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**BAOSTEEL HONG KONG
INVESTMENT COMPANY LIMITED**

寶鋼香港投資有限公司

*(a company incorporated in Hong Kong with
limited liability)*

 **馬鞍山鋼鐵股份有限公司
Maanshan Iron & Steel Company Limited**

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

JOINT ANNOUNCEMENT

(1) EQUITY TRANSFER AGREEMENT

AND

**(2) POSSIBLE MANDATORY CONDITIONAL CASH OFFER BY
CHINA INTERNATIONAL CAPITAL CORPORATION HONG
KONG SECURITIES LIMITED ON BEHALF OF BAOSTEEL
HONG KONG INVESTMENT COMPANY LIMITED 寶鋼香港投
資有限公司 (“BAOSTEEL”) TO ACQUIRE ALL THE ISSUED H
SHARES IN MAANSHAN IRON & STEEL COMPANY LIMITED
(THE “COMPANY”) (OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY BAOSTEEL AND PARTIES
ACTING IN CONCERT WITH IT)**

FULFILMENT OF CERTAIN EQUITY TRANSFER CONDITIONS

Reference is made to the announcement dated 22 July 2019 jointly published by the Company and Baosteel in relation to (1) the Equity Transfer Agreement and (2) the possible mandatory conditional cash offer by China International Capital Corporation Hong Kong Securities Limited on behalf of Baosteel to acquire all the issued H Shares in the Company (other than those already owned or agreed to be acquired by Baosteel and parties acting in concert with it) (the “**Announcement**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, completion of the Equity Transfer will be subject to the satisfaction (or waiver, where applicable) of the Equity Transfer Conditions as detailed in the Announcement. This announcement provides an update in relation to the satisfaction of two of the Equity Transfer Conditions.

With respect to the merger notification in Germany in relation to the Equity Transfer, China Baowu submitted the merger notification of the Equity Transfer to German Bundeskartellamt (“**Germany Anti-trust Authority**”) on 5 July 2019. The Germany Anti-trust Authority issued the clearance to China Baowu on 29 July 2019, confirming that the Equity Transfer could be implemented. Accordingly, the condition mentioned in paragraph (5) in the sub-section headed “Equity Transfer Conditions” in the Announcement has been fulfilled.

With respect to the merger notification in Korea in relation to the Equity Transfer, China Baowu submitted the merger notification of the Equity Transfer to the Korea Fair Trade Commission (the “**Korean Anti-trust Authority**”) on 8 July 2019. The Korean Anti-trust Authority issued the clearance to China Baowu on 26 July 2019. Accordingly, the condition mentioned in paragraph (6) in the sub-section headed “Equity Transfer Conditions” in the Announcement has been fulfilled.

Baosteel and the Company will make further announcement(s) in relation to the satisfaction of the outstanding Equity Transfer Conditions if and when appropriate.

Warning: the making of the Possible H Share Offer is a possibility only. H Shareholders and potential investors should be aware of and take note that the Possible H Share Offer will only be made if the Completion takes place. Completion is conditional upon satisfaction of the Equity Transfer Conditions which may or may not materialize. If any of the Equity Transfer Conditions is not satisfied (or waived, if applicable), the Equity Transfer shall not proceed and the Possible H Share Offer shall not be made.

H Shareholders, holders of other Shares, and potential investors in the Company are reminded to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

On behalf of the board
**Baosteel Hong Kong Investment
Company Limited**
寶鋼香港投資有限公司
Liu Wenxin
Director

By order of the Board
Maanshan Iron & Steel Company Limited
He Hongyun
Secretary to the Board

30 July 2019
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

The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than any information relating to Baosteel and/or parties acting in concert with it) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of China Baowu or Baosteel) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the directors of China Baowu are Chen Derong, Hu Wangming, Fu Zhongzhe, Bei Kewei, Li Guoan, Shen Xiaowu, Lin Jianqing, Luo Jianchuan and Fu Lianchun.

As at the date of this announcement, the directors of Baosteel are Cai Donghui, Liu Wenxin and Yan Yao.

The directors of China Baowu and Baosteel jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than any information relating to the Company) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.