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

(Stock Code: 00323)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

At the meeting of the board of directors (the "**Board**") of Maanshan Iron & Steel Company Limited (the "**Company**") held on 21 March 2019, the Board approved, inter alia, to submit a proposal to amend the Articles of Association (the "**Articles of Association**") of the Company. The proposed amendments to the Articles of Association are subject to the consideration and approval of the shareholders of the Company (the "**Shareholders**") by way of a special resolution at the general meeting of the Company in 2019 (the "**Shareholders' General Meeting**").

A circular containing, inter alia, further details concerning the proposed amendments to the Articles of Association with a notice of the Shareholders' General Meeting will be dispatched to the Shareholders in due course.

Pursuant to the Company Law of the People's Republic of China and other relevant regulations and requirements and with reference to the Company's situation, the "Proposed Amendments of the Articles of Association of Maanshan Iron & Steel Company Limited" was reviewed and approved at the nineteenth meeting of the ninth session of the Board on 21 March 2019, proposing to amend the Articles of Association of Maanshan Iron & Steel Company Limited and submitting to the Shareholders' General Meeting of the Company for review and approval. Meanwhile, it is recommended that the Board be authorized at the Shareholders' General Meeting to make appropriate adjustments to the wordings and handle other related matters (if necessary) for the amendments of the Articles of Association in accordance with the requirements of relevant departments.

The Board proposed the following amendments to the Articles of Association:

No.	Amendment proposals and contents
	Articles of Association
1	<p>Original Article 25:</p> <p>In the following circumstances, the Company may repurchase its own issued shares in accordance with the procedures set out in the laws, administrative regulations, departmental regulations and the Articles the Association and with the approval of the relevant regulatory authorities of the State:</p> <ol style="list-style-type: none"> (1) to reduce the Company's registered capital; (2) to merge with another company which holds the Company's shares; (3) to give incentive shares to the employees of the Company; (4) the shareholders object to a resolution at a shareholders' general meeting that relates to a merger or division of the Company and the shareholders require the Company to repurchase his shares; (5) other circumstances permitted by laws or administrative regulations.

	<p>The Company shall not engage in transactions of selling and purchasing its shares save for the circumstances specified herein above.</p> <p>Proposed to be amended as:</p> <p>In the following circumstances, the Company may repurchase its own issued shares in accordance with the procedures set out in the laws, administrative regulations, departmental regulations and the Articles the Association and with the approval of the relevant regulatory authorities of the State:</p> <ol style="list-style-type: none"> (1) to reduce the Company’s registered capital; (2) to merge with another company which holds the Company’s shares; (3) the shares are to be used for employee share ownership plans or equity incentives; (4) the shareholders object to a resolution at a shareholders’ general meeting that relates to a merger or division of the Company and the shareholders require the Company to repurchase his shares; (5) the shares are to be used to convert corporate bonds issued by the listed company that can be converted to shares; (6) it is necessary for the listed company to maintain corporate value and shareholders’ equity; (7) other circumstances permitted by laws or administrative regulations. <p>The Company shall not engage in transactions of selling and purchasing its shares save for the circumstances specified hereinabove.</p>
2	<p>Original Article 26:</p> <p>The Company may repurchase its shares upon the approval granted by the relevant supervisory authorities of the State in any one of the following manners:</p> <ol style="list-style-type: none"> (1) to make a repurchase offer to all shareholders in equal proportion to their shareholdings; (2) to repurchase the shares in open trading on a recognized stock exchange; (3) to repurchase the shares by way of agreement other than through a recognized stock exchange. <p>Proposed to be amended as:</p> <p>The Company may repurchase its shares upon the approval granted by the relevant supervisory authorities of the State in any one of the following manners:</p> <ol style="list-style-type: none"> (1) to make a repurchase offer to all shareholders in equal proportion to their shareholdings; (2) to repurchase the shares in open trading on a recognized stock exchange; (3) to repurchase the shares by way of agreement other than through a recognized stock exchange. (4) other ways approved by relevant competent authorities of the State. <p>If the Company acquires the Company’s shares in circumstances specified in items (3), (5) and (6) in the first paragraph of Article 25 of the Articles of Association, it shall be conducted by way of open and centralized trading.</p>
3	<p>Original Article 27:</p> <p>If the Company shall repurchase its shares pursuant to Sub-clauses (1) to (3) in Article 25 of the Articles of Association, a resolution by the shareholders’ general meeting is required. If the situation under Sub-clause (1) in Article 25 follows after the Company repurchases its shares, the shares shall be cancelled within ten days after they are repurchased or they shall be transferred or cancelled within six months in the case of Subclauses (2) and (4).</p> <p>The shares repurchased by the Company pursuant to Sub-clause (3) in Article 24 shall not exceed 5% of the total shares issued by the Company. Capital for repurchasing shares shall be paid by the profits after tax of the Company and the shares repurchased shall be transferred to the employees within one year.</p> <p>Proposed to be amended as:</p>

	<p>If the Company shall repurchase its shares in circumstances specified to Sub-clauses (1) and (2) of Article 25 of the Articles of Association, a resolution by the shareholders' general meeting is required. If the Company shall repurchase the Company's shares in circumstances as specified items (3), (5) and (6) of Article 25 of the Articles of Association, it shall be resolved by a resolution of a board meeting attended by more than two-thirds of the directors.</p> <p>If the situation under Sub-clause (1) in Article 25 follows after the Company repurchases its shares, the shares shall be cancelled within ten days after they are repurchased or they shall be transferred or cancelled within six months in the case of Sub-clauses (2) and (4). The total number of shares of the Company held by the Company shall not exceed 10% of the total number of shares issued by the Company and shall be transferred or cancelled within three years in the case of Sub-clauses (3), (5) and (6).</p>
4	<p>Original Article 101:</p> <p>The Company shall establish a board of directors comprising seven directors. Among the directors, external directors shall represent more than half of the members of the board of directors, independent directors shall represent more than one-third of the members of the board of directors, and at least one independent director shall be an accounting professional.</p> <p>The board of directors shall have a chairman.</p> <p>Directors are not required to hold shares of the Company.</p> <p>Proposed to be amended as:</p> <p>The Company shall establish a board of directors comprising seven to nine directors and the specific number of members of the board of directors shall be determined by shareholders at general meetings within this range. Among the directors, external directors shall represent more than half of the members of the board of directors, independent directors shall represent more than one-third of the members of the board of directors, and at least one independent director shall be an accounting professional.</p> <p>The board of directors shall have a chairman.</p> <p>Directors are not required to hold shares of the Company.</p>
5	<p>Original Article 116:</p> <p>The quorum for meeting of the board of directors shall be more than half of the directors.</p> <p>Resolutions of the board of directors shall be decided by poll and each director shall have one voting rights. The board of directors may pass resolutions only upon a majority vote of all directors.</p> <p>In the case of an equality of votes, the chairman of the board of directors shall be entitled to one additional vote.</p> <p>Proposed to be amended as:</p> <p>Except as otherwise provided for in the Company Law and the Company's Articles of Association, the quorum for meeting of the board of directors shall be more than half of the directors.</p> <p>Resolutions of the board of directors shall be decided by poll and each director shall have one voting rights. The board of directors may pass resolutions only upon a majority vote of all directors.</p> <p>In the case of an equality of votes, the chairman of the board of directors shall be entitled to one additional vote.</p>
6	<p>Original Article 134 will be revised as Article 131 of the new Articles of Association, and that subsequent clauses will be renumbered accordingly.</p> <p>Original Article 134:</p> <p>The Company shall set up the Strategy Development Committee. The committee shall comprise of the Chairman and three independent directors of the Company. The members of the committee shall be</p>

	<p>nominated by the Chairman of the Company and elected by the Board.</p> <p>There shall be one chairman for the Strategy Development Committee, which is the Chairman of the Company.</p> <p>The main duties of the Strategy Development Committee are:</p> <ol style="list-style-type: none"> (1) To conduct researches and to submit proposals regarding the long term development strategies and material investment decisions of the Company; (2) To conduct researches and to submit proposals regarding the long term and mid-term strategy development plans of the Company; (3) To monitor the implementation of the strategy development plan of the Company and report to the Board of the significant deviation of strategy development in a timely manner; (4) To conduct researches regarding the major developments of economic situation, industrial policies, technology advancement, industrial environment, force majeure and other factors, and to submit proposals regarding whether adjustment on the Company’s development strategy is necessary; (5) To conduct researches and to submit proposals regarding other major matters affecting the Company’s development; (6) To carry out other duties as authorized by the Board. <p>Proposed to be amended as Article 131:</p> <p>The Company shall set up the Strategy Development Committee. The committee shall comprise of the directors of the Company. The members of the committee shall be nominated by the Chairman of the Company and elected by the Board.</p> <p>There shall be one chairman for the Strategy Development Committee, which is the Chairman of the Company.</p> <p>The main duties of the Strategy Development Committee are:</p> <ol style="list-style-type: none"> (1) To conduct researches and to submit proposals regarding the long term development strategies and material investment decisions of the Company; (2) To conduct researches and to submit proposals regarding the long term and mid-term strategy development plans of the Company; (3) To monitor the implementation of the strategy development plan of the Company and report to the Board of the significant deviation of strategy development in a timely manner; (4) To conduct researches regarding the major developments of economic situation, industrial policies, technology advancement, industrial environment, force majeure and other factors, and to submit proposals regarding whether adjustment on the Company’s development strategy is necessary; (5) To conduct researches and to submit proposals regarding other major matters affecting the Company’s development; (6) To carry out other duties as authorized by the Board.
7	<p>Original Article 131:</p> <p>The major duties of the audit committee shall be:</p> <ol style="list-style-type: none"> (1) to propose the appointment or replacement of external audit firms; (2) to supervise the internal audit system of the Company and its implementations; (3) to facilitate communication between internal auditors and external auditors; (4) to audit the financial information of the Company and its disclosures; (5) to review and examine the internal control system of the Company. <p>Proposed to be amended as:</p> <p>The major duties of the audit committee shall be:</p>

	<p>(1) to supervise and evaluate external audit work, to propose the appointment or replacement of external audit firms;</p> <p>(2) to supervise and evaluate internal audit work, include supervise the internal audit system of the Company and its implementations;</p> <p>(3) to facilitate communication between internal auditors and external auditors;</p> <p>(4) to audit the financial information of the Company and its disclosures;</p> <p>(5) to review and examine the internal control system of the Company.</p> <p>(6) to be responsible for other matters as authorized by laws and regulations as well as the Company's Articles of Association and board of directors.</p>
8	<p>Original Article 133: The board of directors of the Company shall establish a nomination committee consisting of not less than three members and all of them shall be directors. The majority of such members shall be independent directors, one of whom shall act as the chairperson of the committee. The major duties of the nomination committee shall be:</p> <p>(1) to make recommendations to the board of directors on the size and composition of the board of directors based on the business operations, scale of assets and shareholding structure of the Company;</p> <p>(2) to review the standards and procedures for the selection of directors, general manager and secretary to the board of directors and make recommendations to the board of directors in relation thereto;</p> <p>(3) to extensively identify candidates eligible for serving as directors, general manager and secretary to the board of directors;</p> <p>(4) to evaluate the candidates of directors, general manager and secretary to the board of directors and make recommendations in relation thereto;</p> <p>(5) to evaluate the candidates for other senior management officers to be appointed by the board of directors and make recommendations in relation thereto;</p> <p>(6) to handle other matters as authorised by the board of directors.</p> <p>Proposed to be amended as: The board of directors of the Company shall establish a nomination committee consisting of not less than three members and all of them shall be directors. The majority of such members shall be independent directors, one of whom shall act as the chairperson of the committee. The major duties of the nomination committee shall be:</p> <p>(1) to make recommendations to the board of directors on the size and composition of the board of directors based on the business operations, scale of assets and shareholding structure of the Company;</p> <p>(2) to review the standards and procedures for the selection of directors, general manager and secretary to the board of directors and make recommendations to the board of directors in relation thereto;</p> <p>(3) to extensively identify candidates eligible for serving as directors, general manager and secretary to the board of directors;</p> <p>(4) to evaluate the candidates of directors, general manager and secretary to the board of directors and make recommendations in relation thereto;</p> <p>(5) to evaluate the candidates for other senior management officers to be appointed by the board of directors and make recommendations in relation thereto;</p> <p>(6) to evaluate the independence of independent directors,</p> <p>(7) to handle other matters as authorised by the board of directors.</p>
9	<p>Original Article 132 will revised as Article 134 of the new Articles of Association, and that subsequent clauses will be renumbered accordingly. Original Article 132: The board of directors of the Company shall establish a remuneration committee consisting of not less than three members and all of them should be directors. The majority of such members should be independent directors, one of whom shall act as the chairperson of the committee. The major duties of the remuneration committee shall be:</p> <p>(1) to propose to the board of directors on remuneration policy for the general body of directors and senior management officers, and formulating procedures for such policy in a proper and transparent manner;</p> <p>(2) to review the remuneration of directors and senior management officers in accordance with the</p>

	<p>corporate objectives stipulated by the board of directors;</p> <p>(3) to review termination or job-related compensations payable to the directors or the senior management officers;</p> <p>(4) to ensure none of the directors nor their associates shall determine their own remuneration;</p> <p>(5) to carry out other duties as appointed by the board of directors.</p> <p>Proposed to be amended as:</p> <p>The board of directors of the Company shall establish a remuneration committee consisting of not less than three members and all of them should be directors. The majority of such members should be independent directors, one of whom shall act as the chairperson of the committee.</p> <p>The major duties of the remuneration committee shall be:</p> <p>(1) to propose to the board of directors on remuneration policy for the general body of directors and senior management officers, and formulating procedures for such policy in a proper and transparent manner;</p> <p>(2) to formulate draft equity incentive plans;</p> <p>(3) to review the remuneration of directors and senior management officers in accordance with the corporate objectives stipulated by the board of directors;</p> <p>(4) to review termination or job-related compensations payable to the directors or the senior management officers;</p> <p>(5) to ensure none of the directors nor their associates shall determine their own remuneration;</p> <p>(6) to carry out other duties as appointed by the board of directors.</p>
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The proposed amendments to the Articles of Association are subject to the consideration and approval of the Shareholders of the Company by way of a special resolution at the shareholders' general meeting of the Company in 2019. A circular containing, inter alia, further details concerning the proposed amendments to the Articles of Association with a notice of the shareholders' general meeting will be dispatched to the Shareholders in due course.

By Order of the Board
Maanshan Iron & Steel Company Limited
He Hongyun
Secretary to the Board

21 March 2019

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 Director: Ren Tianbao

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