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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 2025

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 2025 (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.

IMPORTANT NOTICE:

1. 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.
2. Mr. Wang Jun, the person-in-charge of the Company, Mr. Li Jingdong, the chief accountant of the Company and Ms. Ma Li, the person-in-charge of the accounting department of the Company, warrant the truthfulness, accuracy and completeness of the financial information in this quarterly report.

3. Whether the first quarterly report has been audited or not

☐ Yes ☒ No

4. Matters on which the auditor has expressed a non-standard opinion

☐ Applicable ☒ No Applicable

I. PRINCIPAL FINANCIAL DATA

(I) Highlights in Q1

The Company has comprehensively implemented the guiding principles from General Secretary Xi Jinping's inspection of Liaoning and Bensteel under the Angang Group, focusing on high-end, intelligent, and green development directions. By closely monitoring market changes and addressing core challenges, the Company has continuously optimized our product structure, enhanced production line efficiency, reduced procurement costs, deepened digital-intelligent development, and strengthened benchmarking initiatives to improve core competitiveness. These efforts have led to a significant improvement in production and operations during the first quarter.

1. The Company's operating performance has shown year-on-year improvement. Facing the severe situation of weak and fluctuating declines in the steel market, we actively explored market opportunities by adjusting product mix for greater efficiency, and tapped into internal potential. As a result, total profits showed a year-on-year reduction in losses of RMB1.091 billion, with a notable improvement in the sales profit margin. All units within the steel segment significantly reduced losses, while production line efficiency and market competitiveness were markedly enhanced.
2. Our systematic cost reduction measures have delivered tangible results. By implementing the concept of "value-based operations", through strengthening measures such as benchmarking initiatives and improving operational efficiency, we achieved a reduction of RMB102 per ton in full-process steel costs compared to the previous year, a 10% decrease in purchased energy costs per tonne, and a 12% decline in pig iron costs. On the procurement front, we deepened cost-performance sourcing and collaborative purchasing, leading to a continuous reduction in material consumption costs per tonne.

3. Market expansion efforts have yielded solid outcomes. Aligned with our high-end development strategy, the proportion of flagship products in the first quarter exceeded the target by 3.28 percentage points. Cold-rolled production lines consistently exceeded capacity from January to March, with March setting new historical records in cold-rolled output, on-time delivery rate, automotive steel fulfillment rate, and silicon steel production. We secured orders for new battery shell steel (ALDCK) products, marking our hot-rolled products' first entry into the battery shell industry. Export orders exceeded the plan by 11.1%, with breakthroughs in specialty steel exports, including the first shipment of laser-marked grain-oriented silicon steel to Brazil. The full-lifecycle contract fulfillment rate improved by 3.2 percentage points year-on-year. Additionally, we were honored with awards such as the “Outstanding Partner (卓越合作夥伴獎)” from Haier Smart Home.
4. Our digital-intelligent development continues to deepen. In line with the SASAC's AI advancement directives, we promoted the integrated application of next-generation AI technologies, including large language models. The data governance platform has incorporated the DeepSeek model, enabling the development of business applications such as digital-intelligent secretaries and digital-human interfaces. The Company's first virtual digital employee, “Zhijixing (智紀星)”, has been deployed at the Quality Inspection and Measurement Center, marking a breakthrough in the integration of AI with functional management and the application of large models.

(II) 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

Reasons for retrospective adjustments or restatements

☒ Business combinations under the same control

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 (%)
		Before adjustment	After adjustment	
Operating income	25,079	27,343	27,831	-9.89
Net profit attributable to the shareholders of the Company	-554	-1,657	-1,656	66.55
Net profit attributable to the shareholders of the Company after extraordinary items	-587	-1,688	-1,688	65.23
Net cash flow from operating activities	381	751	703	-45.80
Basic earnings per share (RMB/share)	-0.059	-0.177	-0.176	66.48
Diluted earnings per share (RMB/share)	-0.059	-0.177	-0.176	66.48
Weighted average return on net assets (%)	-1.17	-3.08	-3.07	Increased by 1.90 percentage points

Item	As at the end of the Reporting Period	As at the end of the previous year		Increase/decrease at the end of the Reporting Period compared with the end of the previous year (%)
		Before adjustment	After adjustment	
Total assets	100,516	100,578	100,578	-0.06
Owners' equity attributable to shareholders of the Company	47,159	47,679	47,679	-1.09

Note: In June 2024, the Company's subsidiary, Angang Steel Green Gold Industry Development Co., Ltd.* (鞍鋼綠金產業發展有限公司), completed the merger of Angang Steel Scrap Resources (Anshan) Limited* (鞍鋼廢鋼資源(鞍山)有限公司) under the principle of a business combination under common control. In accordance with the accounting treatment for such transactions, the Company has retrospectively adjusted the prior year's comparative financial data.

(III) Non-recurring items and amounts

☒ Applicable ☐ No Applicable

Unit: RMB million

Item	The Reporting Period	Explanation
1. Profit or loss from disposal and retirement of non-current assets	4	—
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)	38	—
3. Changes in fair value of financial assets held for trading	1	—
4. Changes in fair value of other non-current financial assets	8	—
5. Other non-operating income and expenses apart from those stated above	—	—
Subtotal	51	—
Less: Effect on income tax	9	—
Effect on minority interest (after tax)	9	—
Total	33	—

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

☐ Applicable ☒ No 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 ☒ No 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.

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

☒ Applicable ☐ No Applicable

1. R&D expenses in the Reporting Period increased by RMB37 million year-on-year, mainly due to increased investment in external collaborative R&D projects and national research initiatives.
2. Financial expenses in the Reporting Period rose by RMB32 million year-on-year, mainly due to the expansion of financing scale and bill discounting volume.
3. Other incomes in the Reporting Period increased by RMB32 million year-on-year, mainly due to the higher government subsidies received.
4. Gain from fair-value changes in the Reporting Period decreased by RMB28 million year-on-year, mainly due to the fair-value changes in derivative financial instruments.
5. Impairment on assets in the Reporting Period increased by RMB68 million year-on-year, mainly due to reduced provisions for inventory write-downs compared to the prior year.

6. Credit impairment losses in the Reporting Period decreased by RMB1 million year-on-year, mainly due to the reversal of bad debt provisions for receivables in the same period last year.
7. Gains on disposal of assets in the Reporting Period declined by RMB25 million year-on-year, mainly due to land disposal gains recorded in the prior year period.
8. Non-operating income in the Reporting Period grew by RMB4 million year-on-year, mainly due to increased gains from fixed asset retirements.
9. Non-operating expenses in the Reporting Period reduced by RMB12 million year-on-year, mainly due to decreased losses from fixed asset retirements.
10. Income tax expenses in the Reporting Period fell by RMB15 million year-on-year, mainly due to lower current tax expenses compared to the previous year.
11. Operating profit, profit before income tax, net profit, and net profit attributable to owners of the parent company all showed significant year-on-year reduction in losses during the Reporting Period, mainly due to: (i) a narrower year-on-year decline in selling prices compared to a broader year-on-year decrease in purchase prices, resulting in an expanded purchase-sale spread; and (ii) effective cost reduction measures and market expansion efforts that improved per-unit product profitability compared to the previous year.
12. The combined balance of notes receivable and receivables financing increased by RMB887 million compared to the end of the previous year, mainly due to increased bill collections.
13. Short-term loans increased by RMB6,246 million compared to the end of the previous year, mainly due to the Company's financing structure adjustment and increased short-term financing.
14. Derivative financial liabilities increased by RMB11 million compared to the end of the previous year, mainly due to increased floating losses on futures contracts.
15. Staff remuneration payable increased by RMB61 million compared to the end of the previous year, mainly due to accrued salaries and related benefits.

16. Non-current liabilities due within one year increased by RMB274 million compared to the end of the previous year, mainly due to the long-term borrowings reclassified as current.
17. Long-term loans decreased by RMB6,498 million compared to the end of the previous year, mainly due to the Company's financing structure adjustment and reduced long-term financing.
18. Treasury shares decreased by RMB27 million compared to the end of the previous year, mainly due to the cancellation of repurchased restricted shares.
19. Special reserve increased by RMB34 million compared to the end of the previous year, mainly due to accrued work safety funds.
20. Retained earnings decreased by RMB554 million compared to the end of the previous year, mainly due to operating losses incurred during the Reporting Period.
21. Net cash flow from operating activities decreased by RMB322 million year-on-year, mainly due to: (i) lower steel selling prices reduced operating cash inflows by RMB1,872 million; and (ii) decreased purchase prices and increased settlement of operating bills payables reduced operating cash outflows by RMB1,550 million.
22. Net cash flow from investing activities decreased by RMB797 million year-on-year, mainly due to increased other investment expenditures from expanded bill usage.
23. Net cash flow from financing activities decreased by RMB6 million year-on-year, mainly due to increased interest payments.
24. Net increase in cash and cash equivalents decreased by RMB1,125 million year-on-year, mainly due to: (i) net cash flow from operating activities decreased by RMB322 million; (ii) net cash flow from investing activities decreased by RMB797 million due to increased other investment expenditures; and (iii) net cash flow from financing activities decreased by RMB6 million due to higher interest payments.

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	98,357 amongst whom 441 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	53.54%	5,016,111,529	—	—	—
HKSCC Nominees Limited	Overseas legal person	14.95%	1,400,414,367	—	—	—
China National Petroleum Corporation (中國石油天然氣集團有限公司)	State-owned legal person	9.02%	845,000,000	—	—	—
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	—	—	—
Hong Kong Securities Clearing Company Limited	Overseas legal person	0.73%	68,195,527	—	—	—
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	—	—	—
National Social Security Fund Portfolio 118 (全國社保基金一一八組合)	Others	0.56%	52,827,500	—	—	—
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	0.33%	30,649,348	—	—	—
Hebei Jianzhi Casting Group Ltd.	Domestic legal person	0.19%	18,250,000	—	—	—
Cong Zhonghong	Domestic natural person	0.14%	12,927,000	—	—	—

**Shareholding of the top 10 shareholders not subject to trading moratorium
(excluding shares lent through refinancing and locked up shares of senior management)**

Name of shareholder	Number of shares	Class 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	1,400,414,367	Overseas-listed foreign shares	1,400,414,367
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
Hong Kong Securities Clearing Company Limited	68,195,527	Renminbi ordinary shares	68,195,527
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
National Social Security Fund Portfolio 118 (全國社保基金一一八組合)	52,827,500	Renminbi ordinary shares	52,827,500
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)	30,649,348	Renminbi ordinary shares	30,649,348
Hebei Jianzhi Casting Group Ltd.	18,250,000	Renminbi ordinary shares	18,250,000
Cong Zhonghong	12,927,000	Renminbi ordinary shares	12,927,000
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)	Among top 10 shareholders, the 12,927,000 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 ☒ No Applicable

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 ☒ No Applicable

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

☐ Applicable ☒ No Applicable

III. OTHER SIGNIFICANT EVENTS

☒ Applicable ☐ No Applicable

1. On 11 February 2025, Mr. Wang Baojun resigned from his positions as Director, Deputy General Manager, Chief Accountant, secretary to the Board, and Joint Company Secretary of the Company due to work reassignment.
2. On 11 February 2025, the 34th Meeting of the Ninth Board approved the appointment of Mr. Li Jingdong as Deputy General Manager, Chief Accountant, and secretary to the Board of the Company. Subsequently, on 12 March 2025, Mr. Li Jingdong was elected as an Executive Director of the Ninth Session of the Board at the Company's 2025 First Extraordinary General Meeting.
3. On 28 February 2025, the Company completed the repurchase and cancellation of 14,180,048 restricted shares held by 183 incentive participants that had been granted but not yet unlocked with Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. After the cancellation was completed, the total share capital of the Company changed from 9,383,401,306 shares to 9,369,221,258 shares.

IV. QUARTERLY FINANCIAL STATEMENT

(I) Financial Statements

Consolidated Balance Sheet

As at 31 March 2025

Prepared by: Angang Steel Company Limited *Monetary unit: RMB million*

Item	31 March 2025	31 December 2024
Current assets:		
Cash and cash equivalents	3,311	4,544
Trading financial assets	16	15
Derivative financial assets	2	
Notes receivable	157	55
Accounts receivable	2,735	2,952
Receivables financing	1,703	918
Prepayments	3,448	3,189
Other receivables	81	66
Including: Interests receivable		
Dividends receivable		
Inventories	14,694	14,769
Other current assets	2,054	1,742
Total current assets	28,201	28,250
Non-current assets:		
Long-term equity investments	4,023	3,840
Other equity instrument investments	690	690
Other non-current financial assets	112	104
Fixed assets	51,659	51,842
Construction in progress	5,878	5,802
Right-of-use assets	108	123
Intangible assets	6,632	6,710
Deferred income tax assets	2,301	2,296
Other non-current assets	912	921
Total non-current assets	72,315	72,328
Total assets	100,516	100,578

Item	31 March 2025	31 December 2024
Current liabilities:		
Short-term loans	7,420	1,174
Derivative financial liabilities	12	1
Notes payable	18,949	17,957
Accounts payable	7,506	8,281
Contract liabilities	4,889	4,557
Staff remuneration payable	158	97
Tax payable	184	144
Other payables	5,781	6,066
Including: Interests payable		
Dividends payable	1	1
Non-current liabilities due within one year	974	700
Other current liabilities	493	462
Total current liabilities	46,366	39,439
Non-current liabilities:		
Long-term loans	4,493	10,991
Bonds payable		
Lease liability	110	125
Long-term payables	367	367
Long-term employee benefits payable	50	50
Deferred income	875	844
Deferred income tax liabilities	88	91
Total non-current liabilities	5,983	12,468
Total liabilities	52,349	51,907

Item	31 March 2025	31 December 2024
Shareholders' equity:		
Share capital	9,369	9,383
Capital reserve	33,907	33,920
Less:Treasury shares		27
Other comprehensive income	215	215
Special reserve	86	52
Surplus reserve	4,457	4,457
Retained earnings	(875)	(321)
Subtotal of Shareholders' equity attributable to shareholders of parent company	47,159	47,679
Minority interests	1,008	992
Total shareholders' equity	48,167	48,671
Total liabilities and shareholders' equity	100,516	100,578

<i>Legal representative:</i>	<i>Financial controller:</i>	<i>Person in charge of accounting department:</i>
Wang Jun	Li Jingdong	Ma Li

Consolidated Income Statement

For the three months ended 31 March 2025

Prepared by: Angang Steel Company Limited *Monetary unit: RMB million*

Item	January to March 2025	January to March 2024
I. Total operating revenue	25,079	27,831
Including: operating revenue	25,079	27,831
II. Total operating cost	25,734	29,529
Including: operating cost	24,946	28,768
Taxes and surcharges	228	216
Selling expenses	111	126
Administrative expenses	243	282
Research and development expenses	118	81
Financial expenses	88	56
Including: Interests expenses	92	60
Interests income	15	11
Add: Other incomes	45	13
Investment income(Loss is listed with 「-」)	86	100
Including: Investment incomes in associates and joint ventures	92	103
Gain from fair-value changes (Loss is listed with 「-」)	2	30
Credit impairment losses (Loss is listed with 「-」)		1
Impairment on assets (Loss is listed with 「-」)	(12)	(80)
Gains on disposal of assets (Loss is listed with 「-」)		25
III. Operating profit (Loss is listed with “-”)	(534)	(1,609)
Add:Non-operating income	6	2
Less:Non-operating expenses	2	14
IV. Profit before income tax (Loss is listed with “-”)	(530)	(1,621)
Less:Income tax expenses	11	26

Item	January to March 2025	January to March 2024
V. Net profit (Loss is listed with “-”)	(541)	(1,647)
(I) Classification of business operation		
i. Continuous operating net profit (Loss is listed with “-”)	(541)	(1,647)
ii. Termination of business operating profit(Loss is listed with “-”)		
(II) Classification of ownership		
i. Net income attributable to the Company owners	(554)	(1,656)
ii. Net income attributable to minority shareholders	13	9
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	(541)	(1,647)
Total comprehensive income attributed to the Company owners	(554)	(1,656)
Total comprehensive income attributable to minority shareholders	13	9
VIII. Earning per share:		
(I) Basic earning per share (<i>RMB/share</i>)	(0.059)	(0.176)
(II) Diluted earning per share (<i>RMB/share</i>)	(0.059)	(0.176)

<i>Legal representative:</i>	<i>Financial controller:</i>	<i>Person in charge of accounting department:</i>
Wang Jun	Li Jingdong	Ma Li

Consolidated Statement of Cash Flows
For the three months ended 31 March 2025

Prepared by: Angang Steel Company Limited *Monetary unit: RMB million*

Item	January to March 2025	January to March 2024
I. Cash flows from operating activities:		
Cash received from sales and services	24,148	26,042
Taxes and surcharges refunds	3	16
Other cash receipts related to operating activities	138	103
Sub-total of cash inflows from operating activities	24,289	26,161
Cash payments for goods purchased and services received	22,209	22,812
Cash payments to and on behalf of employees	976	1,007
Payments of taxes and surcharges	311	281
Other cash payments relating to operating activities	412	1,358
Sub-total of cash outflows from operating activities	23,908	25,458
Net cash flow from operating activities	381	703
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	414	19
Sub-total of cash inflows from investing activities	414	19
Cash payments to acquire and construct fixed assets, intangible assets and other long-term assets	943	793
Cash payments to acquire investments	113	
Other cash payments relating to investing activities	931	2
Sub-total of cash outflows from investing activities	1,987	795
Net cash flow from investing activities	(1,573)	(776)

Item	January to March 2025	January to March 2024
III. Cash flows from financing activities:		
Cash received from investments		
Including: cash receipts from minorities making investment in subsidiaries		
Cash receipts from borrowings	11,192	1,155
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities	11,192	1,155
Cash repayments of amounts borrowed	10,995	1,105
Cash payments for distribution of dividends or profit or interest expenses	77	55
Including: payments for distribution of dividends or profit to minorities of subsidiaries		
Other cash payments relating to financing activities	161	30
Sub-total of cash outflows from financing activities	11,233	1,190
Net cash flow from financing activities	(41)	(35)
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		
V. Net Increase in Cash and Cash Equivalents	(1,233)	(108)
Add: Opening balance of Cash and Cash Equivalents	4,544	3,319
VI. Closing Balance of Cash and Cash Equivalents	3,311	3,211
<i>Legal representative:</i> Wang Jun	<i>Financial controller:</i> Li Jingdong	<i>Person in charge of accounting department:</i> Ma Li

Parent company Balance sheet*As at 31 March 2025*Prepared by: Angang Steel Company Limited *Monetary unit: RMB million*

Item	31 March 2025	31 December 2024
Current assets:		
Cash and cash equivalents	1,729	2,293
Trading financial assets	16	15
Derivative financial assets	2	
Notes receivable	64	50
Accounts receivable	2,816	2,716
Receivables financing	1,237	674
Prepayments	2,791	2,566
Other receivables	59	53
Including: Interests receivable		
Dividends receivable		
Inventories	11,476	11,645
Other current assets	1,619	1,519
Total current assets	21,809	21,531
Non-current assets:		
Long-term equity investments	14,520	14,346
Other equity instrument investments	690	690
Other non-current financial assets	112	104
Fixed assets	43,740	43,864
Construction in progress	5,104	5,030
Right-of-use assets	107	122
Intangible assets	5,756	5,828
Deferred income tax assets	2,199	2,203
Other non-current assets	896	907
Total non-current assets	73,124	73,094
Total assets	94,933	94,625

Item	31 March 2025	31 December 2024
Current liabilities:		
Short-term loans	7,234	710
Derivative financial liabilities	12	1
Notes payable	18,131	17,230
Accounts payable	5,716	6,656
Contract liabilities	4,853	4,297
Staff remuneration payable	140	87
Tax payable	105	97
Other payables	6,576	6,673
Including: Interests payable		
Dividends payable		
Non-current liabilities due within one year	954	700
Other current liabilities	150	131
Total current liabilities	43,871	36,582
Non-current liabilities:		
Long-term loans	4,376	10,862
Bonds payable		
Lease liability	109	124
Long-term payables	367	367
Long-term employee benefits payable	49	49
Deferred income	672	670
Deferred income tax liabilities	88	89
Total non-current liabilities	5,661	12,161
Total liabilities	49,532	48,743

Item	31 March 2025	31 December 2024
Shareholders' equity:		
Share capital	9,369	9,383
Capital reserve	26,892	26,905
Less: Treasury shares		27
Other comprehensive income	215	215
Special reserve	54	31
Surplus reserve	4,447	4,447
Retained earnings	4,424	4,928
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Total shareholders' equity	45,401	45,882
	<hr/>	<hr/>
Total liabilities and shareholders' equity	94,933	94,625
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<i>Legal representative:</i>	<i>Financial controller:</i>	<i>Person in charge of accounting department:</i>
Wang Jun	Li Jingdong	Ma Li

Parent Company Income Statement
For the three months ended 31 March 2025

Prepared by: Angang Steel Company Limited *Monetary unit: RMB million*

Item	January to March 2025	January to March 2024
I. Total operating revenue	21,486	23,873
Including: operating revenue	21,486	23,873
II. Total operating cost	22,054	25,451
Including: Operating cost	21,404	24,768
Tax and surcharges	181	173
Selling expenses	63	128
Administrative expenses	202	248
Research and development expenses	105	66
Financial expenses	99	68
Including: interests expenses	95	68
Interest income	7	7
Add: Other incomes	6	5
Investment income		
(Loss is listed with “-”)	57	98
Including: Investment incomes in		
associates and joint ventures	62	100
Gain from fair-value changes		
(Loss is listed with “-”)	2	30
Credit impairment losses		
(Loss is listed with “-”)		
Impairment on assets		
(Loss is listed with “-”)	(3)	(79)
Gains on disposal of assets		
(Loss is listed with “-”)		25
III. Operating profit (Loss is listed with “-”)	(506)	(1,499)
Add: Non-operating income	5	1
Less: Non-operating expenses	1	14
IV. Profit before income tax (Loss is listed with “-”)	(502)	(1,512)
Less: Income tax expenses	2	7

Item	January to March 2025	January to March 2024
V. Net profit for the period (Loss is listed with “-”)	(504)	(1,519)
(I) Classification according to the continuity of operation		
i. Continuous operating net profit (Loss is listed with “-”)	(504)	(1,519)
ii. Termination of business operating profit (Loss is listed with “-”)		
(II) Classification of ownership		
i. Net income attributable to the Company owners	(504)	(1,519)
ii. Net income attributable to minority shareholders		
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	(504)	(1,519)
Total comprehensive income attributed to the Company owners	(504)	(1,519)
Total comprehensive income attributable to minority shareholders		

<i>Legal representative:</i>	<i>Financial controller:</i>	<i>Person in charge of accounting department:</i>
Wang Jun	Li Jingdong	Ma Li

Parent Company Cash Flow Statement
For the three months ended 31 March 2025

Prepared by: Angang Steel Company Limited *Monetary unit: RMB million*

Item	January to March 2025	January to March 2024
I. Cash flows from operating activities:		
Cash received from sales and services	21,146	22,487
Taxes and surcharges refunds		
Other cash receipts related to operating activities	67	80
Sub-total of cash inflows from operating activities	21,213	22,567
Cash payments for goods purchased and services received	19,445	19,739
Cash payments to and on behalf of employees	829	844
Payments of taxes and surcharges	213	195
Other cash payments relating to operating activities	326	966
Sub-total of cash outflows from operating activities	20,813	21,744
Net cash flow from operating activities	400	823
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	407	12
Sub-total of cash inflows from investing activities	407	12
Cash payments to acquire and construct fixed assets, intangible assets and other long-term assets	823	696
Cash payments to acquire investments	113	
Other cash payments relating to investing activities	731	1
Sub-total of cash outflows from investing activities	1,667	697
Net cash flow from investing activities	(1,260)	(685)

Item	January to March 2025	January to March 2024
III. Cash flows from financing activities:		
Cash received from investments		
Including: received of subsidiary from minority shareholders		
Cash received from borrowings	11,274	1,100
Other cash received from financing activities		70
Sub-total of cash inflows from financing activities	11,274	1,170
Cash repayments of amounts borrowed	10,844	1,100
Cash payments for distribution of dividends or profit or interest expenses	83	65
Including: payments for distribution of dividends or profit to minorities of subsidiaries		
Other cash payments relating to financing activities	51	30
Sub-total of cash outflows from financing activities	10,978	1,195
Net cash flow from financing activities	296	(25)
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		
V. Net Increase in Cash and Cash Equivalents	(564)	113
Add: Opening balance of Cash and Cash Equivalents	2,293	1,259
VI. Closing Balance of Cash and Cash Equivalents	1,729	1,372
 <i>Legal representative:</i> Wang Jun	 <i>Financial controller:</i> Li Jingdong	 <i>Person in charge of accounting department:</i> Ma Li

(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 2025

☐ Applicable ☒ No 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 2025

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

Executive Directors

Wang Jun
Zhang Hongjun
Li Jingdong
Deng Qiang

Independent Non-executive Directors

Wang Jianhua
Wang Wanglin
Zhu Keshi
Hu Caimei

Non-executive Director

Tan Yuhai

* For identification purpose only