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

(Stock Code: 00323)

ANNOUNCEMENT ON ESTIMATED LOSS FOR ANNUAL RESULTS OF 2022

This announcement is made by the board of directors (the “**Board**”) 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 2022 to 31 December 2022.

2. Estimated Results

- 1) Based on a preliminary estimate by the finance department, the net profit of the Company attributable to the shareholders of the listed company for the year 2022 is estimated to reach approximately RMB-0.893 billion, representing a year-on-year decrease of approximately RMB6.225 billion or 116.75%.
- 2) The net profit excluding non-recurring gains or losses attributable to the shareholders of the listed company is estimated to reach approximately RMB-1.176 billion, representing a year-on-year decrease of approximately RMB6.589 billion or 121.73%.
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: RMB5.332 billion. The net profit excluding non-recurring gains or losses attributable to the shareholders of the listed company: RMB5.413 billion.
2. Earnings per share: RMB0.692.

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

1. Impact of principal business

In 2022, the national economy grew at a decelerated pace due to factors such as the complicated and severe international situation and the sporadic outbursts of the domestic pandemic. With the weak demand in the iron and steel industry, falling steel prices, the high prices of major raw material required for production, coupled with environmental factors, the steel enterprises were faced with great challenges in their production and operation. Although the market situation was tough, the Company still strictly complied with the environmental protection requirement on production limitation, with approximately 1 million tons of crude steel production being limited; approximately 750,000 tons of pig iron production was affected by the overhaul of the blast furnace B of the headquarters, and approximately 630,000 tons of pig iron production in total was affected by the overhaul of the two blast furnaces No. 2 and No. 3 of Changjiang Steel, the controlling subsidiary. During the reporting period, the Company kept a close eye on the cost reduction target, formulated and promoted the performance improvement plan, for example, the Company made every effort to reduce the adverse impact arising out of the spread of the COVID-19 and the increase in fuel prices on the Company's costs and logistics by means of the planning of steel market and raw material market, efficient production, cost reduction and efficiency improvement and other subdivision measures, and reasonably coordinating the prevention and control of the pandemic with the production, operation and construction; strived to explore the internal production and technical potential in a deep manner with the goal of promoting the key indicators to upgrade and carrying out the "selecting the best candidates via open competition mechanism" project as a main support through strengthening the comprehensive benchmarking, setting a higher benchmark, and pursuing perfection; adjusted the division of production lines, improved production efficiency, actively developed markets and made every effort to optimise the distribution channels by promoting the model of "base management + brand operation". These improvement plans and measures were effectively implemented, but could not fully overcome the

adverse impact of multiple factors such as the pandemic, changes in steel market and raw material market, the environmental protection requirement on production limitation, etc., resulting in a loss in the Company's operating results in 2022.

2. Impact of non-recurring gains or losses

The non-recurring profit or loss of the Company attributable to the shareholders of the listed company for 2022 recorded a net gain of approximately RMB283 million, which was mainly due to the comprehensive impacts of the profit or loss from the disposal of non-current assets, the investment income from disposal of subsidiaries, government subsidies, compensation for the termination of labor contracts through unanimous negotiation etc. Compared with the corresponding period of the previous year, the Company's non-recurring profit or loss attributable to the shareholders of the listed company for 2022 had changed mainly due to the fact that the Company obtained the investment income from disposal of subsidiaries for the purpose of focusing on its core steel business in 2022 while no such events occurred in 2021.

IV. RISK DISCLOSURE

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

V. OTHER MATTERS

The forecasts above are only preliminary estimates and have not been audited. The specific audited financial information will be disclosed in details in the 2022 annual report of 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

30 January 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.