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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)

ANNOUNCEMENT IN RELATION TO COMPLETION OF CANCELLATION OF REPURCHASED SHARES AND CHANGE OF SHARES

References are made to the circular of Chongqing Iron & Steel Company Limited (the “**Company**”) dated 9 December 2024 (the “**Circular**”), and the announcement on poll results of the general meetings and the announcement in relation to cancellation and repurchase of shares and capital reduction and notice to creditors of the Company dated 30 December 2024 (the “**Announcements**”). Unless otherwise specified, the capitalised terms used herein shall have the same meanings as those defined in the Circular and the Announcements.

I. BASIC INFORMATION ON THE REPURCHASE OF SHARES

The Company convened the 36th meeting of the 9th session of the Board on 5 June 2024, and considered and approved the “Resolution on the Repurchase of A Shares of the Company by Centralised Price Bidding”, agreeing that the Company would use its self-raised funds to repurchase A shares of the Company through centralised price bidding, with the total amount of funds for this repurchase of not less than RMB50 million and not more than RMB100 million. Based on the total repurchase cap of fund of RMB100 million and the repurchase price cap of RMB2 per share (inclusive), if all shares are repurchased at the highest price, the estimated number of shares that can be repurchased is 50 million shares, accounting for approximately 0.56% of the Company’s total issued share capital. The term of the repurchase of shares was no more than 6 months from the date of approval of the repurchase proposal by the Board of the Company.

The share repurchase period of the Company expired on 5 December 2024. The Company repurchased an aggregate of 66.8385 million A shares, representing 0.749% of the total share capital of the Company, with the lowest purchase price being RMB1.02 per share and the highest price being RMB1.08 per share, and a payment with an aggregate amount of RMB69.7525 million (exclusive of transaction cost) during the above repurchase period. The actual number of shares repurchased by the Company, the repurchase price and the total amount of funds used were in compliance with the share repurchase plan considered and approved by the Board. The aforesaid repurchases were in compliance with the provisions of laws and regulations and the Company's repurchase plan.

II. CANCELLATION OF THE REPURCHASED SHARES

On 9 December 2024, the Company convened the 9th meeting of the 10th session of the Board, at which the “Resolution on the Change of the Purpose and Cancellation of the Repurchased Shares and Reduction of Capital” was considered and approved.

On 30 December 2024, the Company convened the EGM, the Class Meeting of A Shareholders and the Class Meeting of H Shareholders, at which the “Resolution on Change of the Purpose and Cancellation of the Repurchased Shares and Reduction of Capital” was considered and approved. In accordance with the relevant requirements for share repurchase and taking into account the actual situation of the Company, it was proposed to change the purpose of the 66,838,500 A shares repurchased in the securities account designated for repurchase of the Company from “for equity incentive” to “for cancellation to reduce registered capital”. Upon completion of cancellation of the repurchased shares, the total number of shares of the Company will be changed and the registered capital will be changed from RMB8,918,602,267 to RMB8,851,763,767.

The Company has followed the procedures of notifying creditors regarding the cancellation of repurchased shares in accordance with relevant laws and regulations. The public notice period of 45 days has expired, during which no objections have been received from any creditors regarding this proposal, nor have any requests from the Company's creditors to repay debts or provide corresponding guarantees.

The Company has submitted an application for the cancellation of the repurchased shares to the Shanghai Stock Exchange. The cancellation of the repurchased shares is scheduled to be completed on 18 February 2025, and the procedures for the cancellation of the repurchased shares comply with relevant laws and regulations.

III. CHANGES IN THE COMPANY'S SHARE CAPITAL AFTER THE CANCELLATION OF THE REPURCHASED SHARES

Upon completion of this cancellation of the repurchased shares, the Company's total share capital will be reduced by 66,838,500 shares from 8,918,602,267 shares to 8,851,763,767 shares. The details are as follows:

Type of shares		Before this repurchase		Total number of shares repurchased and cancelled (shares)	After this cancellation	
		Number of shares (shares)	Proportion (%)		Number of shares (shares)	Proportion (%)
Domestic Listed A Shares	Restricted shares	–	–	–	–	–
	Non-restricted shares	8,380,475,067	93.97	66,838,500	8,313,636,567	93.92
	Including: Securities account designated for repurchase	–	–	66,838,500	–	–
	Total	<u>8,380,475,067</u>	<u>93.97</u>	<u>66,838,500</u>	<u>8,313,636,567</u>	<u>93.92</u>
Overseas Listed H Shares						
	Total	<u>538,127,200</u>	<u>6.03</u>	<u>–</u>	<u>538,127,200</u>	<u>6.08</u>
Total number of shares		<u><u>8,918,602,267</u></u>	<u><u>100</u></u>	<u><u>66,838,500</u></u>	<u><u>8,851,763,767</u></u>	<u><u>100</u></u>

IV. CHANGES IN THE PROPORTION OF SHARES IN WHICH THE INVESTOR IS INTERESTED IN THE COMPANY BEFORE AND AFTER THE CANCELLATION OF THE REPURCHASED SHARES

Name of shareholder	Number of shares held before the change (ten thousand shares)	Percentage of shareholding before the change	Number of shares held after the change (ten thousand shares)	Percentage of shareholding after the change
Chongqing Changshou Iron & Steel Company Limited (重慶長壽鋼鐵有限公司)	209,698.16	23.51%	209,698.16	23.69%

V. IMPACT OF THIS CANCELLATION OF REPURCHASED SHARES ON THE COMPANY

This cancellation of the repurchased shares is carried out by the Company in accordance with relevant laws, regulations, and normative documents, and in combination with its actual situation. It will not have a significant impact on the Company's financial condition and operating results, nor will it have a significant impact on the Company's debt repayment ability and ability to continue as a going concern. It will not result in the Company's equity distribution not meeting the listing conditions, or prejudice the interests of the Company or all shareholders, nor will it affect the Company's listing status.

VI. SUBSEQUENT ARRANGEMENT

After the completion of cancellation of the repurchased shares, the Company will promptly handle relevant matters such as business registration changes and articles of association filing in accordance with relevant laws and regulations, and fulfill information disclosure obligations in a timely manner.

By order of the Board
Chongqing Iron & Steel Company Limited
Kuang Yunlong
Secretary to the Board

Chongqing, the PRC, 17 February 2025

As at the date of this announcement, the Directors of the Company are: Mr. Wang Huxiang (Executive Director), Mr. Meng Wenwang (Executive Director), Mr. Kuang Yunlong (Executive Director), Mr. Song De An (Non-executive Director), Mr. Lin Changchun (Non-executive Director), Mr. Zhou Ping (Non-executive Director), Mr. Sheng Xuejun (Independent Non-executive Director), Ms. Tang Ping (Independent Non-executive Director) and Mr. Guo Jiebin (Independent Non-executive Director).