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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 2020**

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.

I. CONTENT OF PROFIT DISTRIBUTION PLAN

According to the auditing by Ernst & Young Hua Ming (LLP): The Company had net profit in 2020 amounting to RMB1,018,461,020 based on the China Accounting Standards for Enterprises. According to the Company Law and the Articles of Association, statutory surplus reserve of RMB35,874,686 was withdrawn in accordance with the Accounting Standards for Enterprises. Upon the withdrawal, the statutory surplus reserve of the Company has reached 50% of the registered capital. As of 31 December 2020, the profit available for distribution at the end of the period amounted to RMB3,654,527,609. As resolved by the board of directors (the “**Board**”), the Board proposed to declare the 2020 final cash dividend of RMB0.13 per share (tax included) based on the Company’s total share capital of 7,700,681,186 shares. The amount of total distribution of dividend is estimated to be RMB1,001,088,554 (tax included). Retained earnings will be carried forward to the year of 2021 and no capital surplus shall be transferred to share capital. The estimated total dividends of the Company in 2020 will account for approximately 50.49% of the net profit attributable to shareholders of the listed company in the 2020 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 keep the total distribution unchanged and adjust the distribution ratio per share 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 25 March 2021, the Company held the 42nd meeting of the ninth session of the Board, at which the Recommendation on Proposal of the Final Profit Distribution Plan for 2020 was unanimously considered and approved, approving the profit distribution plan, and approving the submission of the proposal to the 2020 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 25 March 2021, the Company held the meeting of supervisory committee, at which the Recommendation on Proposal of the Final Profit Distribution Plan for 2020 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 2020 annual general meeting of the Company for consideration.

The Board
Maanshan Iron & Steel Company Limited

25 March 2021
Maanshan City, Anhui Province, the PRC

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