

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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 ON TERMINATION OF ABSORPTION AND MERGER OF A WHOLLY-OWNED SUBSIDIARY

I. OVERVIEW OF THE ABSORPTION AND MARGER OF A WHOLLY-OWNED SUBSIDIARY

Chongqing Iron & Steel Company Limited (the “**Company**”) convened the 21st meeting of the ninth session of the board of directors on 6 March 2023, at which the Resolution on the Absorption and Merger of a Wholly-owned Subsidiary was considered and approved by voting. It was agreed to conduct the absorption and merger of Chongqing Xingang Changlong Logistics Co., Ltd. (“**Xingang Changlong**”), a wholly-owned subsidiary of the Company. For details, please refer to the Company’s announcement dated 7 March 2023.

II. BASIC INFORMATION OF XINGANG CHANGLONG

Company Name: Chongqing Xingang Changlong Logistics Co., Ltd.

Registered Address: Zone D, Yanjia Industrial Park, Chongqing

Company type: limited liability company (wholly owned by a legal entity not invested or controlled by a natural person)

Unified social credit code: 915001156664186811

Legal representative: Tan Haibo

Registered capital: RMB110,000,000

Date of Establishment: 12 September 2007

Whether it is a dishonest person subject to enforcement: No

Scope of main business: general projects: freight forwarding; shipping agency; through-freight traffic agency; automobile transportation agency; transportation technical consultation; provision of cargo handling (groceries) in the port area; cargo handling warehousing (excluding hazardous items warehousing) (except for projects that are subject to approval in accordance with the laws, the business activities shall be conducted independently with the business licenses in accordance with the laws)

Xingang Changlong has been profitable for four consecutive years, with cumulative profits of RMB20.82 million. Recent key financial data is as follows:

Currency: RMB Unit: 0'000

	January- December 2024 <i>(Audited)</i>	January- March 2025 <i>(Unaudited)</i>
Revenue	4,524.56	1,286.72
Net profit	378.95	318.75
	31 December 2024 <i>(Audited)</i>	31 March 2025 <i>(Unaudited)</i>
Total assets	19,845.51	19,865.58
Total liability	8,025.37	7,715.38
Net assets	11,820.14	12,150.20

III. REASONS FOR TERMINATION OF ABSORPTION

Based on the current market conditions and development strategy, the Company believes that, Xingang Changlong, as an independent operating entity, will create unique advantages through its professional qualifications for the Company to expand supply chain value-added services such as intermodal transportation and logistics warehousing, which will effectively address the Company's shortcomings in integrated logistics services and warehousing procedures, thereby establishing a complete industrial chain ecosystem and comprehensively enhancing the overall competitiveness of the supply chain. After prudent consideration, the Company has decided to terminate the absorption and merger.

IV. IMPACT OF THE TERMINATION OF THE ABSORPTION AND MERGER ON THE COMPANY

Xingang Changlong is a wholly-owned subsidiary of the Company, and its financial statements are included in the consolidated financial statements of the Company. The termination of the absorption and merger of Xingang Changlong will not result in any change in the actual equity interest held by the Company, will not affect the normal operations and financial condition of the Company, and will not prejudice the interests of the Company and all its shareholders, especially minority shareholders.

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

Chongqing, China, 26 May 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).