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

(Stock Code: 00323)

## ANNOUNCEMENT ON RESOLUTIONS PASSED AT THE 2018 SECOND EXTRAORDINARY GENERAL MEETING

### Important Notes:

- Resolution voted down at the 2018 second extraordinary general meeting (the "EGM"):  
None

The 2018 second extraordinary general meeting of Maanshan Iron & Steel Company Limited ("the Company") was held at the Magang Office Building, No. 8 Jiu Hua Xi Road, Maanshan City, Anhui Province, the People's Republic of China (the "PRC") at 1:30 p.m. on Wednesday, 21 November 2018. All the resolutions listed in the Notice of 2018 Second Extraordinary General Meeting dated 28 September 2018 were approved.

### A. Convocation and Attendance of the EGM

- Date of the EGM: 21 November 2018
- Venue of the EGM: Magang Office Building, No.8 Jiu Hua Xi Road, Maanshan City
- Details of holders of ordinary shares and holders of preference shares with restored voting rights and their shareholdings present at the EGM.

1. Total number of shareholders attending either in person or by proxy	106
Among which: Number of holders of A shares	105
Number of holders of overseas listed foreign shares (H shares)	1
2. Total number of shares with voting rights held by shareholders present at the EGM (shares)	4,442,746,588
Among which: Total number of shares held by holders of A shares	3,697,803,171
Total number of shares held by holders of overseas listed foreign shares (H shares)	744,943,417
3. Percentage of shares with voting rights held by holders present at the EGM to total number of shares with voting rights of the Company (%)	57.69
Among which: Shares held by holders of A shares to total number of shares (%)	48.02
Shares held by holders of overseas listed foreign shares to total number of shares (%)	9.67

- Voting was held in compliance with stipulations of the Company Law of the People's Republic of China and the Articles of Association of the Company. The EGM was presided over by Mr. Ding Yi, the chairman of the Company.
- Directors, supervisors and senior management members present at the EGM
  - Five out of seven current directors of the Company were present at the EGM; Mr. Zhang

Wenyang, executive director, and Ms. Zhu Shaofang, independent non-executive director, were unable to attend the EGM due to business engagement;

2. Five out of five current supervisors of the Company were present at the EGM;
3. Ms. He Hongyun, secretary to the Board, attended the EGM. Mr. Tian Jun, senior management member, was present at the EGM as observer. Mr. Chen Yi and Ms. Wang Fan from Beijing Zhonglun (Shanghai) Law Firm, lawyers appointed by the Company, attended the EGM. Da Hua Certified Public Accountants (Special General Partnership) Anhui Branch acted as the scrutineer of the EGM, and Mr. Chen Long represented the institute and was present at the EGM.

## B. Deliberation of the Resolutions

### a) Resolutions for non-cumulative voting

1. Resolution: To consider and approve the Supplementary Continuing Connected Transactions Agreement entered into between the Company and Magang (Group) Holding Company Limited, so as to update the 2018 proposed annual caps under the 2016-2018 Continuing Connected Transactions Agreement entered into between the Company and it on 10 September 2015

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

2. Resolution: To consider and approve the Supplementary Energy Saving and Environmental Protection Agreement entered into between the Company and Anhui Xinchuang Energy Saving and Environmental Protection Science & Technology Co., Ltd., so as to update the 2018 proposed annual caps under the 2016-2018 Energy Saving and Environmental Protection Agreement entered into between the Company and it on 10 September 2015

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

3. Resolution: To consider and approve the transactions contemplated under the 2019-2021 Sale and Purchase of Ore Agreement entered into between the Company and Magang (Group) Holding Company Limited and the relevant proposed annual caps

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

4. Resolution: To consider and approve the transactions contemplated under the 2019-2021 Energy Saving and Environmental Protection Agreement entered into between the Company and Anhui Xinchuang Energy Saving and Environmental Protection Science & Technology Co., Ltd. and the relevant proposed annual caps

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

5. Resolution: To consider and approve the transactions contemplated under the 2019-2021 Continuing Connected Transactions Agreement entered into between the Company and Magang (Group) Holding Company Limited and the relevant proposed annual caps

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

6. Resolution: To consider and approve the loan services transactions contemplated under the 2019-2021 Financial Services Agreement entered into between Magang Group Finance Co. Ltd. and Magang (Group) Holding Company Limited and the relevant proposed annual caps

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	154,439,775	85.78	25,596,534	14.22
H shareholders	331,773,128	45.89	391,236,289	54.11
Total number of ordinary shares:	486,212,903	53.84	416,832,823	46.16

7. Resolution: To consider and approve the Share Transfer Agreement of Ma Steel Scrap Steel Co., Ltd.

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

8. Resolution: To consider and approve the Capital Increase Agreement of Anhui Ma Steel K. Wah New Building Materials Co., Ltd.

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

9. Resolution: To consider and approve the Capital Increase Agreement of Anhui Ma Steel Chemical Energy Technology Co., Ltd.

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

10. Resolution: To consider and approve the transactions contemplated under the 2019-2021 Continuing Connected Transactions Agreement entered into between the Company and Ma Steel Scrap Steel Co., Ltd. and the relevant proposed annual caps

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

11. Resolution: To consider and approve the transactions contemplated under the 2019-2021 Continuing Connected Transactions Agreement entered into between the Company and Anhui Ma Steel K. Wah New Building Materials Co., Ltd. and the relevant proposed annual caps

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

12. Resolution: To consider and approve the transactions contemplated under the 2019-2021 Continuing Connected Transactions Agreement entered into between the Company and Anhui Ma Steel Chemical Energy Technology Co., Ltd. and the relevant proposed annual caps

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	191,297,115	99.98	38,600	0.02
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	936,240,532	100.00	38,600	0.00

13. Resolution: To consider and approve the Company's 2018 interim profit distribution plan

Result: Approved

Voting results:

Type of shareholders	For		Against	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A shareholders	3,697,764,571	100.00	38,600	0.00
H shareholders	744,943,417	100.00	0	0.00
Total number of ordinary shares:	4,442,707,988	100.00	38,600	0.00

- b) Voting details on material issues by shareholders holding less than 5% interests

Serial number of resolution	Resolution	For		Against	
		Number of votes	Percentage (%)	Number of votes	Percentage (%)
1	To consider and approve the Supplementary Continuing Connected Transactions Agreement entered into between the Company and Magang (Group) Holding	191,297,115	99.9798	38,600	0.0202

	Company Limited, so as to update the 2018 proposed annual caps under the 2016-2018 Continuing Connected Transactions Agreement entered into between the Company and it on 10 September 2015				
2	To consider and approve the Supplementary Energy Saving and Environmental Protection Agreement entered into between the Company and Anhui Xinchuang Energy Saving and Environmental Protection Science & Technology Co., Ltd., so as to update the 2018 proposed annual caps under the 2016-2018 Energy Saving and Environmental Protection Agreement entered into between the Company and it on 10 September 2015	191,297,115	99.9798	38,600	0.0202
3	To consider and approve the transactions contemplated under the 2019-2021 Sale and Purchase of Ore Agreement entered into between the Company and Magang (Group) Holding Company Limited and the relevant proposed annual caps	191,297,115	99.9798	38,600	0.0202
4	To consider and approve the transactions contemplated under the 2019-2021 Energy Saving and Environmental Protection Agreement entered into between the Company and Anhui Xinchuang Energy Saving and Environmental Protection Science & Technology Co., Ltd. and the relevant proposed annual caps	191,297,115	99.9798	38,600	0.0202
5	To consider and approve the transactions contemplated under the 2019-2021 Continuing Connected Transactions Agreement entered into between the Company and Magang (Group) Holding Company Limited and the relevant proposed annual caps	191,297,115	99.9798	38,600	0.0202
6	To consider and approve the loan services transactions contemplated under the 2019-2021	154,439,775	85.78	25596534	14.22

	Financial Services Agreement entered into between Magang Group Finance Co. Ltd. and Magang (Group) Holding Company Limited and the relevant proposed annual caps				
7	To consider and approve the Share Transfer Agreement of Ma Steel Scrap Steel Co., Ltd.	191,297,115	99.9798	38,600	0.0202
8	To consider and approve the Capital Increase Agreement of Anhui Ma Steel K. Wah New Building Materials Co., Ltd.	191,297,115	99.9798	38,600	0.0202
9	To consider and approve the Capital Increase Agreement of Anhui Ma Steel Chemical Energy Technology Co., Ltd.	191,297,115	99.9798	38,600	0.0202
10	To consider and approve the transactions contemplated under the 2019-2021 Continuing Connected Transactions Agreement entered into between the Company and Ma Steel Scrap Steel Co., Ltd. and the relevant proposed annual caps	191,297,115	99.9798	38,600	0.0202
11	To consider and approve the transactions contemplated under the 2019-2021 Continuing Connected Transactions Agreement entered into between the Company and Anhui Ma Steel K. Wah New Building Materials Co., Ltd. and the relevant proposed annual caps	191,297,115	99.9798	38,600	0.0202
12	To consider and approve the transactions contemplated under the 2019-2021 Continuing Connected Transactions Agreement entered into between the Company and Anhui Ma Steel Chemical Energy Technology Co., Ltd. and the relevant proposed annual caps	191,297,115	99.9798	38,600	0.0202
13	To consider and approve the Company's 2018 interim profit distribution plan	191,297,115	99.9798	38,600	0.0202

c) Illustration regarding voting on the resolutions

On the date of the EGM, the controlling shareholder of the Company, Magang (Group) Holding Company Limited, held 3,506,467,456 shares of the Company and was a connected person of the Company. The first twelve resolutions of the EGM were all matters of connected transactions. The connected shareholder Magang (Group) Holding Company Limited had substantial interest in the twelve resolutions (which differed from the interest of independent shareholders). Therefore, in accordance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”), Magang (Group) Holding Company Limited was required to abstain and had abstained from voting in the EGM on the proposed resolutions.

Save as disclosed above, on the date of the EGM, there were no shares of the Company entitling the holders to attend the EGM and abstain from voting in favour of the resolutions as set out in Rule 13.40 of the Listing Rules. There were neither any restrictions on the shareholders to vote on the resolutions at the EGM nor any shares entitling the holders to attend the EGM but to vote only against the resolutions thereat. Shareholders present at the EGM either in person or by proxy could cast one vote in respect of each share held.

**C. Lawyer Attestation**

1. Attesting law firm for the EGM: Beijing Zhonglun (Shanghai) Law Firm  
Lawyers: Chen Yi, Wang Fan

2. Legal opinion after attestation:

The convening and convocation procedures of the EGM were in accordance with the relevant laws and regulations and the Articles of Association of the Company.

The qualifications of the attendees at the EGM were lawful and valid.

The voting procedures and voting results were lawful and valid.

**D. Distribution of the dividend**

As approved by the EGM, the Company will distribute interim dividend of RMB0.05 per share (tax included) for the year of 2018 to the shareholders of H Shares whose names appear on the register of members in respect of H Shares as of Monday, 3 December 2018.

a) Method for Distributing Dividends

Pursuant to the stipulations of the Company’s Articles of Association, dividends distributed by the Company to its shareholders shall be denominated in RMB. Dividends on A shares shall be paid in RMB while dividends on H shares shall be paid in Hong Kong dollars (“HKD”). The conversion formula shall be: dividend conversion price in HKD = dividends in RMB/average price of the central parity rates for one HKD against 7 RMB published by the People’s Bank of China during five working days prior to the date of the announcement of dividends. With respect to this dividend distribution, the average price of the central parity rates for one HKD against RMB published by the People’s Bank of China during five working days prior to the date of the announcement of dividends, i.e. 21 November 2018, is: HKD1 against RMB0.885394. Therefore, the dividend per share payable to the Company’s H-share shareholders before tax is HKD0.05647.

Pursuant to the stipulations of the Company’s Articles of Association, the Company has entrusted Bank of China (Hong Kong) Trustees Limited as the receiving agent for H-share shareholders. Cheques for the Company’s H-share dividends will be issued by the receiving agent and sent by ordinary mail to all H-share shareholders on 21 December 2018.



For individuals and corporate investors in Mainland China investing in the H shares of the Company through Shanghai-Hong Kong Stock Connect, the Company has entered into an “Agreement on Distribution of Cash Dividends on H Shares Listed on the Hong Kong Stock Exchange” with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (“CSDC Shanghai Branch”) to entrust CSDC Shanghai Branch to distribute relevant dividends. As an agent for the investors under Shanghai-Hong Kong Stock Connect, CSDC Shanghai Branch will receive all the relevant dividends distributed by the Company and distribute these dividends to the relevant investors under Shanghai-Hong Kong Stock Connect through its depository and clearing system.

For individuals and corporate investors in Mainland China investing in the H shares of the Company through Shenzhen-Hong Kong Stock Connect, the Company has entered into an “Agreement on Distribution of Cash Dividends on H Shares Listed on the Hong Kong Stock Exchange” with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (“CSDC Shenzhen Branch”) to entrust CSDC Shenzhen Branch to distribute relevant dividends. As an agent for the investors under Shenzhen-Hong Kong Stock Connect, CSDC Shenzhen Branch will receive all the relevant dividends distributed by the Company and distribute these dividends to relevant investors under Shenzhen-Hong Kong Stock Connect through its depository and clearing system.

The dates of share registration, the dates of dividend payment and other schedules for the investors under Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are the same as those for the Company’s H-share shareholders. Cash dividends will be distributed in RMB.

b) Income Tax

1. For H-share investors (other than those investors who invest, through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, in the shares listed on the Hong Kong Stock Exchange)

(1) Withholding of enterprise income tax for overseas non-resident corporate shareholders

Pursuant to the “Law of the People’s Republic of China on Enterprise Income Tax” (《中華人民共和國企業所得稅法》), which took effect on 1 January 2008, and its Implementing Rules as well as relevant regulations, when the Company distributes the final dividends for 2017 to non-resident corporate shareholders whose names appear on the register of holders of H Shares, the Company is obliged to withhold and pay on behalf of such shareholders an enterprise income tax at a rate of 10%. Any shares registered in the name of a non-individual shareholder, including Hong Kong Securities Clearing Company Nominees Limited, other nominees or trustees, or other organisations and groups, are deemed as shares held by non-resident corporate shareholders. As such, the dividends that they are entitled to are subject to an enterprise income tax at a rate of 10%.

(2) Withholding of individual income tax for overseas individual shareholders

Pursuant to the “PRC Individual Income Tax Law” (《中華人民共和國個人所得稅法》), the “Implementation Regulations of the Individual Income Tax Law” (《中華人民共和國個人所得稅法實施條例》), the “Tentative Measures on Withholding and Payment of Individual Income Tax” (《個人所得稅代扣代繳 暫行辦法》), the “Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Tentative)” (Guo Shui Fa [2009] No.124) (《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》(國稅發[2009]124 號)) (“Tax Treaties Notice”), other relevant laws and regulations and the relevant rules promulgated by

the State Administration of Taxation, the individual shareholders who hold the Company's H shares and whose names appear on the Company's register of H Shareholders ("Individual H Shareholders") on 18 July 2018 (Wednesday) shall pay individual income tax at a tax rate of 20% upon their receipt of distribution of dividend from the Company, which shall be withheld and paid by the Company on their behalf. However, the Individual H Shareholders may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries in which the Individual H Shareholders are domiciled and the tax arrangements between Mainland China and Hong Kong (Macau). Detailed arrangements are as follows:

- For H-share individual shareholders who receive dividends and who are residents of Hong Kong or Macau, or for other residents of the countries/regions that have entered into a taxation agreement with China, under which dividends are subject to a rate of 10%, the Company will withhold individual income tax at a rate of 10% when it distributes dividends.
  - For H-share individual shareholders who receive dividends and who are residents of the countries/regions that have entered into a taxation agreement with China, under which dividends are subject to a rate of less than 10%, the Company will withhold individual income tax at a rate of 10% temporarily when it distributes dividends. For individual shareholders whose names appear on the register of holders of H Shares, if they are residents of countries that have an agreement with China on a tax rate of less than 10%, they are advised to submit a power of attorney in writing and relevant application materials to the H-share registrar. After the Company forwards the same to the competent tax authority for review and approval, it can file an application for entitlement to the treatment under the relevant agreement on behalf of these shareholders pursuant to the relevant rules of the Chinese tax authorities.
  - For H-share individual shareholders who receive dividends and who are residents of the countries/regions that have entered into a taxation agreement with China, under which dividends are subject to a rate of higher than 10% but lower than 20%, the Company will withhold individual income tax at the actual tax rate as stipulated under the relevant taxation agreement when it distributes dividends.
  - For H-share individual shareholders who receive dividends and who are residents of the countries/regions that have entered into a taxation agreement with China, under which dividends are subject to a rate of 20%; and for residents of countries/regions without any taxation agreement with China, or for other 9 circumstances, the Company will withhold individual income tax at a rate of 20% when it distributes dividends.
2. For investors who invest, through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, in the shares listed on the Hong Kong Stock Exchange

Pursuant to the relevant requirements in the "Notice on the Tax Policies Concerning the Pilot Program on an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets ([2014] No. 81)" (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知 (財稅 [2014]81 號)》) and the "Notice on the Tax Policies Concerning the Pilot Program on an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets ([2016] No.127)" (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知 (財稅[2016]127 號)》) jointly published by the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission of the PRC, the Company will withhold individual income tax at a rate of 20% on the dividends received by individual investors in Mainland China from the H shares which they invest in through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, and which are listed on Hong Kong Stock Exchange. Reference shall be made to individual investor tax regulations for dividends received by securities investment funds in Mainland China from the shares which they invest in through

Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, and which are listed on Hong Kong Stock Exchange. The Company does not withhold income taxes on dividends for corporate investors in Mainland China. The taxes payable shall be declared and paid by the corporate investors themselves.

The Company will make separate arrangements for the distribution of dividends to A-share shareholders and for relevant matters.

#### **E. Documents Available for Inspection**

1. Resolutions in the EGM signed and confirmed by the directors in attendance;
2. Legal opinion with signature of the officer of the attesting law firm and its seal.

*The Board*  
**Maanshan Iron & Steel Company Limited**

21 November 2018  
Maanshan City, Anhui Province, the PRC

*As at the date of this announcement, the directors of the Company include:*

*Executive Directors: Ding Yi, Qian Haifan, Zhang Wenyang*

*Non-executive Directors: Ren Tianbao*

*Independent Non-executive Directors: Zhang Chunxia, Zhu Shaofang, Wang Xianzhu*