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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)

IMPLEMENTATION AND COMPLETION OF 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 the 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 (the “**Repurchase and Cancellation**”); (xv) the circular dated 28 November 2022, in relation to, among other things, the Repurchase and Cancellation of part of the Restricted Shares; and (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. Unless otherwise specified, capitalised terms used in this announcement shall have the meanings as those defined in the above announcements and the circulars.

REASONS FOR, NUMBER OF SHARES, REPURCHASE PRICE AND FUND SOURCE FOR THE REPURCHASE AND CANCELLATION OF PART OF THE RESTRICTED SHARES

In the event of changes in circumstances in 10 Incentive Participants of the First Grant and 2 Incentive Participants of the Reserved Grant (“**Repurchase Participants**”), according to the provisions under Chapter 13 of the rules of the Scheme, part of the Restricted Shares that have been granted to these Repurchase Participants but not yet unlocked would be repurchased and cancelled by the Company. There were changes in circumstances in 10 Incentive Participants of the First Grant, 9 of which are no longer qualified as Incentive Participants as they severed or terminated their labor relationship with the Company due to job relocation, and thus the Company repurchased and cancelled a total of 1,356,000 shares and paid the interest at the benchmark interest rate of RMB fixed lump-sum deposit and withdrawal of financial institutions issued by the People’s Bank of China in the same period, at a repurchase price of RMB1.91 per share; 1 Incentive Participant of the First Grant has been disciplined by the Company for suspected illegal and disciplinary behaviors, and is therefore no longer qualified as an Incentive Participant, and thus the Company repurchased and cancelled a total of 450,000 Restricted Shares that have been granted but not yet unlocked, at a repurchase price of RMB1.85 per share. Further, 2 Incentive Participants of the Reserved Grant are no longer qualified as Incentive Participants as they severed or terminated their labor relationship with the Company due to job relocation, and thus the Company repurchased and cancelled a total of 234,931 shares and paid interest at the benchmark interest rate of RMB fixed lump-sum deposit and withdrawal of financial institutions issued by the People’s Bank of China in the same period, at a repurchase price of RMB2.34 per share. The shareholders of the Company have considered and approved the Repurchase and Cancellation by a special resolution on 19 December 2022.

The total amount of the repurchase funds paid by the Company for the repurchase of the Restricted Shares was RMB3,972,198.54, which was entirely from the Company’s self-owned funds.

ARRANGEMENTS FOR THE REPURCHASE AND CANCELLATION

As reviewed and confirmed by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the Repurchase and Cancellation of the Company has been completed on 10 February 2023.

CHANGES IN SHARE STRUCTURE OF THE COMPANY UPON COMPLETION OF THE REPURCHASE AND CANCELLATION

On 10 February 2023, the Repurchase and Cancellation of a total of 2,040,931 A Shares have been completed. The Company's total number of shares will be reduced from 9,403,020,451 to 9,400,979,520. The changes in the share capital of the Company are further detailed below:

Nature of shares	Before the Repurchase and Cancellation		Increase/ decrease Number of shares	After the Repurchase and Cancellation	
	Number of shares	Percentage of total share capital (%)		Number of shares	Percentage of total share capital (%)
Restricted A Shares	50,227,732	0.534	-2,040,931	48,186,801	0.513
Outstanding shares	9,352,792,719	99.466	0	9,352,792,719	99.487
– A Shares	7,941,252,719	84.454	0	7,941,252,719	84.472
– H Shares ⁽²⁾	1,411,540,000	15.012	0	1,411,540,000	15.015
Total	9,403,020,451	100.00	-2,040,931	9,400,979,520	100.00

Notes:

- Any discrepancy in the decimal figures between the total percentages and the direct summation of breakdown figures in the table above is due to rounding.
- As at the date of this announcement, the total share capital of the Company is 9,400,979,520 shares, of which 1,411,540,000 were H Shares. The H Shares and total share capital of the Company may increase as a result of the conversion of H Share convertible bonds. For details of the H Share convertible bonds, please refer to the announcements of the Company dated 11 May 2018 and 25 May 2018.

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.

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.

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

Anshan City, Liaoning Province, the PRC
10 February 2023

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

Executive Directors:

Wang Yidong
Wang Baojun
Tian Yong

Independent Non-Executive Directors:

Feng Changli
Wang Jianhua
Wang Wanglin
Zhu Keshi

* *For identification purposes only*