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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 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**”) and the subsequent announcements in relation to the fulfilment of certain Equity Transfer Conditions. 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 would 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 the Equity Transfer Conditions.

As detailed in the Announcement and the announcement jointly published by the Company and Baosteel dated 26 August 2019, China Baowu submitted an application to the CSRC seeking a waiver in respect of its obligation to make a general offer for the A Shares of the Company on 8 July 2019, which was accepted for consideration by the CSRC on 11 July 2019. China Baowu recently received the waiver granted by CSRC dated 29 August 2019 in respect of its obligation to make a general offer for the shares in the Company arising from its control over 45.54% of the total share capital of the Company as a result of the completion of the Equity Transfer.

Accordingly, all the Equity Transfer Conditions of the Equity Transfer Agreement have been fulfilled. Arrangements will be made for updating the business administration registration of Magang Group, upon which Completion will take effect. It is currently expected that Completion will take place before the end of September 2019.

Warning: 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.

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

4 September 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.