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## **Chongqing Iron & Steel Company Limited** **重慶鋼鐵股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
(在中華人民共和國註冊成立的股份有限公司)

(Stock Code: 1053)

### **OVERSEAS REGULATORY ANNOUNCEMENT** **HOLDING ANNOUNCEMENT ON THE RISK OF A SHARES TRADING**

This announcement is made by Chongqing Iron & Steel Company Limited (the “**Company**”) pursuant to the Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

#### **IMPORTANT NOTICE:**

- The increase in the closing prices of the A shares of the Company deviated by more than 20% for the three consecutive trading days on 7 April, 8 April and 9 April 2021 on a cumulative basis, which falls within the circumstances of unusual movements in shares trading according to the relevant requirements of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange. The Company disclosed the Announcement on Unusual Movements in A Shares Trading on 10 April 2021.
- On 12 April 2021, the price of A shares of the Company closed at the limit-up price once again. The prices of A shares of the Company recorded an accumulated increase of 41.72% for four consecutive trading days from 7 April to 12 April 2021, which was a significant increase in the prices of A shares of the Company in a short term. As at the close of trading on 12 April 2021, the forward price-to-earning ratio of A shares of the Company was 32.27 times and the price-to-book ratio was 1.03 times. The Company advises investors to pay attention to secondary market trading risks and make reasonable investment based on prudent decision-making.

## **I. SECONDARY MARKET RISK OF SHARES**

The increase in the closing prices of A shares of the Company deviated by more than 20% for the three consecutive trading days on 7 April, 8 April and 9 April 2021 on a cumulative basis. On 12 April 2021, the price of A shares of the Company closed at the limit-up price once again. The prices of A shares of the Company recorded an accumulated increase of 41.72% for four consecutive trading days from 7 April to 12 April 2021, which was a significant increase in the prices of A shares of the Company in a short term. As at the close of trading on 12 April 2021, the forward price-to-earning ratio of A shares of the Company was 32.27 times and the price-to-book ratio was 1.03 times. The Company advises investors to pay attention to secondary market trading risks and make investment based on prudent decision-making.

## **II. PRODUCTION AND OPERATION**

The Company confirms that its current production and operation are normal. There are no major changes in the internal and external business environment. The Company does not have any undisclosed matters which should be disclosed pursuant to the relevant rules including the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or any planning, negotiation, intention and agreement relating to such matters, nor is the board of directors aware of any information which has not been disclosed but should be disclosed pursuant to the relevant rules including the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and may have a material impact on the trading prices of the shares of the Company and their derivatives. There is no need to correct or supplement the information disclosed previously by the Company.

## **III. MEDIA COVERAGE, MARKET RUMOURS AND HOT TOPICS**

The Company is not aware of any media coverage or market rumours which should be clarified or other significant events that may have a material impact on the share prices of the Company's shares.

## **IV. OTHER PRICE-SENSITIVE INFORMATION**

As verified by the Company, the directors, supervisors, senior management, controlling shareholder, de facto controller of the Company and parties acting in concert with them did not sell or purchase the shares of the Company during the unusual movements in the shares trading of the Company.

## V. STATEMENT OF THE BOARD OF DIRECTORS

The board of directors of the Company confirms that the Company does not have any undisclosed matters which should be disclosed pursuant to the relevant rules including the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or any planning, negotiation, intention and agreement relating to such matters, nor is the board of directors aware of any information which has not been disclosed but should be disclosed pursuant to the relevant rules including the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and may have a material impact on the trading prices of the shares of the Company and their derivatives. There is no need to correct or supplement the information disclosed previously by the Company.

## VI. RELEVANT RISK WARNING

The designated media for information disclosure of the Company include the website of the Shanghai Stock Exchange, and China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily. The information of the Company published on the above designated media shall prevail. Investors are advised to exercise caution in making decision and beware of investment risks.

By order of the Board  
**Chongqing Iron & Steel Company Limited**  
**Liu Jianrong**  
*Chairman*

Chongqing, the PRC, 13 April 2021

*As at the date of this announcement, the Directors of the Company are Mr. Liu Jianrong (Executive Director), Mr. Zhang Wenxue (Executive Director), Mr. Tu Deling (Executive Director), Mr. Zou An (Executive Director), Mr. Song De An (Non-executive Director), Mr. Zhou Ping (Non-executive Director), Mr. Xin Qingquan (Independent Non-executive Director), Mr. Xu Yixiang (Independent Non-executive Director) and Mr. Wong Chunwa (Independent Non-executive Director).*