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(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00323)

ANNOUNCEMENT ON ESTIMATED LOSS IN INTERIM RESULTS OF 2023

This announcement is made by the board of directors of Maanshan Iron & Steel Company Limited (the “**Company**”) pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

I. ESTIMATED RESULTS DURING THE PERIOD

1. Estimated results period

1 January 2023 to 30 June 2023.

2. Estimated Results

Based on a preliminary estimate made by the finance department, the net loss of the Company attributable to the shareholders of the listed company for the first half of 2023 is estimated to be approximately RMB2.238 billion, representing a year-on-year decrease of approximately RMB3.666 billion or approximately 256.72% in net profit as compared with that for the corresponding period of the previous year; the net loss excluding non-recurring gains or losses attributable to the shareholders of the listed company is estimated to be approximately RMB2.628 billion, representing a year-on-year decrease of approximately RMB3.769 billion or approximately 330.32% in net profit as compared with that for the corresponding period of the previous year.

3. The estimated results have not been audited by certified public accountants.

II. RESULTS FOR THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR

1. The net profit attributable to the shareholders of the listed company for the first half of 2022: RMB1.428 billion and the net profit excluding non-recurring gains or losses attributable to the shareholders of the listed company: RMB1.141 billion.
2. Earnings per share: RMB0.1853.

III. MAIN REASONS FOR THE ESTIMATED LOSS IN THE RESULTS DURING THE PERIOD

In the first half of 2023, the recovery of downstream demand in the iron and steel industry was not as strong as expected, and steel prices seesawed at a low level. The cost side remained relatively high, and the decline in steel prices was significantly larger than the decline in iron ore prices, resulting in a serious squeeze on the profitability of the iron and steel industry. In the face of the severe situation, the Company remained committed to the path of green development and successfully completed the building of itself into an environmental performance A-class enterprise, and at the same time, it intensified its comprehensive conduct of benchmarking and identification of shortness. It identified its potential in a thoroughly manner, to make efforts to enhance the quality of economic operation; further optimised the product structure and increased the proportion of high value-added products such as wheels and axles; and spared no efforts in advancing performance management and reform, focused on all-staff competition, promoted the improvement in the performance of the Company through the improvement in individual and the units' performance, driving all-staff value creation. Although certain results had been achieved through such measures, the adverse impact brought about by market changes had not all been eliminated, together with factors including the increase in expenses of operation of new environmental protection facilities and the increase in depreciation charges of new production lines which had commenced production, resulting in the loss-making for the operating results for the first half of 2023.

During the period, the Company's non-recurring gains or losses items mainly included investment income from disposal of subsidiaries and government grants received etc., with a net income of approximately RMB390 million.

IV. RISK DISCLOSURE

The Company considers that there is no material uncertainty affecting the accuracy of the estimated results.

V. OTHER MATTERS

The data forecasts above are only preliminary estimates. The specific and accurate financial data are subject to the 2023 interim report to be officially disclosed by the Company. Investors are advised to pay attention to the investment risks.

By Order of the Board
Maanshan Iron & Steel Company Limited
Ding Yi
Chairman

14 July 2023
Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include executive directors Ding Yi, Mao Zhanhong and Ren Tianbao; and independent non-executive directors Zhang Chunxia, Zhu Shaofang, Guan Bingchun and He Anrui.