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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) 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)**

**COMPLETION OF EQUITY TRANSFER**

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 announcement dated 4 September 2019 in relation to the fulfilment of all the Equity Transfer Conditions. Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Company was informed by Magang Group on 19 September 2019 that Magang Group has completed the procedures for updating its business administration registration in relation to the Equity Transfer on the same day, upon which the Equity Transfer has completed.

Immediately after the Equity Transfer has completed, China Baowu holds 51% of the equity interest in Magang Group and has, through Magang Group, obtained indirect control of the A Shares held by Magang Group, representing approximately 45.54% of the total share capital of the Company. The equity interest held by Anhui SASAC in Magang Group has decreased from 100% to 49%. As China Baowu is wholly owned by SASAC, the de facto controller of the Company has changed from Anhui SASAC to SASAC. The direct controlling shareholder of the Company remains unchanged (being Magang Group).

As disclosed in the Announcement, pursuant to the Panel Decision and as required under Rule 26.1 of the Takeovers Code, upon Completion, China Baowu will procure Baosteel, its wholly-owned subsidiary, to extend a mandatory conditional cash offer for all the outstanding H Shares (other than those H Shares which are already owned or agreed to be acquired by Baosteel and parties acting in concert with it). As the Equity Transfer has completed, Baosteel is required to make an offer for all the issued H Shares not already owned or agreed to be acquired by Baosteel and parties acting in concert with it in accordance with the Takeovers Code (the “**H Share Offer**”). Based on the total issued share capital of the Company as at the date of this announcement, there are 1,732,930,000 H Shares subject to the H Share Offer, representing approximately 22.50% of the total issued share capital of the Company.

The Composite Document comprising the offer document from Baosteel and the response document from the Board will be jointly despatched by Baosteel and the Company to the Offer Shareholders by no later than 31 October 2019. The Composite Document will contain, among others, the terms and details of the H Share Offer, the recommendations of the Independent Board Committee in respect of the H Share Offer, a letter of advice from the Independent Financial Adviser and a form of acceptance as to the H Share Offer.

**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*

On behalf of the board  
**Maanshan Iron & Steel Company Limited**  
**He Hongyun**  
*Secretary to the Board*

19 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.*