investing activities:		
Cash receipts from disposals and returns of investments		
Cash receipts from returns on investments		
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		
Other cash receipts relating to investing activities	19	34
Sub-total of cash inflows from investing activities	19	34
Cash payments to acquire and construct fixed assets, intangible assets and other long-term assets	793	907
Cash payments to acquire investments		
Other cash payments relating to investing activities	2	3
Sub-total of cash outflows from investing activities	795	910
Net cash flow from investing activities	(776)	(876)

Item	January to March 2024	January to March 2023
III. Cash flows from financing activities:		
Cash received from investments		
Including: cash receipts from minorities making investment in subsidiaries		
Cash receipts from borrowings	1,100	2,390
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities	1,100	2,390
Cash repayments of amounts borrowed	1,100	2,500
Cash payments for distribution of dividends or profit or interest expenses	54	43
Including: payments for distribution of dividends or profit to minorities of subsidiaries		
Other cash payments relating to financing activities	30	97
Sub-total of cash outflows from financing activities	1,184	2,640
Net cash flow from financing activities	(84)	(250)
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		
V. Net Increase in Cash and Cash Equivalents	(109)	1,430
Add: Opening balance of Cash and Cash Equivalents	3,221	5,093
VI. Closing Balance of Cash and Cash Equivalents	3,112	6,523
<i>Legal representative:</i> Wang Jun	<i>Financial controller:</i> Wang Baojun	<i>Person in charge of accounting department:</i> You Yu

Parent company Balance sheet

As at 31 March 2024

Prepared by: Angang Steel

Company Limited

Monetary unit: RMB million

Item	31 March 2024	31 December 2023
Current assets:		
Cash and cash equivalents	1,372	1,259
Derivative financial assets	2	3
Notes receivable	280	70
Accounts receivable	3,148	1,821
Receivables financing	985	1,092
Prepayments	3,652	2,431
Other receivables	123	88
Including: Interests receivable		
Dividends receivable	27	27
Inventories	11,988	13,210
Other current assets	453	608
Total current assets	22,003	20,582
Non-current assets:		
Long-term equity investments	14,001	13,901
Other equity instrument investments	672	672
Other non-current financial assets	107	91
Fixed assets	41,309	41,450
Construction in progress	5,713	5,995
Right-of-use assets	168	
Intangible assets	5,990	6,062
Deferred income tax assets	2,244	2,203
Other non-current assets	1,158	902
Total non-current assets	71,362	71,276
Total assets	93,365	91,858

Item	31 March 2024	31 December 2023
Current liabilities:		
Short-term loans	1,250	1,250
Derivative financial liabilities		6
Notes payable	18,043	16,789
Accounts payable	6,316	5,439
Contract liabilities	5,517	4,753
Staff remuneration payable	91	75
Tax payable	97	92
Other payables	4,746	4,802
Including: Interests payable	8	8
Dividends payable		
Other current liabilities	159	146
	<hr/>	<hr/>
Total current liabilities	36,219	33,352
Non-current liabilities:		
Long-term loans	5,089	5,089
Bonds payable	300	299
Lease liability	169	
Long-term payables	137	135
Long-term employee benefits payable	41	41
Deferred income	521	511
Deferred income tax liabilities	149	101
	<hr/>	<hr/>
Total non-current liabilities	6,406	6,176
	<hr/>	<hr/>
Total liabilities	42,625	39,528
	<hr/> <hr/>	<hr/> <hr/>

Item	31 March 2024	31 December 2023
Shareholders' equity:		
Share capital	9,384	9,384
Capital reserve	26,823	26,895
Less: Treasury shares	32	32
Other comprehensive income	176	176
Special reserve	39	38
Surplus reserve	4,447	4,447
Retained earnings	9,903	11,422
	<hr/>	<hr/>
Total shareholders' equity	50,740	52,330
	<hr/>	<hr/>
Total liabilities and shareholders' equity	93,365	91,858
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<i>Legal representative:</i>	<i>Financial controller:</i>	<i>Person in charge of accounting department:</i>
Wang Jun	Wang Baojun	You Yu

Parent Company Income Statement
For the three months ended 31 March 2024

Prepared by: Angang Steel

Company Limited

Monetary unit: RMB million

Item	January to March 2024	January to March 2023
I. Total operating revenue	23,873	26,816
Including: operating revenue	23,873	26,816
II. Total operating cost	25,451	27,386
Including: Operating cost	24,768	26,613
Tax and surcharges	173	176
Selling expenses	128	128
Administrative expenses	248	265
Research and development expenses	66	112
Financial expenses	68	92
Including: Interests expenses	68	115
Interest income	7	14
Add: Other incomes	5	5
Investment Income (Loss is listed with “-”)	98	88
Including: Investment incomes in associates and joint ventures	100	88
Gain from fair-value changes (Loss is listed with “-”)	30	(10)
Credit impairment losses(Loss is listed with “-”)		3
Impairment on assets(Loss is listed with “-”)	(79)	75
Gains on disposal of assets(Loss is listed with “-”)	25	25
III. Operating profit (Loss is listed with “-”)	(1,499)	(384)
Add: Non-operating income	1	3
Less: Non-operating expenses	14	19
IV. Profit before income tax (Loss is listed with “-”)	(1,512)	(400)
Less: Income tax expenses	7	(95)

Item	January to March 2024	January to March 2023
V. Net profit for the period (Loss is listed with “-”)	(1,519)	(305)
(I) Classification according to the continuity of operation		
i. Continuous operating net profit (Loss is listed with “-”)	(1,519)	(305)
ii. Termination of business operating profit (Loss is listed with “-”)		
(II) Classification of ownership		
i. Termination of business operating profit	(1,519)	(305)
ii. Termination of business operating profit		
VI. Other comprehensive income after tax		
Other comprehensive income after tax attributable to parent company owners		
I. Other comprehensive income which cannot be reclassified subsequently to profit or loss		
i. Net gain on other equity instruments at fair value through other comprehensive income		
II. Other comprehensive income which will be reclassified subsequently to profit or loss		
i. The shares of the other comprehensive income which can be reclassified in profit or loss of the invested company in equity method		
Other comprehensive income after tax attributable to minority shareholders		
VII. Total comprehensive income	(1,519)	(305)
Total comprehensive income attributed to the Company owners	(1,519)	(305)
Total comprehensive income attributable to minority shareholders		

<i>Legal representative:</i> Wang Jun	<i>Financial controller:</i> Wang Baojun	<i>Person in charge of accounting department:</i> You Yu
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Parent Company Cash Flow Statement
For the three months ended 31 March 2024

Prepared by: Angang Steel

Company Limited

Monetary unit: RMB million

Item	January to March 2024	January to March 2023
I. Cash flows from operating activities:		
Cash received from sales and services	22,487	27,441
Taxes and surcharges refunds		
Other cash receipts related to operating activities	80	152
Sub-total of cash inflows from operating activities	22,567	27,593
Cash payments for goods purchased and services received	19,739	23,140
Cash payments to and on behalf of employees	844	1,028
Payments of taxes and surcharges	195	221
Other cash payments relating to operating activities	966	804
Sub-total of cash outflows from operating activities	21,744	25,193
Net cash flow from operating activities	823	2,400
II. Cash flows from investing activities:		
Cash receipts from disposals and returns of investments		
Cash receipts from returns on investments		4
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		
Other cash receipts relating to investing activities	12	24
Sub-total of cash inflows from investing activities	12	28
Cash payments to acquire and construct fixed assets, intangible assets and other long-term assets	696	830
Cash payments to acquire investments		
Other cash payments relating to investing activities	1	3
Sub-total of cash outflows from investing activities	697	833
Net cash flow from investing activities	(685)	(805)

Item	January to March 2024	January to March 2023
III. Cash flows from financing activities:		
Cash received from investments		
Including: received of subsidiary from minority shareholders		
Cash received from borrowings	1,100	2,350
Other cash received from financing activities	70	1,180
Sub-total of cash inflows from financing activities	1,170	3,530
Cash repayments of amounts borrowed	1,100	2,450
Cash payments for distribution of dividends or profit or interest expenses	65	36
Including: payments for distribution of dividends or profit to minorities of subsidiaries		
Other cash payments relating to financing activities	30	420
Sub-total of cash outflows from financing activities	1,195	2,906
Net cash flow from financing activities	(25)	624
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		
V. Net Increase in Cash and Cash Equivalents		
Add: Opening balance of Cash and Cash Equivalents	113	2,219
	1,259	2,089
VI. Closing Balance of Cash and Cash Equivalents	1,372	4,308

<i>Legal representative:</i>	<i>Financial controller:</i>	<i>Person in charge of accounting department:</i>
Wang Jun	Wang Baojun	You Yu

(II) Particulars in relation to adjustments made to the financial statements as at the beginning of the year of the initial adoption new accounting standards since 2024

Applicable Not applicable

(III) Audit Report

Whether the first quarterly report has been audited or not

Yes No

The first quarterly report of the Company is unaudited.

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

Anshan City, Liaoning Province, the PRC
29 April 2024

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

Executive Directors

Wang Jun
Zhang Hongjun
Wang Baojun

Independent Non-executive Directors

Feng Changli
Wang Jianhua
Wang Wanglin
Zhu Keshi

* *For identification purposes only*