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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 IN RELATION TO THE PROGRESS OF CHANGES IN SHAREHOLDERS' EQUITY AND DE FACTO CONTROLLER

This announcement is made by the board of directors (the “**Board**”) of Chongqing Iron & 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 Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Company published the Indicative Announcement on Changes in Shareholders' Equity and De Facto Controller, the Long Form Equity Change Report (overseas regulatory announcement), the Short Form Equity Change Report (overseas regulatory announcement) and other relevant announcements on 17 September and 19 September 2020, respectively. The change in equity interests is due to that Siyuanhe Equity Investment Management Co., Ltd., the original de facto controller of the Company, will transfer the partnership equity in Siyuanhe (Chongqing) Iron & Steel Industrial Development and Equity Investment Fund Partnership (Limited Partnership) (“**Siyuanhe Industrial Development Fund**”) to Sichuan Desheng Group Vanadium & Titanium Co., Ltd. (“**Desheng Group**”). Meanwhile, Siyuanhe Industrial Development Fund will be dissolved and will make distribution in kind to China Baowu Steel Group Corporation Limited (“**China Baowu**”) and Desheng Group with 75% equity interests in Chongqing Changshou Iron & Steel Company Limited (“**Changshou Iron & Steel**”) in proportion to their respective paid-in capital contributions. China Baowu will be allocated 40% equity interests in Changshou Iron & Steel and enter into an acting in concert agreement with Chongqing Strategic Emerging Industry Equity Investment Fund Partnership (Limited Partnership) (“**Strategic Emerging Fund**”) to obtain control over Changshou Iron & Steel, thereby indirectly controlling 2,096,981,600 shares of the Company, representing 23.51% of the total share capital of the Company. China Baowu will become the de facto controller of the Company.

Recently, the Company has received the Letter of Decision on No Further Examination on Business Operators Concentration and Anti-monopoly Examination (《經營者集中反壟斷審查不實施進一步審查決定書》) (Fan Long Duan Shen Cha Jue Ding [2020] No.406) (反壟斷審查決定[2020]406號), which states that:

Pursuant to the provisions of Article 25 under the Anti-monopoly Law of the People's Republic of China (《中華人民共和國反壟斷法》), upon preliminary examination, it has been decided that no further examination will be carried out on the case of the acquisition of equity interest in Changshou Iron & Steel by China Baowu. China Baowu can implement the concentration with immediate effect.

Other matters involved in the case other than the business operators' concentration and anti-monopoly examination shall be handled in accordance with the relevant laws.

The Company will pay continuous attention to the subsequent progress, be in strict accordance with the relevant laws and regulations, and perform its information disclosure obligations in a timely manner. Investors are advised to exercise cautions when making decisions and pay attention to the investment risks.

“De facto controller” in this announcement has the meaning ascribed thereto under the Company Law of the People's Republic of China. China Baowu and Strategic Emerging Fund, which is China Baowu's party acting in concert, will indirectly control 2,096,981,600 shares of the Company through Changshou Iron & Steel, representing 23.51% of the total share capital of the Company. China Baowu will become an indirect substantial shareholder of the Company under the Listing Rules.

By order of the Board
Chongqing Iron & Steel Company Limited
Meng Xiangyun
Secretary to the Board

Chongqing, the PRC, 29 October 2020

As at the date of this announcement, the Directors of the Company are: Mr. Zhang Jingang (Non-executive Director), Mr. Song De An (Non-executive Director), Mr. Zhou Ping (Non-executive Director), Mr. Liu Jianrong (Executive Director), Mr. Tu Deling (Executive Director), Mr. Zou An (Executive Director), Mr. Xin Qingquan (Independent Non-executive Director), Mr. Xu Yixiang (Independent Non-executive Director) and Mr. Wong Chunwa (Independent Non-executive Director).