

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)

VALUATION IMPROVEMENT PLAN FOR 2025

On 28 March 2025, the board of directors (the “**Board**”) of Chongqing Iron & Steel Company Limited (the “**Company**”) convened the 12th meeting of the 10th session of the Board, during which the Valuation Improvement Plan for 2025 was considered and approved. The proposal does not need to be submitted to the general meeting for consideration.

1. CIRCUMSTANCES TRIGGERING THE VALUATION IMPROVEMENT PLAN

According to the China Securities Regulatory Commission’s “Guidelines for the Supervision of Listed Companies No. 10 – Market Value Management”, a listed company whose A shares have a closing price lower than its latest audited net asset value per share attributable to holders of ordinary shares of the company for each trading day for 12 consecutive months shall formulate a valuation improvement plan for the listed company, which shall be reviewed by the Board and disclosed.

From 1 January 2024 to 31 December 2024, the closing price of the Company’s A shares on each trading day for 12 consecutive months is lower than the audited net asset value per share attributable to shareholders of the listed company for the most recent fiscal year, i.e., the daily closing prices from 1 January 2024 to 28 March 2024 ranging from RMB1.21/share to RMB1.40/share are all lower than the audited net asset value per share of RMB2.39 for the year of 2022 and the daily closing prices from 29 March 2024 to 31 December 2024 ranging from RMB1.01/share to RMB1.79/share are all lower than the audited net asset value per share of RMB2.23 for the year of 2023, which falls under the circumstances where a valuation improvement plan should be formulated.

2. SPECIFIC CONTENT OF THE VALUATION IMPROVEMENT PLAN

In 2025, in order to enhance the Company's investment value and improve its ability to return to shareholders, the Company will take the following measures: (1) focus on its core business to promote high-quality development; (2) implement the corresponding cancellation of the Company's accumulated repurchased shares in 2024 to increase shareholders' equity; (3) strengthen investor relations management; (4) ensure proper information disclosure; and (5) increase shareholdings by the controlling shareholder and persons acting in concert to improve the Company's valuation.

Huabao Investment Company Limited, a wholly-owned subsidiary of China Baowu Steel Group Corporation Limited, the de facto controller of the Company, implemented an increase in shareholding plan in July 2024, using its internal funds to increase its holdings of A shares in the Company through centralized bidding transactions. The amount of the increase in shareholding was RMB150-300 million. The implementation of the increase in shareholding plan is effective and will end in July 2025. The implementation of the increase in shareholding plan can effectively boost market confidence. The Company will pay close attention to the progress of the increase in shareholding and fulfil its obligations to disclose relevant information in a timely manner.

3. THE FAIRNESS AND FEASIBILITY OF THE VALUATION IMPROVEMENT PLAN

The valuation improvement plan is based on improving the quality of the listed company and is formulated based on factors such as the Company's development strategy, annual work plan, current operating conditions, financial status and relevant regulatory policies. It focuses on long-term value creation and safeguarding the interests of investors, stabilises investor return expectations, and enables the Company and investors to share in the growth of enterprise value. It is fair and feasible and will help to enhance the investment value of the listed company.

4. VALUATION ARRANGEMENTS

In the event that the Company is in a situation of a long-term undervalued company, the effectiveness of the implementation of the valuation enhancement plan shall be evaluated annually. Where improvements are required after evaluation, they shall be disclosed after consideration by the Board.

In the fiscal year in which the Company triggers a situation of long-term undervalued company, if the daily average price-to-book ratio is lower than the average for the industry in which the Company operates, the Company shall give a special explanation on the implementation of the valuation enhancement plan at the annual results briefing.

5. RISK DISCLAIMER

1. This valuation improvement plan is only a corporate action plan and does not represent the Company's commitment to any indicators or matters such as performance, stock price, and major events. The Company's performance and secondary market performance are affected by various factors such as the macro situation, industry policies and market conditions, and there is uncertainty regarding the achievement of related targets.

2. The relevant measures in this valuation improvement plan are formulated based on the Company's current operating conditions, financial conditions, market environment, regulatory policies and other conditions and reasonable expectations for future related conditions. In the event that the plan no longer retains a basis for implementation in the future due to changes in relevant factors, the Company shall amend or terminate the plan based on the actual situation. Investors are advised to invest rationally and be aware of investment risks.

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

Chongqing, the PRC, 28 March 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).