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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 ON THE CHANGE OF THE PURPOSE AND CANCELLATION OF THE REPURCHASED SHARES AND REDUCTION OF CAPITAL

This announcement is made by the board of directors (the “**Board**”) of Chongqing Iron and Steel Company Limited (the “**Company**”) pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

I. 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 uses its self-raised funds to repurchase A shares through centralised price bidding for equity incentive, with the total amount of funds for this repurchase of not less than RMB50 million and not more than RMB100 million.

The Company implemented its first repurchase on 13 June 2024. The share repurchase period of the Company expired on 5 December 2024. The Company repurchased an aggregate of 66.8385 million shares, representing 0.749% of the total share capital of the Company, with the lowest price purchased 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 actual implementation of the share repurchase plan did not differ from the originally disclosed repurchase plan, and the Company has completed the repurchase in accordance with the plan disclosed. The aforesaid repurchases were in compliance with the provisions of laws and regulations and the Company’s repurchase plan.

At the 2nd meeting of the 10th session of the Board held on 2 July 2024, the Company considered and approved the Resolution on Change of Purpose and Cancellation of the Repurchased Shares. The Board of the Company agreed to change the purpose of repurchase of shares of the Company from “for equity incentive” to “for cancellation to reduce registered capital”. As the final number of shares repurchased by the Company has been determined, and after review and confirmation at the ninth meeting of the 10th session of the Board of the Company held on 9 December 2024, the change in purpose of an aggregate of 66.8385 million shares repurchased by Company to “for cancellation to reduce registered capital” is subject to be submitted to the general meeting for consideration in accordance with the Rules for Listing of Stocks on the Shanghai Stock Exchange and the Self-disciplinary Supervision Guideline No. 7 for Companies Listed on the Shanghai Stock Exchange – Repurchase of Shares, and after performing the creditor notification/announcement procedures, the industrial and commercial registration procedures for cancellation and capital reduction of the Company shall be handled in accordance with the provisions of laws, regulations and normative documents.

II. REASONS FOR CHANGE OF PURPOSE AND CANCELLATION OF THE REPURCHASED SHARES

In accordance with the Company Law, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Self-disciplinary Supervision Guideline No.7 for Companies Listed on the Shanghai Stock Exchange – Repurchase of Shares and other laws and regulations, as well as the relevant provisions of the Articles of Association, the Company, in the light of the changes in the capital market as well as its actual situation and in order to safeguard the interests of investors at large, proposes to change the purpose of the repurchased shares from “for equity incentives” to “for cancellation to reduce registered capital”. Otherwise, no other contents in the original repurchase plan will be changed.

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

Type of shares	Before this repurchase		Total number of shares repurchased		After this proposed cancellation		
	Number of shares (shares)	Proportion (%)	Shares to be cancelled (shares)	Shares not to be cancelled (shares)	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>-</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>-</u>	<u>538,127,200</u>	<u>6.08</u>
Total number of shares		<u>8,918,602,267</u>	<u>100</u>	<u>66,838,500</u>	<u>0</u>	<u>8,851,763,767</u>	<u>100</u>

The number of shares involved in this cancellation is 66,838,500 shares; upon completion of this cancellation, the Company's total share capital will be changed from 8,918,602,267 shares to 8,851,763,767 shares, and the Company's registered capital will also be changed from RMB8,918,602,267 to RMB8,851,763,767. The final status of the above changes in share capital structure shall be subject to the share capital structure table issued by Shanghai Branch of China Securities Depository and Clearing Corporation Limited.

IV. IMPACT OF THIS CHANGE IN THE PURPOSE OF REPURCHASED SHARES AND CANCELLATION ON THE COMPANY

This change of purpose and cancellation of the repurchased shares is in compliance with the Rules on Share Repurchases by Listed Companies, the Self-disciplinary Supervision Guideline No. 7 for Companies Listed on the Shanghai Stock Exchange – Repurchase of Shares and other relevant regulations, and is not detrimental to the interests of the Company and all its shareholders; it will not have material adverse impact on the Company's operation, finance, research and development, ability to fulfil its debts or future development; it will not lead to any change in the control over the Company or alter the Company's listing status, and the distribution of the Company's shareholding still meets the conditions for a listed company.

V. PENDING PROCEDURES FOR THE PROPOSED CHANGE OF PURPOSE OF THE REPURCHASED SHARES

In accordance with the relevant laws and regulations and provisions the Articles of Association, this change of purpose and cancellation of the repurchased shares is still subject to the consideration and approval of the general meeting of the Company, and the Board of the Company has proposed to the general meeting to authorize the Company's operating management to handle the relevant procedures for cancellation of shares. The Company will subsequently fulfil the decision-making procedures and make disclosure in accordance with provisions of the relevant laws and regulations.

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

Chongqing, the PRC, 10 December 2024

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).