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If you are in any doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Maanshan Iron & Steel Company Limited, you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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(A joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 00323)

**(1) REPURCHASE AND CANCELLATION OF
CERTAIN RESTRICTED SHARES;
(2) CHANGE OF SUPERVISOR;
(3) CHANGE OF AUDITOR FOR THE YEAR 2024;
AND
(4) NOTICE OF 2024 FIFTH EXTRAORDINARY GENERAL MEETING**

Unless the context otherwise requires, all capitalised terms used in this circular have the meanings set out in the section headed "Definitions" of this circular.

A letter from the Board is set out from pages 1 to 16 of this circular.

The Company will hold the EGM at the Magang Office Building, No. 8 Jiu Hua Xi Road, Maanshan City, Anhui Province, the PRC at 1:30 p.m. on Wednesday, 27 November 2024. The notice is set out from pages 18 to 19 of this circular.

Whether or not you intend to attend the EGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and return it to the Company's registered office (in the case of holders or proxies of domestic shares) at No. 8 Jiu Hua Xi Road, Maanshan City, Anhui Province, the PRC or to the H share registrar Hong Kong Registrars Limited (in the case of holders or proxies of H shares) at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in any event not later than 24 hours before the time appointed for such meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof.

7 November 2024

CONTENTS

	<i>Page</i>
DEFINITIONS	ii
LETTER FROM THE BOARD	1
APPENDIX I – INFORMATION ON CANDIDATES FOR SUPERVISOR	17
NOTICE OF 2024 FIFTH EXTRAORDINARY GENERAL MEETING	18

DEFINITIONS

In this circular, the following expressions have the following meaning unless the context otherwise requires:

“Board”	the board of the Directors of the Company
“Company” or “Magang Stock”	Maanshan Iron & Steel Company Limited
“Director(s)”	the director(s) of the Company
“EGM”	the 2024 fifth extraordinary general meeting of the Company to be held on Wednesday, 27 November 2024 to approve, among other things, the resolutions in relation to (1) the repurchase and cancellation of certain restricted shares; (2) the change of supervisor; and (3) the change of auditor for year 2024
“H Shares”	the foreign shares in the share capital of the Company, with a nominal value of RMB1.00 per share, which are listed on the Hong Kong Stock Exchange, and subscribed for and traded in Hong Kong dollars
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Magang Group”	Magang (Group) Holdings Co., Limited
“Latest Practicable Date”	1 November 2024
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



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

(Stock Code: 00323)

Executive Directors:

Jiang Yuxiang (*Chairman*)

Mao Zhanhong (*Vice Chairman*)

Zhang Wenyang

Registered office:

No. 8 Jiu Hua Xi Road Maanshan City

Anhui Province, the PRC

Office address:

No. 8 Jiu Hua Xi Road Maanshan City

Anhui Province, the PRC

Independent Non-executive Directors:

Guan Bingchun

He Anrui

Qiu Shengtao

Zeng Xiangfei

Dear Sir or Madam,

**(1) REPURCHASE AND CANCELLATION OF
CERTAIN RESTRICTED SHARES;
(2) CHANGE OF SUPERVISOR;
(3) CHANGE OF AUDITOR FOR THE YEAR 2024;
AND
(4) NOTICE OF 2024 FIFTH EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purposes of this circular are to inform you of details in relation to (1) the repurchase and cancellation of certain restricted shares; (2) the change of supervisor; and (3) the change of auditor for year 2024, and the issue of the notice of 2024 fifth extraordinary general meeting.

LETTER FROM THE BOARD

1. REPURCHASE AND CANCELLATION OF CERTAIN RESTRICTED SHARES

References are made to the announcement dated 24 December 2021 and the circular dated 9 February 2022 of the Company in relation to (1) proposed adoption of the 2021 Restricted A Share Incentive Scheme and (2) connected transaction – proposed grant under Incentive Scheme, the announcements respectively dated 30 March 2022 and 10 May 2022 of the Company in relation to the First Grant of Restricted Shares to Participants of the 2021 Restricted A Share Incentive Scheme of the Company, the announcements respectively dated 5 December 2022, 10 March 2023 and 28 July 2024 in relation to repurchase and cancellation of certain restricted shares, and the circulars respectively dated 14 March 2023 and 4 August 2023.

At the 30th meeting of the tenth session of the Board and the 19th meeting of the tenth session of the supervisory committee of the Company convened on 8 October 2024, the Resolution in Relation to Repurchase and Cancellation of Certain Restricted Shares was considered and approved, pursuant to which, the Company intended to repurchase and cancel certain Restricted Shares which have not been unlocked. The relevant matters are hereby announced as follows:

I. Relevant Consideration Procedures which have been Performed in Relation to the Incentive Scheme

1. On 24 December 2021, the Resolution on the 2021 Restricted A Share Incentive Scheme (Draft) and its Summary and other relevant resolutions were considered and approved at the 55th meeting of the ninth session of the Board and the 45th meeting of the ninth session of the supervisory committee of the Company.
2. On 9 March 2022, the Company received the Approval for the Restricted Share Incentive Scheme of Maanshan Iron & Steel Company Limited from the State-owned Assets Supervision and Administration Commission of the State Council (the “SASAC”), forwarded by China Baowu Steel Group Corporation Limited (an indirect controlling Shareholder of the Company), which SASAC approved in principle the implementation of the Share Incentive Scheme by the Company.
3. On 10 March 2022, the Resolution on the 2021 Restricted A Share Incentive Scheme (Draft) and its Summary and other relevant resolutions were considered and approved at the 2022 first extraordinary general meeting, first class meeting of the holders of A Shares and first class meeting of the holders of H Shares of the Company.
4. On 30 March 2022, the Resolution on the First Grant of Restricted Shares to Participants of the 2021 Restricted A Share Incentive Scheme was considered and approved at the 59th meeting of the ninth session of the Board and the 49th meeting of the ninth session of the supervisory committee of the Company.

LETTER FROM THE BOARD

5. On 10 May 2022, the Company completed the registration of the first grant under the 2021 Restricted A Share Incentive Scheme, and a total of 75.05 million Restricted Shares had been granted to 260 persons in total.
6. On 5 December 2022, the Resolution in Relation to Repurchase and Cancellation of Certain Restricted Shares was considered and approved at the 2nd meeting of the tenth session of the Board and the 2nd meeting of the tenth session of the supervisory committee of the Company. The resolution was approved at the general meeting on 29 December 2022 and the repurchase and cancellation of shares were completed.
7. On 10 March 2023, the Resolution in Relation to Repurchase and Cancellation of Certain Restricted Shares was considered and approved at the 5th meeting of the tenth session of the Board and the 5th meeting of the tenth session of the supervisory committee of the Company. The resolution was approved at the general meeting on 29 March 2023 and the repurchase and cancellation of shares were completed.
8. On 28 July 2023, the Resolution in Relation to Repurchase and Cancellation of Certain Restricted Shares was considered and approved at the 9th meeting of the tenth session of the Board and the 9th meeting of the tenth session of the supervisory committee of the Company. The resolution was approved at the general meeting on 29 August 2023 and the repurchase and cancellation of shares were completed.
9. On 8 October 2024, the Resolution in Relation to Repurchase and Cancellation of Certain Restricted Shares was considered and approved at the 30th meeting of the tenth session of the Board and the 19th meeting of the tenth session of the supervisory committee of the Company. The resolution is subject to the approval of the general meeting.

LETTER FROM THE BOARD

II. Reasons for, Number of Shares Involved in and Price for the Current Repurchase and Cancellation of Restricted Shares

(i) *Reasons for the Current Repurchase and Cancellation*

1. *Repurchase triggered by performance not achieved*

According to the 2021 Restricted A Share Incentive Scheme (the “**Incentive Scheme**”), in case of failure to pass the performance appraisal objectives of the unlocking period in any appraisal year under the Incentive Scheme, all Restricted Shares of the corresponding performance appraisal year shall be repurchased by the Company at the lower of the grant price or the market price. The market price is the average trading price of the Company’s share on the trading day before consideration of the repurchase by the Board. The assessment conditions corresponding to the second unlocking period are as follows:

Cash return on net assets for 2023 shall not be less than 24% and shall not be less than 75 percentile of benchmark enterprise; the compound growth rate of gross profit (after deduction of non-recurring gain or loss) (based on benchmark year 2020) for 2023 shall not be less than 7%, and shall not be less than 75 percentile of benchmark enterprise; the annual EVA appraisal target set by the Board of the Company for 2023 shall be achieved, and meanwhile the improved EVA value (compared with 2020) shall not be less than RMB350 million.

The Company’s actual performance indicators for 2023 are as follows: the cash return on net assets was 7%; the gross profit (after deduction of non-recurring gain or loss) was RMB-1,989 million; the annual EVA appraisal target set by the Board of the Company was not achieved, and meanwhile the improved EVA value (compared with 2020) was negative.

Accordingly, the performance appraisal targets for 2023 specified in the Incentive Scheme were not achieved, and all Restricted Shares of the corresponding appraisal year of 2023 shall be repurchased at the lower of the grant price or the market price.

LETTER FROM THE BOARD

2. *Repurchase triggered by personnel changes*

16 persons including Wang Guangya and others are Participants of the 2021 Restricted Share Incentive Scheme of the Company, and are not working in the Company currently, of which 15 Participants have reached the statutory retirement age and one Participant has been transferred to another position. According to the relevant requirements of the Administrative Measures for the Share Incentive, the Restricted Shares of the above 16 Participants which have not yet met the conditions for unlocking the restrictions on sales shall be repurchased and cancelled by the Company.

(ii) ***Number of Shares involved in and Price for the Current Repurchase and Cancellation***

1. *Repurchase triggered by performance not achieved*

According to the Performance Appraisal Measures for the Share Incentive, in case of failure to pass the performance appraisal objectives of the unlocking period in any appraisal year under the Incentive Scheme, all Restricted Shares of the corresponding performance appraisal year shall be repurchased by the Company at the lower of the grant price or the market price. The market price is the average trading price of the Company's share on the trading day before consideration of the repurchase by the Board. The grant price of the Incentive Scheme was RMB2.29/share, and the average trading price of the Company's share on the trading day (30 September 2024) before consideration of the repurchase by the Board was RMB2.32/share. Therefore, the repurchase price was RMB2.29/share.

LETTER FROM THE BOARD

2. *Repurchase triggered by personnel changes*

According to the Administrative Measures for the Share Incentive, the Participants who have terminated or cancelled labour relationship with the Company due to death, retirement, arrangement of positions beyond their control, the original time and conditions of unlocking the restrictions on sales remain unchanged, and the ratio of unlocking the restrictions on sales shall be determined in accordance with the term of the Participants in the corresponding performance years. The remaining Restricted Shares which have yet to arrive time limit of unlocking the restrictions on sales and the performance appraisal conditions are no longer unlocked, and are repurchased by the Company based on the sum of grant price plus the interests on fixed deposit in bank for the same period. Based on the holding period of the shares to be repurchased by the Participants, the repurchase price shall be adjusted to RMB2.45/share.

Reasons for the Repurchase	Number of persons involved	Price for the Repurchase (RMB/share)	Number of Shares involved in the Repurchase (shares)	Repurchase amount (RMB)
Performance not achieved	241	2.29	22,783,200	52,173,528
Personnel changes	16	2.45	2,050,200	5,022,990
Total			<u>24,833,400</u>	<u>57,196,518</u>

(iii) Total Amount and Source of Funds for the Repurchase

The Company will use its own funds to repurchase the Restricted Shares held by the above personnel which have been granted but not yet unlocked, and the total repurchase amount is RMB57,196,518. The source of funds is the Company's own funds.

LETTER FROM THE BOARD

III. Table of Expected Changes in Shareholding Structure of the Company after Repurchase and Cancellation

The changes in the share capital structure of the Company after the current repurchase and cancellation are as follows:

Unit: shares

Category	Before the changes	Current changes	After the changes
Shares subject to selling restrictions	46,256,800	-24,833,400	21,423,400
Shares not subject to selling restrictions	<u>7,700,681,186</u>	<u>0</u>	<u>7,700,681,186</u>
Total	<u><u>7,746,937,986</u></u>	<u><u>-24,833,400</u></u>	<u><u>7,722,104,586</u></u>

Note: The above changes in share capital structure are subject to the share capital structure table issued by the Shanghai Branch of China Securities Depository and Clearing Corporation Limited upon completion of the current repurchase and cancellation.

IV. Impact on the Results of the Company

The current repurchase and cancellation of certain Restricted Shares will not have any material impact on the financial position and results of operations of the Company, nor will it affect the diligence of the management team of the Company, which will continue to perform its work duties conscientiously and strive to create value for the Shareholders.

V. Subsequent Work Arrangements for the Current Repurchase and Cancellation Plan

Subject to the consideration and approval of the current repurchase and cancellation of certain Restricted Shares of the Shareholders at the general meeting, the Company will, in accordance with the Company Law and the regulations of the Shanghai Stock Exchange and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, handle the relevant procedures such as the repurchase and cancellation and the corresponding registration of the change of registered capital, and perform its information disclosure obligations in a timely manner.

LETTER FROM THE BOARD

VI. Views of Supervisory Committee

The repurchase and cancellation of part of the remaining Restricted Shares of the Company which have been granted but not yet been unlocked the restrictions on sales have been made in accordance with the relevant provisions of the Administrative Measures for Share Incentive of Listed Companies and other relevant laws, regulations and normative documents and the Incentive Scheme, and the procedures for the adjustments to the number of Restricted Shares repurchased this time and the repurchase price are in compliance with the relevant regulations, which will not prejudice the interests of the Shareholders of the Company and will not have any material impact on the financial position and the results of the operation of the Company. The supervisory committee agrees to the current repurchase and cancellation of Restricted Shares.

VII. Conclusions of Legal Opinions

Zhong Lun (Shanghai) Law Firm, Beijing issued a legal opinion that: the reasons for the current repurchase and cancellation of the Company are in compliance with the relevant requirements of the Company Law, the Securities Law, the Administrative Measures for Share Incentive of the Company (the “**Administrative Measures**”) and the Incentive Scheme; the current repurchase and cancellation have been approved and authorised by Magang Group as necessary, and the relevant procedures have been performed in compliance with the requirements of the Company Law, the Securities Law, the Administrative Measures and the Incentive Scheme; the adjustment bases of the repurchase quantity and price, as well as the repurchase quantity and price for the current repurchase and cancellation are in compliance with the requirements of the Incentive Scheme. The Company shall perform information disclosure obligation in a timely manner and handle the procedures such as reduction in registered capital and shares cancellation registration in accordance with the provisions of Company Law and other laws and regulations in respect of the current repurchase and cancellation of the Incentive Shares.

VIII. Documents Available for Inspection

1. The resolution of the Board;
2. The resolution of the supervisory committee;
3. The resolution of the remuneration committee under the Board;
4. Legal opinion of Zhong Lun (Shanghai) Law Firm, Beijing in relation to the repurchase and cancellation of certain restricted shares under the Share Incentive Scheme of Maanshan Iron & Steel Company Limited.

LETTER FROM THE BOARD

2. CHANGE OF SUPERVISOR

The supervisory committee of the Company has received a resignation letter tendered by Mr. Ma Daoju, the chairman of the supervisory committee, who has tendered his resignation from the positions of supervisor and chairman of the supervisory committee of the Company due to retirement.

Mr. Ma Daoju has confirmed that he has no disagreement with the Board and there are no other matters relating to his resignation that need to be brought to the attention of the Shareholders of the Company and the Stock Exchange. During his tenure as a supervisor and the chairman of the supervisory committee of the Company, Mr. Ma Daoju has demonstrated dedication and diligence. The Company would like to express its sincere gratitude to Mr. Ma Daoju for his valuable contribution to the development of the Company.

According to the provisions of the Company Law, the Company's supervisory committee shall have three members or more. Pursuant to the Articles of Association, the supervisory committee of the Company consists of three supervisors. In order to comply with the provisions of the Company Law and the Articles of Association, the supervisory committee shall elect a supervisor by election and has nominated Ms. Wan Tingting as a candidate for supervisor to the supervisory committee of the Company upon the recommendation of Magang Group, the controlling shareholder of the Company. The resolution will be submitted to the general meeting of the Company for consideration and, if approved, the term of office of Ms. Wan Tingting as a new supervisor will commence on the date of approval by such general meeting and end on the date of expiry of the tenth session of the supervisory committee of the Company (i.e. 1 December 2025). The resignation of Mr. Ma Daoju will take effect from the date of election of a new supervisor at the general meeting. Until a new supervisor is elected at the general meeting, Mr. Ma Daoju will continue to perform his duties as a supervisor and the chairman of the supervisory committee of the Company.

Please refer to Appendix I for the biographical details of Ms. Wan Tingting.

LETTER FROM THE BOARD

3. CHANGE OF AUDITOR FOR THE YEAR 2024

I. Basic Information on the Accounting Firm to be Engaged

(i) *Information about the institution*

1. *Basic information*

Ernst & Young Hua Ming LLP (“EYHM”) was founded in September 1992 and completed the transformation of localization in August 2012 from a Sino-foreign limited liability company to a limited liability partnership. EYHM is headquartered in Beijing, and its registered address is Room 01-12, 17/F, EYHM Tower, Oriental Plaza, No.1 East Chang’an Avenue, Dongcheng District, Beijing*. As of the end of 2023, EYHM has 245 partners, and the chief partner is Mr. Mao Anning. EYHM has always attached great importance to cultivation of talents. EYHM has 1,800 certified public accountants as of the end of 2023, including more than 1,500 certified public accountants with experience of securities related business service, and nearly 500 certified public accountants who have signed securities service audit reports. The total revenue of EYHM for the year 2023 was RMB5.955 billion, of which income from audit business was RMB5.585 billion and income from securities business of RMB2.438 billion. In 2023, EYHM audited annual reports of 137 A share listed companies for total auditing fees amounting to RMB0.905 billion. The main industries of these listed companies involve manufacturing, finance, wholesale and retail, mining, information transmission, software and information technology services, leasing and business services, etc. EYHM has 66 audit clients of listed companies in the same industry of the Company.

2. *Investor protection capability*

EYHM has investor protection capability and has accrued occupational risk fund and purchased occupational insurance which covers its Beijing headquarters and all the other branches in accordance with relevant laws and regulations. The cumulative compensation limit of accrued occupational risk fund and purchased occupational insurance of EYHM has exceeded RMB0.2 billion. In the past three years, EYHM has not been required to bear any civil liabilities due to civil litigation related to its practice.

LETTER FROM THE BOARD

3. *Integrity record*

In the past three years, EYHM and its employees have not been subject to any criminal punishment and disciplinary sanctions of self-regulatory organizations such as industry associations. EYHM has received one administrative punishment from the industry authority against two employees. EYHM has received the warning letter from the securities regulatory authority twice, involving 5 employees. The aforesaid decision on issuing warning letter is a supervisory and administrative measure and is not an administrative punishment. EYHM has received one self-regulatory measure from the stock exchange in the form of a written warning issued to two employees, which did not involve a punishment either. The above matters will not affect EYHM to continue the undertaking or execution of securities service business and other business.

(ii) *Information about the project*

1. *Basic information*

- (1) Ms. Guo Jing, the project partner, became a Certified Public Accountant in 2005, and started to provide audit services for listed companies in 2004, began to practice in EYHM in 2008 and provided audit services for the Company from 2020 to 2022. Ms. Guo Jing has nearly three years of professional service experience in signing/reviewing annual reports/internal control auditing of several listed companies, covering ferrous metal smelting and rolling processing industry, transportation equipment manufacturing industry, traffic and transportation industry, research and experimental development, and ecological protection and environmental governance industry.
- (2) Mr. Gao Jun, the quality control reviewer, became a Certified Public Accountant in 2013, began to engage in audit services of listed companies in 2008, began to practice in EYHM in 2008, and began to provide audit services for the Company in 2024; Mr. Gao Jun has not signed/reviewed the annual report/internal control auditing of listed companies over the past three years.

LETTER FROM THE BOARD

(3) Intended signing Certified Public Accountant

- 1) The first intended signing Certified Public Accountant will be the same as the project partner.
- 2) Mr. Gong Wei, the second intended signing Certified Public Accountant, is a current partner of EYHM. He became a Certified Public Accountant in 2015, began to engage in the auditing of listed companies in 2010, began to practice in EYHM in 2015, and provided audit services for the Company from 2019 to 2022; Mr. Gong Wei has signed/reviewed an annual reports/internal control audit of 2 listed companies over the past three years, covering ferrous metal smelting and rolling processing industry.

2. *Integrity record*

In the past three years, the above project partner, the signing Certified Public Accountants and the project quality control reviewer have not been subject to any criminal punishment, administrative punishment, administrative penalties and supervisory measures imposed by China Securities Regulatory Commission and its agencies, as well as industry authorities, any self-discipline supervision measures or disciplinary sanctions imposed by self-regulatory organizations such as stock exchanges and industry associations for their practice.

3. *Independence*

EYHM and the above project partners, signing Certified Public Accountants and project quality control reviewer have no record of violation of the independence requirements in the Code of Professional Ethics for Chinese Certified Public Accountants*.

4. *Audit fees*

EYHM charges for its audit service based on factors such as the level of responsibility, level of complexity, work requirements, and working conditions and hours required according to the level of business responsibilities, as well as expertise and work experience devoted by the personnel at all levels actually involved in the engagement and others. The fees of the project in 2024 were RMB2,600,000 (tax inclusive), of which the annual audit fees were RMB2,260,000, and the internal control audit fees were RMB340,000. The meal and transportation expenses within the factory area incurred by auditors while performing professional services at the Company shall be borne by the Company, whilst other meal, accommodation and transportation expenses shall be borne by their own.

LETTER FROM THE BOARD

II. Explanation on the Proposed Change of Accounting Firm

(i) *Information about the former accounting firm and the auditor's opinion of last year*

The former accounting firm of the Company was KPMG Huazhen LLP (“**KPMG Huazhen**”). The predecessor of KPMG Huazhen LLP was KPMG Huazhen Accounting Firm (畢馬威華振會計師事務所) established on 18 August 1992, which was renamed as KPMG Huazhen LLP on 5 July 2012 with the registered address of 8/F, Office Tower E2, Oriental Plaza, 1 East Chang An Avenue, Dongcheng District, Beijing*.

KPMG Huazhen provided audit services to the Company for 1 year and issued a standard unqualified audit opinion on the Company's audit for the year 2023. On 19 June 2024, the appointment of KPMG Huazhen as the auditor for the year 2024 was approved at the Company's 2023 annual general meeting.

(ii) *Reasons for the proposed change of accounting firm*

The Company now decided not to continue to engage KPMG Huazhen as its auditor for the year 2024 due to management needs. The Company conducted a tender exercise for the re-appointment of auditors for the year 2024 and EYHM was awarded the tender. Accordingly, the Company intends to appoint EYHM to replace KPMG Huazhen as its auditor for the year 2024.

As per the regulations outlined in the Working Rules for the Audit of the Financial Final Accounts of Central Enterprises* (《中央企業財務決算審計管理工作規則》) by the State-owned Assets Supervision and Administration Commission, a central enterprise should engage no more than five domestic financial audit institutions to ensure a unified and consistent approach to financial supervision within central enterprises, promoting transparency and accountability. To uphold these principles of unity and consistency, the management of the Company has decided to align the Company with the practices of its indirect controlling shareholder, China Baowu Steel Group Corporation Limited (“**China Baowu**”), a pilot enterprise of state-owned capital investment companies. By following China Baowu's curated list of domestic financial audit institutions, it addresses the Company's needs for reliability in financial supervision, fostering a standardized approach to financial governance within the group of the Company and the China Baowu, thereby enhancing the Company's financial management framework, and ensuring effective supervision and informed decision-making throughout its operations.

LETTER FROM THE BOARD

Subsequent to the 2023 annual general meeting of the Company held on 19 June 2024, KPMG Huazhen was being rotated and no longer included in China Baowu's list of domestic financial audit institutions. Accordingly, the Company's list of domestic financial audit institutions was also updated, and the management of the Company considered that it would be more appropriate to engage auditor currently on the updated list of domestic financial audit institutions of the Company and China Baowu, as the auditor of the Company for the year 2024.

(iii) Communication between the Company and its former and subsequent accounting firms

The Company has communicated with KPMG Huazhen in advance regarding the change of accounting firm and KPMG Huazhen has no objection to it, and KPMG Huazhen confirms that there is no matter that needs to be brought to the attention of the Shareholders of the Company as at the Latest Practicable Date. KPMG Huazhen and EYHM will do a good job in the communication and coordination work in accordance with the relevant provisions of PRC Auditing Standard for Certified Public Accountants No. 1153 – Communication between Former Certified Public Accountants and Subsequent Certified Public Accountants*.

LETTER FROM THE BOARD

III. Procedures to be Performed for the Proposed Change of Accounting Firm

(i) Consideration of the audit committee

The audit and compliance management committee of the Board of the Company, after verifying EYHM's professional competence, investor protection capability, integrity and independence, concluded that EYHM has extensive experience in auditing services for listed companies and has the qualification to serve the Company, and agreed to appoint EYHM to replace KPMG Huazhen as the auditor of the Company for the year 2024 and submit such resolution to the Board for consideration.

(ii) Consideration and voting by the Board

At the 31st meeting of the tenth session of the Board of the Company held on 30 October 2024, the Resolution in relation to the Change of Auditor for the Year 2024 was considered and approved by 7 votes in favor, 0 votes against and 0 abstentions. It was agreed to appoint EYHM to replace KPMG Huazhen as the auditor of the Company for the year 2024.

(iii) Effective date

The change of the accounting firm is subject to the consideration of the general meeting of the Company and shall be effective from the date of consideration and approval at the general meeting.

LETTER FROM THE BOARD

4. EGM

The Company will hold the EGM at the Magang Office Building, No. 8 Jiu Hua Xi Road, Maanshan City, Anhui Province, the PRC at 1:30 p.m. on Wednesday, 27 November 2024, at which relevant resolutions will be proposed for approval.

Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's registered office (in the case of holders or proxies of domestic shares) at No. 8 Jiu Hua Xi Road, Maanshan City, Anhui Province, the PRC or to the H share registrar Hong Kong Registrars Limited (in the case of holders or proxies of H shares) at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the said meeting or any adjourned meeting should you so desire.

5. RECOMMENDATIONS

The Board considers that the resolutions in relation to (1) the repurchase and cancellation of certain restricted shares; (2) the change of supervisor; (3) the change of auditor for year 2024 are in the interests of the Company and the Shareholders as a whole, and thereby recommends the Shareholders to vote in favour of the resolutions at the EGM.

Yours faithfully,

By order of the Board

Maanshan Iron & Steel Company Limited

Jiang Yuxiang

Chairman

7 November 2024

The biographical details of Ms. Wan Tingting are as follows:

Ms. Wan Tingting: aged 36, legal consultant of a 3-tier state-owned enterprise, practicing lawyer of a law firm, master's degree in international economic law from Anhui University. From July 2015 to May 2017, she served as a legal consultant in the Comprehensive Legal Affairs Department and Contract Management Department of Magang Group; from May 2017 to June 2019, she served as a temporary position in the Comprehensive Regulations Department of the State-owned Assets Supervision and Administration Commission of Anhui Provincial People's Government; from July 2019 to August 2021, she served as deputy director of the Contract Management Module in the Corporate Legal Affairs Department; from September 2021 to September 2022, she served as the director of the Contract Management Department of the Corporate Legal Affairs Department; from September 2022 to 24 October 2024, she served as senior manager of the Compliance Management Office (Tender Office) in the Corporate Legal Affairs Department; starting from 24 October 2024, she serves as senior manager of the Compliance Management Office (Tender Office) in the Legal Affairs Department of Magang Group.

Save as disclosed above, as at the Latest Practicable Date, the above supervisor has not held any directorships in any public companies whose securities are listed in Hong Kong or any overseas security markets in the last three years, has not served in the Company and other members of the Group, and does not have any relationship with any other Directors, senior management, substantial Shareholder or controlling Shareholder of the Company.

The Company will enter into a service contract with the above supervisor in respect of the aforementioned term of service. The supervisor will not receive any remuneration from the Company during the term of office.

Save as disclosed above, as at the date of this announcement, the above supervisor does not have interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

No other information relating to the change of the supervisor is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Rules Governing the Listing of Securities on the Stock Exchange. Save as disclosed herein, there are no other matters that need to be brought to the attention of the Shareholders of the Company.

NOTICE OF 2024 FIFTH EXTRAORDINARY GENERAL MEETING



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

(Stock Code: 00323)

NOTICE OF 2024 FIFTH EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 fifth extraordinary general meeting (the “**EGM**”) of Maanshan Iron & Steel Company Limited (the “**Company**”) will be held at the Magang Office Building, No. 8 Jiu Hua Xi Road, Maanshan City, Anhui Province, the People's Republic of China (the “**PRC**”) at 1:30 p.m. on Wednesday, 27 November 2024.

The following resolutions will be considered at the EGM:

SPECIAL RESOLUTION

Resolution for non-cumulative voting

1. To consider and approve the resolution in relation to repurchase and cancellation of certain restricted shares

ORDINARY RESOLUTIONS

Resolutions for non-cumulative voting

2. To consider and approve the resolution in relation to change of supervisor
3. To consider and approve the resolution in relation to change of auditor for the year 2024

By order of the Board

Maanshan Iron & Steel Company Limited

Jiang Yuxiang

Chairman

7 November 2024

Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include executive directors Jiang Yuxiang, Mao Zhanhong and Zhang Wenyang; and independent non-executive directors Guan Bingchun, He Anrui, Qiu Shengtao and Zeng Xiangfei.

NOTICE OF 2024 FIFTH EXTRAORDINARY GENERAL MEETING

Notes:

I. ELIGIBILITY FOR ATTENDING THE EGM

The Company's register of members for H shares will be closed from Thursday, 21 November 2024 to Wednesday, 27 November 2024 (both days inclusive), during which period no transfer of H shares will be registered. Holders of H shares who wish to be entitled to attend the EGM must deliver their transfer documents together with the relevant share certificates to the H share registrar, Hong Kong Registrars Limited, by no later than 4:30 p.m. on Wednesday, 20 November 2024. The address of the H share registrar: Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Share registration date for holders of A shares will be announced separately.

II. REGISTRATION PROCEDURES FOR ATTENDING THE EGM

1. Holders of H shares shall deliver their copies of transfers for attending the EGM, share certificates or copies of receipts of share transfer and copies of their own identity cards to the Company by no later than Wednesday, 20 November 2024. If proxies are appointed by shareholders to attend the EGM, they shall, in addition to the aforementioned documents, deliver the proxy forms and copies of their own identity cards to the Company.
2. Shareholders can deliver the necessary documents for registration to the Company in one of the following ways: in person, by post or by facsimile. Upon receipt of such documents, the Company will complete the registration procedures for attending the EGM.

III. APPOINTING PROXIES

1. A shareholder who is entitled to attend and vote at the EGM is entitled to appoint in writing one or more proxies (whether being a shareholder or not) to attend the EGM and vote on his/her/its behalf.
2. The instrument of appointing a proxy must be in writing signed by the appointer or his attorney duly authorized in writing. If that instrument is signed by an attorney of the appointer, the power of attorney authorising that attorney to sign or other documents of authorisation must be notarially certified. The notarially certified power of attorney or other documents of authorisation and proxy forms must be delivered to the registered office of the Company or the H share registrar by not less than 24 hours before the time appointed for the holding of the EGM in order for such documents to be valid.

IV. SHAREHOLDERS OR THEIR PROXIES ATTENDING THE EGM SHALL BE RESPONSIBLE FOR THEIR OWN FOOD, ACCOMMODATION AND TRAVEL EXPENSES.

V. CONTACT METHODS OF THE COMPANY

1. Registered address: No. 8 Jiu Hua Xi Road, Maanshan City, Anhui Province, the PRC
2. Postal code: 243003
3. Telephone: 86-555-2888158
4. Fax: 86-555-2887284
5. Contact person: Mr. Xu Yayan, Mr. Li Wei