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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 twelve months ended 31 December 2024 in comparison with the corresponding period of 2023.

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 twelve months ended 31 December 2024 in comparison with the corresponding period of 2023.

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

1. ESTIMATED DECLINE

	For the twelve months ended 31 December		
	2024	2023	
	(RMB)	*(RMB)*	
	(Unaudited)		
		After adjustment (Note)	Before adjustment (Note)
		(Unaudited)	*(Audited)*
Net profit/(loss) attributable to shareholders of the Company	**Approximately (7,109) million (Decrease as compared to corresponding period of last year: approximately 118.47%)**	(3,254) million	(3,257) million
Net profit/(loss) after deducting non-recurring profit or loss attributable to shareholders of the Company	**Approximately (7,190) million (Decrease as compared to corresponding period of last year: approximately 116.89%)**	(3,315) million	(3,315) million
Basic earnings/(loss) per share	**Approximately (0.758)**	(0.347)	(0.347)

Note: After the approval at the 27th meeting of the ninth session of the Board of the Company on 28 March 2024, the Company adjusted the capital contribution method of its subsidiary, Angang Steel Green Gold Industry Development Co., Ltd.* (鞍鋼綠金產業發展有限公司) (hereinafter referred to as Green Gold), Anshan Iron & Steel Co., Ltd. and Angang Group Zhongyuan Industrial Development Co., Ltd. contributed capital to Green Gold with their equity interests in Angang Steel Scrap Resources (Anshan) Limited* (鞍鋼廢鋼資源(鞍山)有限公司) (hereinafter referred to as Steel Scrap), respectively, making Steel Scrap a controlling subsidiary of Green Gold. During the reporting period, the capital contribution by the shareholders of Green Gold was completed, and the Company retrospectively adjusted the accounting figures of the corresponding period of last year based on the principle of business combinations under common control.

2. REASONS FOR THE ESTIMATED DECLINE

In 2024, the steel price index experienced a sustained decline, while the iron ore price index has been undergoing high-level range-bound trading. The weak market conditions in the steel industry further intensified, leading to overall losses in the core steel business. Affected by the the prolonged weakness in downstream demand, the cyclical downturn, and the low prosperity of the steel industry, the price spread between supply and sales markets narrowed rapidly, further compressing the Company's profit margins.

In response to the downward pressure in the steel market, the Company strengthened market assessment and implemented opportunistic procurement strategies on the purchasing side; enhanced product optimization and efficiency improvement on the sales side, while expanding exports; and focused on operational efficiency and system-wide cost reduction on the manufacturing side. The Company implemented strict expense control measures across all levels and made every effort to mitigate and control losses. However, these efforts were insufficient to fully offset the adverse impact of the continuous narrowing of market price spreads on the supply and sales ends. Consequently, the Company's production and operations remained in a loss-making position.

The financial information for the twelve months ended 31 December 2024 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' auditors. Shareholders of the Company and potential investors should note that detailed information on the Group' performance for the twelve months ended 31 December 2024 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
24 January 2025

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

Executive Directors:
Wang Jun
Zhang Hongjun
Wang Baojun
Deng Qiang

Independent Non-executive Directors:
Wang Jianhua
Wang Wanglin
Zhu Keshi
Hu Caimei

Non-Executive Director:
Tan Yuhai

* *For identification purpose only*