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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.

The fifth meeting (the “**Meeting**”) of the ninth session of Board of Directors (the “**Board**”) of Maanshan Iron & Steel Company Limited (the “**Company**”) was held at the office building of the Company on 20 March 2018. There were seven directors eligible for attending the Meeting and seven of them attended it. Mr. Ding Yi, Chairman of the Company, presided over the Meeting. The following resolutions were considered and approved at the Meeting:

1. The resolution on changes in provisions for price decreases in inventories in the fourth quarter of 2017, changes in provisions for bad debts and the disposals of fixed assets was approved.

A write-off of RMB88.4862 million was approved for the provision of the price decreases in inventories of raw materials, semi-products and finished products. Provisions in the amount of RMB31.8802 million were made for price decreases in inventories of raw materials as well as semi-products and finished products.

A write-off of RMB6,896,000 was approved for the provision of price decreases in spare parts. Provisions in the amount of RMB11,099,000 were made for price decreases in spare parts.

A provision of RMB28.247 million was approved for bad debts of trade receivables.

A provision of RMB867,000 was approved for bad debts of other receivables.

A provision of RMB364.69 million was approved for fixed assets depreciation reserves.

2. The resolution regarding the changes to accounting policies was approved.
3. The audited financial statements of the Company for 2017.
4. The profit distribution plan of the Company for 2017.

As audited by Ernst & Young Hua Ming (LLP), for the year of 2017, the Company had net profit amounting to RMB2,694,049,612, and after deducting the opening cumulative loss amounting to RMB126,292,373, the profit available for distribution at the end of 2017 amounted to RMB2,567,757,239, based on the China Accounting Standards. According to the rules under Company Law and Articles of Association, the company deducts reserve by 10% which is equal to RMB256,775,724, and the remaining profit available for distribution to shareholders is RMB2,310,981,515.

The Company is to distribute a cash dividend of RMB 0.165 per share (tax included) for the year of 2017 based on the total capital of 7,700,681,186 shares. The estimated total dividend is RMB1,270,612,396 (tax included), and undistributed profits will be carried forward to the year of 2018. No capital surplus shall be transferred to share capital.

5. The Work Report of the Board for 2017.
6. In accordance with the authorisation granted at the 2016 annual general meeting and upon the review and confirmation by the Audit Committee which is comprised of independent directors, the Board has decided to pay Ernst & Young Hua Ming (LLP) the annual fee of RMB5.385 million for 2017 in total (tax excluded), including the annual audit fee of RMB4.80 million (including an internal control audit fee of RMB600,000), and the fee for executing the agreed procedures for interim financial report of RMB585,000.
7. Proposal to re-appoint Ernst & Young Hua Ming (LLP) as the auditor of the Company for the year of 2018 at general meeting, and to authorize the Board to determine its remuneration.
8. In accordance with the authorisation granted at the general meeting and in view of the opinion on the remuneration appraisals of respective directors and senior management for 2017 by the Remuneration Committee of the Board, the remunerations for directors and senior management for 2017 were approved.
9. The full text and the summary of the Company's 2017 Annual Report.
10. The Assessment Report on Internal Control of the Company for the year of 2017 was approved, and the Chairman was authorized to sign it.
11. The Social Responsibility Report of the Company for the year of 2017 was approved, and the Chairman was authorized to sign it.

12. The amendments to Articles of association and its annexes were approved.
13. The amendments to The General Manager's Working Rules were approved.
14. The amendments to Internal Control System of Corporate Finance and Accounting were approved.
15. The Company's 2018 work plan of cutting of steel production overcapacity was approved.  
In 2018, the Company is going to decommission two 420m<sup>3</sup> shaft furnaces, cutting ironmaking capacity of 1 million tons/year, and two converters, cutting steel production capacity of 1.28 million tons/year.

The above-mentioned resolutions 3, 4, 5, 7 and 12 will be submitted to the 2017 annual general meeting for consideration.

The voting results on the above resolutions were all as follows: 7 voted in favour, 0 voted against and 0 abstained from voting.

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

20 March 2018  
Maanshan City, Anhui Province, the PRC

*As at the date of this announcement, the directors of the Company include:*  
*Executive Directors: Ding Yi, Qian Haifan, Zhang Wenyang*  
*Non-executive Directors: Ren Tianbao*  
*Independent Non-executive Directors: Zhang Chunxia, Zhu Shaofang, Wang Xianzhu*