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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)

COMPLETION OF THE ISSUANCE OF A SHARES TO SPECIFIC TARGET SUBSCRIBER OF A SHARES UNDER SPECIFIC MANDATE

References are made to (i) the circular of Chongqing Iron & Steel Company Limited (the “**Company**”) dated 24 February 2026 in relation to, among other things, the Issuance of A Shares to Specific Target Subscriber by the Company (the “**Circular**”); and (ii) the announcement of the Company dated 13 March 2026 in relation to the poll results of the EGM, the Class Meeting of H Shareholders and the Class Meeting of A Shareholders and the grant of the Whitewash Waiver. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Circular.

COMPLETION OF THE ISSUANCE OF A SHARES TO SPECIFIC TARGET SUBSCRIBER

The Company is pleased to announce that all conditions precedent of the Issuance of A Shares to Specific Target Subscriber and Share Subscription Agreement had been satisfied and completion took place on 22 June 2026 in accordance with the terms of the Share Subscription Agreement. Upon completion of the Issuance of A Shares to Specific Target Subscriber, 757,575,757 A Shares were issued to Hwabao Investment at the issue price of RMB1.32 per A Share. The 757,575,757 A Shares issued pursuant to the Issuance of A Shares to Specific Target Subscriber represent approximately 7.88% of the issued share capital of the Company immediately after completion of the Issuance of A Shares to Specific Target Subscriber.

The net proceeds (after deducting relevant costs and expenses) from the Issuance of A Shares to Specific Target Subscriber amounted to RMB993.7 million. Approximately RMB596.2 million to RMB795.0 million (being 60% to 80% of the net proceeds) shall be used to repay bank borrowings, while the remaining net proceeds shall be utilised for replenishing working capital.

EFFECTS OF ISSUANCE OF A SHARES TO SPECIFIC TARGET SUBSCRIBER ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company immediately before and after completion of the Issuance of A Shares to Specific Target Subscriber:

	Immediately before completion of the Issuance of A Shares to Specific Target Subscriber		Immediately following the completion of the Issuance of A Shares to Specific Target Subscriber	
	Total number of Shares held	Approximate % of the total number of Shares in issue	Total number of Shares held	Approximate % of the total number of Shares in issue
Non-public Shareholders				
Hwabao Investment	137,459,680	1.55	895,035,437	9.31
<i>Parties acting in concert with China Baowu and Hwabao Investment ⁽¹⁾</i>				
China Baowu	129,815,901	1.47	129,815,901	1.35
Changshou Iron & Steel ^(a)	2,096,981,600	23.69	2,096,981,600	21.82
Chongqing Baocheng Carbon Co., Ltd. ^(b)	315,783	0.004	315,783	0.003
Shanghai Baosight Software Co., Ltd. ^(c)	375,201	0.004	375,201	0.004
Baosight Software (Wuhan) Co., Ltd. ^(d)	3,188,173	0.04	3,188,173	0.03
Baosteel Engineering & Technology Group Co., Ltd. ^(e)	261,692	0.003	261,692	0.003
Baowu Heavy Industry Co., Ltd. ^(f)	79,953	0.001	79,953	0.001
Zhongnan Steel ^(g)	224,831,743	2.54	224,831,743	2.34
Sinosteel Equipment & Engineering Co., Ltd. ^(h)	8,000,000	0.09	8,000,000	0.083
Sinosteel Xi'an Heavy Machinery Co., Ltd. ⁽ⁱ⁾	1,176,627	0.01	1,176,627	0.012
Sinosteel Luoyang Institute of Refractories Research Co., Ltd. ^(j)	285,271	0.003	285,271	0.003
Chongqing Chaoyang Gas Co., Ltd. ^(k)	9,457,574	0.11	9,457,574	0.098
Sub-total of China Baowu, Hwabao Investment and parties acting in concert with any of them	<u>2,612,229,198</u>	<u>29.51</u>	<u>3,369,804,955</u>	<u>35.07</u>

	Immediately before completion of the Issuance of A Shares to Specific Target Subscriber		Immediately following the completion of the Issuance of A Shares to Specific Target Subscriber	
	Total number of Shares held	Approximate % of the total number of Shares in issue	Total number of Shares held	Approximate % of the total number of Shares in issue
Chen Yingming ⁽²⁾	100	0.000001	100	0.000001
Public Shareholders				
Public A Shareholders	5,701,407,269	64.41	5,701,407,269	59.33
Public H Shareholders	538,127,200	6.08	538,127,200	5.60
Sub-total (A Shares)	8,313,636,567	93.92	9,071,212,324	94.40
Sub-total (H Shares)	538,127,200	6.08	538,127,200	5.60
Total Shares	8,851,763,767	100.00	9,609,339,524	100.00

Note:

- (1) Each of such companies is a subsidiary of China Baowu, and details of their relationship with China Baowu is set out below. Please refer to the Circular for the shareholding relationship between China Baowu or Hwabao Investment, and parties acting in concert with any of them.
- (a) An acting in concert agreement was entered into in September 2020, among others, China Baowu and Chongqing Strategic Emerging Equity Investment Fund Partnership (Limited Partnership) (“**Strategic Emerging Fund**”) which held 40% and 25% equity interest in Changshou Iron & Steel, respectively, pursuant to which, the Strategic Emerging Fund shall act in concert with China Baowu and exercise the shareholder rights of the Strategic Emerging Fund in Changshou Iron & Steel in accordance with China Baowu’s instructions. The remaining 35% equity interest in Changshou Iron & Steel is held by Sichuan Fangda Vanadium & Titanium Group Co., Ltd. (formerly known as Sichuan Desheng Group Vanadium & Titanium Co., Ltd.), which is not connected to China Baowu or its associates. The general partner and executive partner of the Strategic Emerging Fund is Chongqing Yufu Capital Private Equity Investment Fund Management Co., Ltd., which is held as to 98% by Chongqing Yufu Holding Group Co., Ltd., and is in turn wholly-owned by Chongqing State-owned Assets Supervision and Administration Commission.
- (b) China Baowu holds 44% equity interest in Baoshan Iron & Steel Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600019), and is its controlling shareholder. Baoshan Iron & Steel Co., Ltd. holds 78% equity interest in Baowu Carbon Technology Co., Ltd., which in turn holds 51% equity interest in Chongqing Baocheng Carbon Co., Ltd.
- (c) Baoshan Iron & Steel Co., Ltd. holds 49% equity interest in Shanghai Baosight Software Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600845), and is its controlling shareholder.

- (d) Baosight Software (Wuhan) Co., Ltd. is wholly-owned by Shanghai Baosight Software Co., Ltd.
 - (e) Sinosteel Group Co., Ltd. is wholly-owned by China Baowu. Sinosteel Group Co., Ltd. holds 99.7% equity interest in Sinosteel Corporation. Sinosteel Corporation holds 59% equity interest in Sinosteel Capital Holding Co., Ltd. Baosteel Engineering & Technology Group Co., Ltd. is a wholly-owned subsidiary of Sinosteel Capital Holding Co., Ltd.
 - (f) China Baowu controls the equity interest of Baowu Heavy Industry Co., Ltd. through Maanshan Iron & Steel (Group) Holding Co., Ltd. (China Baowu controls 51% of its equity interest) and Baosteel Engineering & Technology Group Co., Ltd. which holds 60% and 37% of its equity interest, respectively. China Baowu also holds 3.84% equity interest in Baowu Heavy Industry Co., Ltd.
 - (g) China Baowu holds 51% equity interest in Zhongnan Steel, and the remaining equity interest of Zhongnan Steel is held by Guangdong Guangwu Holdings Group Co., Ltd., being a company independent from the Company and its connected persons.
 - (h) Sinosteel Capital Holding Co., Ltd. holds 49% equity interest in Sinosteel Equipment & Engineering Co., Ltd., and is its single largest shareholder, and Sinosteel Engineering & Technology Co., Ltd. wholly owns Sinosteel Equipment & Engineering Co., Ltd.
 - (i) Sinosteel Corporation holds 51% equity interest in Sinosteel Xi'an Heavy Machinery Co., Ltd.
 - (j) Sinosteel Capital Holding Co., Ltd. wholly owns Sinosteel Technology Development Co., Ltd. Sinosteel Technology Development Co., Ltd. holds 38% equity interest in Sinosteel Luonai Materials Technology Corporation (a company listed on the Shanghai Stock Exchange, stock code: 688119), and is its controlling shareholder. Sinosteel Luoyang Institute of Refractories Research Co., Ltd. is wholly-owned by Sinosteel Luonai Materials Technology Corporation.
 - (k) China Baowu holds 90% equity interest in Chongqing Iron & Steel (Group) Co., Ltd., which in turn wholly owns Chongqing Chaoyang Gas Co., Ltd.
- (2) Mr. Chen Yingming is an executive Director, and he is not acting in concert with China Baowu, Hwabao Investment and the parties acting in concert with any of them.

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

Chongqing, the PRC, 23 June 2026

As at the date of this announcement, the Directors of the Company are: Mr. Wang Huxiang (Executive Director), Mr. Kuang Yunlong (Executive Director), Mr. Chen Yingming (Executive Director), Mr. Lin Changchun (Non-executive Director), Mr. Sheng Xuejun (Independent Non-executive Director), Ms. Tang Ping (Independent Non-executive Director), Mr. Guo Jiebin (Independent Non-executive Director).

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.