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

(Stock Code: 00323)

**OVERSEAS REGULATORY ANNOUNCEMENT
ANNOUNCEMENT IN RELATION TO THE CAPITAL INJECTION
TO A WHOLLY-OWNED SUBSIDIARY**

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.

I. OVERVIEW OF CAPITAL INJECTION AND TRANSFER

On 24 January 2025, Maanshan Iron & Steel Company Limited (the “**Company**”) and Maanshan Iron & Steel Limited Company (馬鞍山鋼鐵有限公司) (“**Magang Limited**”), its wholly-owned subsidiary, entered into the Capital Injection Agreement in Maanshan City, Anhui Province, pursuant to which the Company proposes to transfer the assets of the Company’s iron and steel main business (excluding the suspended No. 3 blast furnace), liabilities, personnel, business, equity interests in 15 wholly-owned and controlling subsidiaries, as well as equity interests in three equity shareholding companies held, into Magang Limited as a whole in the form of a capital injection. Taking 31 July 2024 as the benchmark date, the total audited assets of the Company to be injected amounted to RMB56.94 billion, total liabilities amounted to RMB46.27 billion and total net assets amounted to RMB10.67 billion.

This transaction does not constitute a major asset restructuring as stipulated in the Administrative Measures for Major Assets Restructuring of Listed Companies (《上市公司重大資產重組管理辦法》), nor does it constitute a connected transaction.

II. BASIC INFORMATION ON THE PARTIES TO THE CAPITAL INJECTION AGREEMENT

1. Company name: Maanshan Iron & Steel Limited Company

2. Registered address: No. 8 Jiu Hua Xi Road, Yushan District, Maanshan City, Anhui Province
3. Legal representative: Jiang Yuxiang
4. Unified social credit code: 91340504MAE8THHQ57
5. Registered capital: RMB1 billion
6. Nature of enterprise: limited liability company (solely-owned by legal person invested or controlled by non-natural person)
7. Business scope: Steel and iron smelting; steel rolling and processing; coking; production of chemical products (excluding permitted chemical products); sales of chemical products (excluding permitted chemical products); heat production and supply; manufacturing of basic chemical raw materials (excluding manufacturing of licensed chemical such as hazardous chemicals); research and development of unconventional water use technology; sales of refractory materials; ferroalloy smelting; general cargo storage services (excluding hazardous chemicals and other items that require permit approval); domestic freight forwarding agent; domestic container cargo transportation agency; sales of coal and coal products; sales of metal ores; sales agent; sales of metal materials; sales of high-quality special iron and steel materials; sale of special equipment; manufacturing of metal materials; manufacturing of special equipment (excluding manufacture of licensed professional equipment); general machinery and equipment installation services; manufacturing of metal structures; sale of metal structures; labour services (excluding labour dispatch); technical services, technology development, technology consultation, technology exchange, technology transfer, technology promotion; enterprise management consultancy; leasing of non-residential real estate; leasing of land use rights; leasing of machinery and equipment; transportation equipment rental services; ship leasing; leasing of special equipment; manufacturing of drawing, calculating and measuring instruments; sale of drawing, calculating and measuring instruments; environmental protection monitoring; bidding agency services; import and export of goods; sale of renewable resources; processing of renewable resources; import and export of technology; import and export agency; processing and treatment of metallic waste and debris; production of reinforcing steel products for construction; gas operation; power generation business, power transmission business, power supply (distribution) business; manufacturing of special equipment; road freight transportation (excluding hazardous goods); road transportation of hazardous goods; operation of ports.
8. Date of establishment: 23 December 2024

III. BASIC INFORMATION ON THE SUBJECT MATTER OF THE TRANSACTION AND THE MAIN CONTENTS OF THE CAPITAL INJECTION AGREEMENT

(I) Basic information on the subject matter of the transaction

The Company, as the party to capital injection, proposes to increase the capital of Magang Limited by a total of RMB56.94 billion of assets, RMB46.27 billion of liabilities and RMB10.67 billion of net assets with 31 July 2024 as the benchmark date, comprising (i) currency funds; (ii) the Company's audited net book value, assets and liabilities related to the purchase, sale, engineering construction and other ancillary services of the iron and steel business; and (iii) all equity interests held by the Company in its 15 steel-related controlling subsidiaries and all equity interests in three equity shareholding companies with a high correlation to the steel business (see the table below for details).

Type	Name of enterprises	Shareholding ratio
Controlling subsidiaries	Baowu Group Magang Rail Transportation Material Technology Co., Ltd.	70.19%
	Ma Steel (Hefei) Iron & Steel Co., Ltd.	71.00%
	Mascometal Co., Ltd.	66.00%
	Ma Steel (Wuhu) Material Technique Co. Ltd.	71.00%
	Ma Steel (Wuhu) Processing and Distribution Co., Ltd.	70.00%
	Maanshan (Chongqing) Material Technology Co., Ltd.	70.00%
	Ma Steel (Hefei) Processing and Distribution Co., Ltd.	67.00%
	Ma Steel (Hefei) Materials Technology Co., Ltd.	70.00%
	Masteel (Yangzhou) Processing and Distribution Co., Ltd.	71.00%
	Masteel (Wuhan) Material Technology Co., Ltd.	85.00%
	Ma'anshan (Hangzhou) Iron and Steel Sales Co., Ltd.	100.00%
	Maanshan (Nanjing) Iron and Steel Sales Co., Ltd.	100.00%
	Maanshan (Shanghai) Iron and Steel Sales Co., Ltd.	100.00%
	MG Trading and Development Gambit	100.00%
	Ma Steel (Hong Kong) Co., Ltd.	100.00%

Type	Name of enterprises	Shareholding ratio
Equity shareholding companies	Maanshan Ma Steel Linde Gases Company Limited	50.00%
	Anhui Masteel Gas Technology Co., Ltd.	49.00%
	Baowu Water Technology Co., Ltd.	14.98%

(II) Main contents of the Capital Injection Agreement

1. Date of signing of the agreement is 24 January 2025.
2. Taking 31 July 2024 as the benchmark date, the total assets of the Company to be injected to Magang Limited amounted to RMB56.94 billion, total liabilities amounted to RMB46.27 billion and total net assets amounted to RMB10.67 billion.
3. The completion date of the transaction is 28 February 2025. Changes in assets and liabilities occurring between the benchmark date and the completion date will be adjusted by the Company in accordance with the actual situation, and the final assets and liabilities of the capital injection will be subject to the implementation results of the capital injection.
4. For the agreements, contracts, undertakings and others relating to the transaction assets that have been entered into by the Company, the procedures for change of entity will be conducted and the contractual rights, contractual obligations, undertakings and others will be transferred to Magang Limited along with the assets.
5. In accordance with the principle of “people follow business and assets”, the personnel relationship of employees corresponding to assets and business of the proposed capital injection and transfer will be transferred to Magang Limited.
6. Effective conditions: the agreement shall be signed and affixed their official seals by the legal representatives or authorized representatives of both parties; the parties to the agreement shall have respectively adopted the necessary procedures for approving the agreement and the relevant documents, including but not limited to the fulfilment of the corresponding internal decision-making procedures and the relevant procedures for approving the state-owned assets.

IV. IMPACT AND RISKS OF THE TRANSACTION ON THE COMPANY

(I) Impact on the Company

This capital increase represents the transfer of capital injection between the Company and its wholly-owned subsidiary, Magang Limited, within the scope of the consolidated financial statements, which will not result in any change in the scope of the Company's consolidated financial statements, and will not adversely affect the Company's financial position and operating results.

(II) Risks involved

1. This capital injection matter is still subject to the approval of the superior competent authorities, and shall be submitted to the general meeting of the Company for consideration and approval, which is subject to uncertainty.
2. Upon completion of the capital injection, the operations of the Company and Magang Limited will be affected by factors such as economic environment, policy changes, market competition and operational management, and there will be uncertainties in the business operations and returns.

The Company will fulfil its information disclosure obligations in a timely manner in strict compliance with the relevant regulations according to the progress. Investors are advised to pay attention to the investment risks.

V. DECISION-MAKING PROCEDURES

On 24 January 2025, the aforesaid matter in relation to the capital injection was considered and approved at the 34th meeting of the tenth session of the board of directors and the 23rd meeting of the tenth session of the supervisory committee of the Company, respectively. Such matter is still subject to the approval of the superior competent authorities, and shall be submitted to the general meeting of the Company for consideration and approval, to be implemented upon approval.

Maanshan Iron & Steel Company Limited
The Board of Directors

24 January 2025
Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include executive directors Jiang Yuxiang, Mao Zhanhong and Zhang Wenyang; and independent non-executive directors Guan Bingchun, He Anrui, Qiu Shengtao and Zeng Xiangfei.