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**鞍 鋼 股 份 有 限 公 司**

**ANGANG STEEL COMPANY LIMITED\***

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

**(Stock Code: 0347)**

## **PROPOSED GRANT OF GENERAL MANDATE TO ISSUE H SHARES**

The board of directors (the “**Board**”) of Angang Steel Company Limited\* (鞍 鋼 股 份 有 限 公 司) (the “**Company**”) hereby announces that:

In order to capitalize on the appropriate market opportunities and ensure flexibility at the time of issuance of H shares, the Board has resolved to propose a special resolution at the annual general meeting for the year 2018 (the “**2018 AGM**”) for the shareholders of the Company to grant an unconditional general mandate (the “**General Mandate**”) to the Board to, subject to market condition and the needs of the Company, issue, allot and deal with new shares not exceeding 20% of the total number of H shares in issue as at the date of the passing of such resolution at the general meeting of the Company.

Set out below are the particulars of the general mandate, including but not limited to:

### **I. Particulars of the Mandate**

1. Granting of an unconditional general mandate to the Board of the Company, subject to the market condition and the needs of the Company, to timely issue, allot and deal with additional H shares of the Company in overseas market during the Relevant Period (as defined below) on the condition that the requirements of relevant laws, regulations and normative documents are satisfied.
2. Making or granting offers, agreements or options that might or would require H shares to be issued or other transferable rights to subscribe for or purchase H shares (collectively, the “**Instruments**”) including but not limited to the creation and issue of warrants, bonds, debentures or other Instruments convertible into H shares.

3. Issuing additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalization issues.
4. The total number of the H shares approved to be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the Board of the Company (whether they are allotted pursuant to the share options or otherwise), and the number of shares underlying the offers, agreements and/or options made or granted (including warrants, convertible bonds and other securities carrying rights of subscription for or conversion into H shares, the number of which is based on the number of H shares converted to or allotted), shall not exceed 20% of the total number of the H shares in issue as at the date of passing this resolution at the general meeting of the Company.
5. The Board of the Company shall be authorized to formulate and implement specific issuance plans when exercising the aforementioned general mandate, including but not limited to the class of new shares to be issued, the pricing methods and/or the issue price (including the price range), number of shares to be issued, allottees, use of proceeds, time of issuance, period of issuance, specific subscription methods, the pre-emptive subscription ratio of original shareholders and other specific matters relating to the issuance.
6. The Board of the Company shall be authorized to engage services of intermediary institutions for matters in relation to the issuance, and to approve and execute all the acts, deeds, documents and other matters which are necessary, appropriate, desirable or relevant to the issuance; to consider and approve and to execute, for and on behalf of the Company, agreements relating to the issuance, including but not limited to placement and underwriting agreement and engagement agreement of intermediary institutions.
7. The Board of the Company shall be authorized to consider and approve and to execute on behalf of the Company the statutory documents relating to the issuance for submission to the relevant regulatory authorities; perform relevant approval procedures pursuant to the requirements of the regulatory authorities and in the places where the Company is listed; complete all necessary recordation, registration and filing procedures with the relevant governmental authorities of Hong Kong and/or other regions and jurisdictions (if applicable).
8. The Board of the Company shall be authorized to amend, as may be required by the relevant regulatory authorities within or outside PRC, the relevant agreements and statutory documents referred to in the item 6 and item 7 above.

9. The Board of the Company shall be authorized to approve the increase of registered capital of the Company after issuance of new shares and make amendments to the articles of association of the Company relating to the total share capital and shareholding structure, etc., and the management shall be authorized to carry out the relevant procedures.

## **II. Period of the Mandate**

The aforementioned mandate shall not extend beyond the Relevant Period, save that the Board may during the Relevant Period make or grant offers, agreements or options with respect to the issue of H shares which might be required to be carried out or implemented after the end of the Relevant Period.

The “**Relevant Period**” refers to the period commencing from the date on which this resolution is considered and approved at the general meeting to the earliest of:

- (1) the conclusion of the annual general meeting of the Company for the financial year ending 31 December 2019;
- (2) the date on which the mandate granted under this resolution is revoked or varied by resolution at any general meeting of the Company.

The Board will only exercise the aforesaid general mandate in accordance with the Company Law of the PRC (《中華人民共和國公司法》) and the Rules Governing the Listing of Securities on the The Stock Exchange of Hong Kong Limited (as amended from time to time) or all applicable laws, rules and regulations of any other governmental or regulatory authorities and only if all necessary approvals from the relevant governmental authorities of PRC are obtained.

The resolution in respect of the General Mandate is subject to approval at the 2018 AGM.

## 2018 AGM

The proposed grant of general mandate to issue H shares will be put forward for approval by the shareholders of the Company by way of special resolution at the 2018 AGM. A notice of the 2018 AGM containing, among other things, the details of the aforementioned resolution will be despatched to the shareholders of the Company in due course.

By Order of the Board  
**ANGANG STEEL COMPANY LIMITED\***  
**Wang Yidong**  
*Executive Director and Chairman of the Board*

Anshan City, Liaoning Province, the PRC  
18 March 2019

As at the date of this announcement, the Board comprises the following Directors:

*Executive Directors:*

Wang Yidong  
Li Zhen  
Ma Lianyong  
Xie Junyong

*Independent Non-executive Directors:*

Wu Dajun  
Ma Weiguo  
Feng Changli

\* *For identification purposes only*