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

(Stock Code: 00323)

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

On 19 May 2020, Maanshan Iron & Steel Company Limited (the “**Company**”) received a notice from Magang Group Investment Company Limited (“**Magang Investment**”), a wholly-owned subsidiary and a party acting in concert of Magang (Group) Holding Company Limited (“**Magang Group**”), the controlling shareholder of the Company. The Company was notified that from 7 April 2020, being the date of initial increase in its holding of the A shares of the Company, to 19 May 2020, Magang Investment increased its holding of A shares of the Company through centralized bidding on the Shanghai Stock Exchange trading system by RMB210,476,909.79 on a cumulative basis, which exceeded 50% of RMB409 million, being the minimum of the planned increase amount of shareholding. The relevant details are hereby announced as follows:

I. INFORMATION ON THE ACCOUNT HOLDER AND THE INCREASE IN SHAREHOLDING

1. Account of increase in shareholding: securities account held by Magang Investment.
2. Information of the increase in shareholding:

From 7 April 2020, being the date of initial increase in its holding of A shares of the Company, to 19 May 2020, Magang Investment increased its holding of A shares of the Company through centralized bidding on the Shanghai Stock Exchange trading system by RMB210,476,909.79 on a cumulative basis, or 81,437,277 A shares of the Company at an average trading price of RMB2.58, accounting for 1.0575% of the total issued shares of the Company.

Magang Group held a total of 3,506,467,456 shares (A shares) of the Company prior to the increase in shareholding, i.e. before the date of initial increase in its holding of A shares of the Company, accounting for 45.5345% of the total issued shares of the Company.

Upon the increase in shareholding, Magang Group held a total of 3,506,467,456 shares (A shares) of the Company, accounting for 45.5345% of the total issued shares of the Company; Magang Investment held a total of 81,437,277 shares (A shares) of the Company, accounting for 1.0575% of the total issued shares of the Company; Magang Group and its party acting in concert, Magang Investment held a total of 3,587,904,733 shares (A shares) of the Company, accounting for 46.5920% of the total issued shares of the Company.

II. MAJOR CONTENT 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, reflecting its 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 the initial increase in shareholding) in the manner permitted by the Shanghai Stock Exchange trading 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 assessment on the share price of the Company and with reference to the fluctuations of share 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 date of the initial increase in shareholding.
6. Capital arrangement for the increase in shareholding: self-owned funds of Magang Investment.

III. UNCERTAIN RISKS ASSOCIATED WITH THE IMPLEMENTATION OF THE SUBSEQUENT PLAN FOR INCREASE IN SHAREHOLDING

During the subsequent implementation of the plan for increase in shareholding, there may be risks currently unpredictable, resulting in failure to complete 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. IMPLEMENTATION PROGRESS OF THE PLAN FOR THE INCREASE IN SHAREHOLDING

From 7 April 2020 to 19 May 2020, Magang Investment increased its accumulated holding of A shares of the Company through centralized bidding on the Shanghai Stock Exchange trading system by RMB210,476,909.79 on a cumulative basis, or 81,437,277 A shares of the Company, accounting for 1.0575% of the total issued shares of the Company, which exceeded 50% of RMB409 million, being the minimum of the planned increase amount of shareholding. The implementation of the plan for the increase in shareholding has yet to be completed.

V. NOTES ON OTHER MATTERS

1. 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.
2. Magang Group and its party acting in concert have undertaken not to reduce their holding of shares of the Company during the period of implementing the increase in shareholding and within the statutory period.
3. The increase in shareholding will not result in the failure of the Company to meet the listing requirement with respect to shareholding structure, nor will it result in changes in the controlling shareholders or actual controllers of the Company.

4. The Company will continue to monitor the increase in shareholding by Magang Group and its party acting in concert, and will make appropriate information disclosure in a timely manner.

The Board of Directors
Maanshan Iron & Steel Company Limited

19 May 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.