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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 RESULTS OF THE INCREASE IN HOLDING OF A SHARES OF THE COMPANY BY CONTROLLING SHAREHOLDER AND ITS PARTY ACTING IN CONCERT

On 13 July 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**”), a controlling shareholder of the Company. The Company was notified that from 7 April 2020, being the date of initial increase in holding of the A shares of the Company, to 13 July 2020, Magang Investment increased its accumulated holding of shares of the Company through centralized bidding on the Shanghai Stock Exchange trading system to 158,282,159 shares, while the accumulative increase in shareholding accounted for 2.055% of the total issued shares of the Company and the accumulative increase in shareholding amounted to RMB409,617,740.89. The implementation of the plan for the increase in shareholding has been completed. The relevant details are hereby announced as follows:

I. BASIC INFORMATION OF THE SUBJECT OF INCREASE IN SHAREHOLDING

1. Account of increase in shareholding: account owned by Magang Investment.
2. Information of increase in shareholding:

From 7 April 2020, being the date of initial increase in holding of A shares of the Company, to 13 July 2020, Magang Investment increased its accumulated holding of shares of the Company through centralized bidding on the Shanghai Stock Exchange trading system to 158,282,159 shares, while the accumulative increase in shareholding accounted for 2.055% of the total issued shares of the Company and the accumulated acquisition amount was RMB409,617,740.89, and the average transaction price amounted to RMB2.588.

Magang Group held a total of 3,506,467,456 A shares of the Company prior to the increase in shareholding (before the date of initial increase in holding of A shares of the Company), accounting for 45.535% of the total issued shares; Baosteel Hong Kong Investment Company Limited (“**Baosteel Investment**”), a wholly-owned subsidiary of China Baowu Steel Group Corporation Limited (as the controlling shareholder of Magang Group), held a total of 896,387,958 H shares of the Company, accounting for 11.640% of the total issued shares. Magang Group and its party acting in concert, Baosteel Investment, held a total of 4,402,855,414 shares of the Company, accounting for 57.175% of the total issued shares.

Upon the acquisition, Magang Group held a total of 3,506,467,456 A shares of the Company, accounting for 45.535% of the total issued shares, and Magang Investment, its wholly-owned subsidiary, held a total of 158,282,159 A shares of the Company, accounting for 2.055% of the total issued shares; Baosteel Investment held a total of 896,387,958 H shares of the Company, accounting for 11.640% of the total issued shares. Magang Group and its parties acting in concert, Baosteel Investment and Magang Investment, held a total of 4,561,137,573 shares of the Company, accounting for 59.230% of the total issued shares.

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. 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 increase in shareholding: Magang Investment continues 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 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 increase in shareholding: Magang Investment will gradually implement the 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 the increase in shareholding: self-owned funds of Magang Investment.

III. IMPLEMENTATION RESULTS OF THE PLAN FOR THE INCREASE IN SHAREHOLDING

From 7 April 2020 to 13 July 2020, Magang Investment increased its accumulated holding of A shares of the Company through centralized bidding on the Shanghai Stock Exchange trading system to 158,282,159 shares, while the accumulative increase in shareholding accounted for 2.055% of the total issued shares of the Company and the accumulated acquisition amount was RMB409,617,740.89, with the amount for increase in shareholding not less than RMB409 million and not more than RMB500 million. The implementation of the plan for the increase in shareholding has been completed.

IV. 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 the holding of shares of the Company within the statutory period.
3. The increase in holding will not result in the failure of meeting the listing requirement, and will not result in changes in the controlling shareholders or actual controllers of the Company.

The Board

Maanshan Iron & Steel Company Limited

13 July 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.