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

**(Stock Code: 00323)**

**ANNOUNCEMENT IN RELATION TO  
IMPLEMENTATION OF REPURCHASE AND  
CANCELLATION OF CERTAIN RESTRICTED SHARES  
UNDER THE 2021 A SHARE INCENTIVE SCHEME**

**I. DECISION AND INFORMATION DISCLOSURE OF THE REPURCHASE  
AND CANCELLATION OF RESTRICTED SHARES**

- (i) At the 9<sup>th</sup> meeting of the tenth session of the board of directors and the 9<sup>th</sup> meeting of the tenth session of the supervisory committee of Maanshan Iron & Steel Company Limited (the “**Company**”) convened on 28 July 2023, the Resolution in Relation to Repurchase and Cancellation of Certain Restricted Shares was considered and approved, agreeing that as the performance appraisal targets for 2022 specified in the 2021 Restricted A Share Incentive Scheme were not achieved, the Company intended to repurchase all restricted shares of the corresponding appraisal year of 2022, which amounted to a total of 22,849,200 shares, at the lower of the grant price or the market price. The independent directors of the Company have issued their independent opinions of consent in this regard. For details, please refer to the Announcement on Repurchase and Cancellation of Certain Restricted Shares published by the Company on 28 July 2023.
- (ii) The 2023 Third Extraordinary General Meeting, 2023 Second Class Meeting of the Holders of A Shares and 2023 Second Class Meeting of the Holders of H Shares were convened by the Company on 29 August 2023, at which the resolution was considered and approved. For details, please refer to the Announcement on Resolutions Passed at 2023 Third Extraordinary General Meeting, 2023 Second Class Meeting of the Holders of A Shares and 2023 Second Class Meeting of the Holders of H Shares published by the Company on 29 August 2023.

- (iii) The Company published the Announcement on Notice to Creditors on 29 August 2023. As of 13 October 2023 when the 45-day period expired, the Company had not received any written documents from the creditors declaring their claims for debt repayment or provision of corresponding guarantees.

## **II. REPURCHASE AND CANCELLATION OF RESTRICTED SHARES**

### **(i) Reasons and Basis for the Repurchase and Cancellation of Restricted Shares**

As the performance appraisal targets for 2022 specified in the 2021 Restricted A Share Incentive Scheme were not achieved, the Company intended to repurchase all restricted shares of the corresponding appraisal year of 2022 at the lower of the grant price or the market price.

### **(ii) Relevant Personnel and Number of Shares Involved in the Repurchase and Cancellation**

A total of 242 participants are involved in the repurchase and cancellation of restricted shares, with an aggregate of 22,849,200 restricted shares to be repurchased and cancelled. Upon completion of the repurchase and cancellation, the number of remaining restricted shares under the 2021 A Share Incentive Scheme of the Company will be 46,256,800 shares.

### **(iii) Arrangements for the Repurchase and Cancellation**

The Company has opened a special securities account for the repurchase with Shanghai Branch of China Securities Depository and Clearing Corporation Limited and has submitted the relevant application for the repurchase and cancellation to Shanghai Branch of China Securities Depository and Clearing Corporation Limited. The cancellation of the restricted shares to be repurchased and cancelled is expected to be completed on 27 October 2023. The Company will handle relevant procedures for registration of the changes in accordance with the laws.

### III. CHANGES IN SHARE STRUCTURE OF THE COMPANY AFTER THE REPURCHASE AND CANCELLATION OF RESTRICTED SHARES

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

Category	<i>Unit: shares</i>		
	Before the changes	Changes	After the changes
Shares subject to locking-up	69,106,000	-22,849,200	46,256,800
Shares not subject to locking-up	<u>7,700,681,186</u>	<u>0</u>	<u>7,700,681,186</u>
Total	<u><u>7,769,787,186</u></u>	<u><u>-22,849,200</u></u>	<u><u>7,746,937,986</u></u>

At the same time, the Company's registered capital will be reduced by RMB22,849,200 to RMB7,746,937,986.

### IV. STATEMENTS AND UNDERTAKINGS

Statements from the board of directors of the Company: The decision-making process and information disclosure relating to the repurchase and cancellation of restricted shares comply with the laws and regulations, provisions under the Measures for the Administration of Equity Incentives of Listed Companies, the Share Incentive Scheme of the Company, and the arrangements under the agreements on granting of restricted shares, without prejudice to the legitimate rights and interests of participants and benefits of creditors.

Undertakings of the Company: The Company has verified and guaranteed the truthfulness, accuracy and completeness of information in respect of participants, number of shares and cancellation date in relation to the repurchase and cancellation of restricted shares, and has duly informed relevant participants of the repurchase and cancellation, who have not raised objection against the said matter. In case of dispute arises between the Company and the participants as a result of the repurchase and cancellation, the Company shall bear relevant legal liabilities arising therefrom.

## V. CONCLUSIONS OF LEGAL OPINIONS

In the opinion of the lawyers of Zhong Lun (Shanghai) Law Firm, Beijing, the repurchase and cancellation have been approved and authorised as necessary, and the relevant procedures have been performed in compliance with the requirements of the Company Law, the Securities Law, the Administrative Measures on Share Incentives (the “**Administrative Measures**”) and the 2021 Restricted A Share Incentive Scheme (the “**Incentive Scheme**”) of the Company; the reasons for the repurchase and cancellation are in compliance with the relevant requirements of the Company Law, the Securities Law, the Administrative Measures and the Incentive Scheme; the repurchase quantity and price for the repurchase and cancellation are in compliance with the requirements of the Incentive Scheme. Upon completion of the shares cancellation with Shanghai Branch of China Securities Depository and Clearing Corporation Limited in respect of the repurchase and cancellation, the Company is required to handle relevant procedures for registration of the changes in accordance with the laws.

By Order of the Board  
**Maanshan Iron & Steel Company Limited**  
**Ding Yi**  
*Chairman*

24 October 2023

Maanshan City, Anhui Province, the PRC

*As at the date of this announcement, the directors of the Company include executive directors Ding Yi, Mao Zhanhong and Ren Tianbao; and independent non-executive directors Zhang Chunxia, Zhu Shaofang, Guan Bingchun and He Anrui.*