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

**(Stock Code: 00323)**

**VOLUNTARY ANNOUNCEMENT**  
**ANNOUNCEMENT ON INCREASE IN SHAREHOLDING OF**  
**THE COMPANY AND SUBSEQUENT PLAN OF INCREASE IN**  
**SHAREHOLDING BY CONTROLLING SHAREHOLDER AND ITS**  
**PARTY ACTING IN CONCERT**

On 7 April 2020, Maanshan Iron & Steel Company Limited (the “**Company**”) received a notice from Magang Group Investment Company Limited (“**Magang Investment**”), a wholly-owned subsidiary of Magang (Group) Holding Company Limited (“**Magang Group**”), a controlling shareholder of the Company, that Magang Investment increased the holding of A shares of the Company through the trading system of the Shanghai Stock Exchange. Details are hereby announced as follows:

- I. Subject of this increase in shareholding and its summary
  1. Account of increase in shareholding: account owned by Magang Investment
  2. Information of this increase in shareholding: on 7 April 2020, Magang Investment, through its self-owned account, increased the holding of A shares of the Company through centralized bidding on the Shanghai Stock Exchange trading system by 4,732,291 shares, accounting for 0.06% of the total share capital of the Company, and the average transaction price amounted to RMB2.509. Prior to the increase in shareholding, Magang Group and its party acting in concert held a total of 4,402,855,414 shares of the Company, accounting for 57.175% of the total share capital of the Company. Upon this increase in shareholding, Magang Group and its party acting in concert held a total of 4,407,587,705 shares of the Company, accounting for 57.236% of the total share capital of the Company
  3. Source of capital for this increase in shareholding: self-owned funds of Magang Investment.

## II. Major contents of the plan for increase in shareholding

1. The purposes of increase in shareholding: to safeguard the stability of the Company's share price, and maintain the legitimate interests of shareholders of the Company as a whole. The purpose is also based on the confidence in the future development of the Company and the recognition of the long-term investment value of the Company.
2. Type of shares to be increased in shareholding: A shares.
3. The way and amount of proposed increase in shareholding: Magang Investment plans to continue the increase in the holding of A shares of the Company in its own name in the coming 12 months (not exceeding 12 months from the date of this increase in shareholding) in the manner permitted by the Shanghai Stock Exchange system (including but not limited to centralized bidding and bulk trading, with the amount for increase in shareholding not less than RMB409 million and not more than RMB500 million.
4. Price of proposed increase in shareholding: Magang Investment will gradually implement the plan for increase in shareholding based on the reasonable judgment of the stock price of the Company and in accordance with the fluctuation of stock price of the Company and the general trend of the capital market.
5. Implementation term of the plan for increase in shareholding: implementation term shall not exceed 12 months from the first date of the increase in shareholding.
6. Capital arrangement for this increase in shareholding: self-owned funds of Magang Investment.

## III. Uncertain risks from the implementation of the subsequent plan for increase in shareholding

During the process of implementing the subsequent plan for increase in shareholding, there may be risks currently unpredictable, resulting in failure to implement the plan for increase in shareholding. In the event of such risks, Magang Group and Magang Investment, its party acting in concert, will take practicable response measures and make disclosure in a timely manner.

## IV. This increase in shareholding is in compliance with the relevant requirements of the Securities Law and other laws and regulations, departmental rules and the Business Rules of the Shanghai Stock Exchange.

- V. Magang Investment and its party acting in concert have undertaken not to reduce the holding of shares of the Company during the period of implementing the increase in shareholding and within the statutory period.
- VI. The Company will comply with the relevant requirements of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Measures for the Administration of the Takeovers of Listed Companies and the Guidelines for Shareholders of Listed Companies and their Parties in Concert of the Shanghai Stock Exchange, continue to follow up the implementation of the subsequent plan for increase in shareholding of Magang Group and Magang Investment, its party acting in concert, and timely fulfill its information disclosure obligations.

*The Board*

**Maanshan Iron & Steel Company Limited**

7 April 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.*