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

(Stock Code: 00323)

**OVERSEAS REGULATORY ANNOUNCEMENT
ANNOUNCEMENT ON THE PROFIT DISTRIBUTION
PLAN FOR THE YEAR 2019**

This announcement is made by Maanshan Iron & Steel Company Limited (the “**Company**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Important notice:

- Distribution per share: a cash dividend of RMB0.08 (tax included) will be declared per share.
- The profit distribution is based on the total share capital registered on the registration date of the implementation of the interest distribution. The specific date will be specified in the announcement of the implementation of the interest distribution.
- This announcement is not an announcement of the implementation of interest distribution. The profit distribution plan disclosed in this announcement is still subject to the consideration and approval at the 2019 annual general meeting of the Company. The specific arrangements for profit distribution will be separately specified in the announcement of the implementation of interest distribution.

I. CONTENT OF PROFIT DISTRIBUTION PLAN

According to the auditing by Ernst & Young Hua Ming (LLP): The Company had net profit in 2019 amounting to RMB793,512,384 based on the China Accounting Standards for Enterprises. According to the Company Law and the Articles of Association, 10% of statutory surplus reserve (i.e. RMB79,351,238) was withdrawn in accordance with the Accounting Standards for Enterprises. As of 31 December 2019, the profit available for distribution at the end of the period amounting to RMB3,287,995,770. As resolved by the Board, the Board proposed to declare the 2019 final cash dividend of RMB0.08 per share (tax included) based on the Company's total share capital of 7,700,681,186 shares. The total distribution of dividend is estimated to be RMB616,054,495 (tax included). Retained earnings will be carried forward to the year of 2020 and no capital surplus shall be transferred to share capital. The estimated total dividends of the Company in 2019 will account for approximately 54.61% of the net profit attributable to shareholders of the listed company in the 2019 consolidated statement.

From the disclosure date of this announcement to the registration date of the implementation of interest distribution, if there are changes in the total share capital of the Company, the Company intends to maintain the distribution ratio per share and adjust the total distribution accordingly. If there are subsequent changes in the total share capital, the Company will separately announce the specific adjustments.

The profit distribution plan is subject to the submission to the general meeting for consideration.

II. DECISION-MAKING PROCEDURES PERFORMED BY THE COMPANY

1. Convening, consideration and voting of the Board meeting

On 30 March 2020, the Company held the 30th meeting of the ninth session of the Board, at which the Recommendation on Proposal of the Final Profit Distribution Plan for 2019 was unanimously considered and approved, agreeing the profit distribution plan, and agreeing to submit the proposal to the 2019 annual general meeting of the Company for consideration.

2. Opinions of independent directors

In respect of the profit distribution plan, the independent directors of the Company are of the view that the plan is in compliance with the requirements of laws and regulations and the Articles of Association, and protects the interests of the shareholders as a whole, especially for those of minority shareholders. It was agreed that the plan will be submitted to the Board and general meeting for consideration.

3. Opinions of the supervisory committee

On 30 March 2020, the Company held the meeting of supervisory committee, at which the Recommendation on Proposal of the Final Profit Distribution Plan for 2019 was considered and approved, and the profit distribution plan was agreed upon by the meeting.

III. RELEVANT RISK ALERT

1. The proposal of profit distribution plan has comprehensively considered the future development of the Company and long-term interests of the shareholders, and will not cause material impact on the cash flow, production and operation of the Company.
2. The profit distribution plan is subject to the submission to the 2019 annual general meeting of the Company for consideration.

The Board
Maanshan Iron & Steel Company Limited

30 March 2020
Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include executive directors Ding Yi, Wang Qiangmin, Ren Tianbao and Zhang Wenyang; non-executive director Qian Haifan; and independent non-executive directors Zhang Chunxia, Zhu Shaofang and Wang Xianzhu.