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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 RESOLUTIONS OF THE BOARD OF DIRECTORS**

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

On 28 February 2022, the fifty-sixth meeting of the ninth session of the board of directors of Maanshan Iron & Steel Company Limited (the “**Company**”) was held by way of written resolutions. There were five directors eligible for attending the meeting and five of them attended it. The following resolution was considered and approved:

#### **Approval for the Company's 2021 Hedging Work Summary and 2022 Hedging Plan.**

In 2021, the Company carried out hedging transactions for steel sales and raw materials and fuels procurement, completing 746,000 tonnes of hedge items. As of 31 December 2021, the aggregated profit of futures and spot amounted to RMB8.94 million.

It was agreed to hedge major futures commodities involved in the production and operation of the Company. The largest scale of hedges in 2022 will include: 2.4 million tonnes of iron ore, 480,000 tonnes of coking coal, 240,000 tonnes of coke, 60,000 tonnes of manganese-silicon and ferro-silicon, 300,000 tonnes of steam coal, and 1.2 million tonnes of steel products. It was agreed that the scale of standing futures hedging funds will be RMB100 million, within which day-to-day hedging activities will be carried out, with 40% of the total funds (i.e. RMB40 million) as the stop-loss limit for day-to-day hedging activities in 2022.

The Company conducted futures trading based on the hedging principle, for the main purpose of serving the spot business and managing part of the risk exposure faced by its procurement and sales business through a combined spot-futures hedging, with an ultimate goal of reducing procurement costs and protecting order sales profits. The hedging activities of the Company did not involve speculative trading, and shall not enter into financing, options trading or over-the-counter cooperative hedging. The total hedging funds were RMB100 million, and the annual stop-loss limit was set at RMB40 million. The actual scale of the hedge was within 2% of the total annual amount of procurement and sales, which will not have a material impact on the production and operation of the Company.

The voting results of the above resolution were all as follows: 5 voted in favour, 0 voted against and 0 abstained from voting.

*The Board*  
**Maanshan Iron & Steel Company Limited**

28 February 2022  
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.*