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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 ESTIMATED LOSS IN THE INTERIM RESULTS OF 2024

This announcement is made by Chongqing Iron & Steel Company Limited (the “**Company**”) pursuant to Rule 13.09 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)

IMPORTANT NOTE:

The Company expects that the net loss attributable to the shareholders of the listed company for the first half of 2024 will be approximately RMB690.00 million, representing an increase in loss of approximately RMB255.26 million as compared with that of the corresponding period of the previous year (statutory disclosure); and the net loss excluding non-recurring gains or losses attributable to shareholders of the listed company will be approximately RMB691.00 million, representing an increase in loss of approximately RMB244.20 million as compared with that of the corresponding period of the previous year (statutory disclosure).

I. ESTIMATED RESULTS DURING THE PERIOD

(I) Estimated results period

1 January 2024 to 30 June 2024.

(II) Estimated results

Based on a preliminary estimate by the finance department, the net loss attributable to the shareholders of the listed company for the first half of 2024 is expected to be approximately RMB690.00 million, representing an increase in loss of approximately RMB255.26 million as compared with that of the corresponding period of the previous year (statutory disclosure).

The net loss excluding non-recurring gains or losses attributable to the shareholders of the listed company for the first half of 2024 is expected to be approximately RMB691.00 million, representing an increase in loss of approximately RMB244.20 million as compared with that of the corresponding period of the previous year (statutory disclosure).

(III) The estimated results have not been audited by auditors.

II. RESULTS FOR THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR

(I) Net loss attributable to the shareholders of the listed company: RMB434.74 million. Net loss excluding non-recurring gains or losses attributable to the shareholders of the listed company: RMB446.80 million.

(II) Earnings per share: RMB-0.05.

III. MAIN REASONS FOR THE ESTIMATED LOSS IN RESULTS DURING THE PERIOD

In the first half of 2024, the domestic iron and steel industry still showed a pattern of “three highs and three lows”, namely, “high production, high cost, high inventory, low demand, low price and low efficiency”, with the industry as a whole at the stage of “grinding at the bottom”, orders and demand continuing to be weak, and supply exceeding demand, while the prices of bulk raw materials remaining at high levels and less decrease in prime cost than that in steel price, leading to a continuous narrowing of market prices between purchase and sales, which recorded a loss in operating results during the reporting period. In order to actively cope with the long-term downside risks of the industry, the Company firmly established the awareness that “all costs can be reduced”, strengthened the ability to calculate and operate with an “intelligent” system, reinforced marginal and cash flow management, and promoted the tilting of resources to high-efficiency products and high-profitability areas, realizing the effective connection between the market and the field and driving the enhancement of the manufacturing capacity. Operating cash flow remained positive despite the losses incurred during the reporting period, which protected the Company’s production and operational development fundamentals.

IV. RISK DISCLOSURE

There are no material uncertainties in the Company that will affect the accuracy of the estimated results.

V. OTHER MATTERS

The foregoing estimated information is a preliminary review only. For the detailed and accurate financial information, the 2024 interim report to be formally disclosed by the Company shall prevail. Investors are advised to make prudent decision and pay attention to the investment risks.

By Order of the Board
Chongqing Iron & Steel Company Limited
Zou An
Secretary to the Board

Chongqing, the PRC, 11 July 2024

As at the date of this announcement, the Directors of the Company are: Mr. Xie Zhixiong (Executive Director), Mr. Meng Wenwang (Executive Director), Mr. Zou An (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).