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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)

OVERSEAS REGULATORY ANNOUNCEMENT **ANNOUNCEMENT ON UNUSUAL MOVEMENTS IN A SHARES** **TRADING**

This announcement is made by Chongqing Iron & Steel Company Limited (the “**Company**”) pursuant to the Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

IMPORTANT NOTICE:

- The increase in the closing prices of the A shares of the Company deviated by more than 20% for three consecutive trading days on 12 April, 13 April and 14 April 2021 on a cumulative basis, which falls within the circumstances of unusual movements in shares trading according to the relevant requirements of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange.
- The prices of A shares of the Company recorded an accumulated increase of 25.71% for three consecutive trading days from 12 April to 14 April 2021, which was a significant increase in the prices of A shares of the Company in a short term. As at the close of trading on 14 April 2021, the forward price-to-earning ratio of A shares of the Company was 36.88 times and the price-to-book ratio was 1.18 times.
- After an internal investigation by the Company and written enquiries with the controlling shareholder and the de facto controller of the Company, the Company confirms that, as of now, there is no material discloseable information which remains undisclosed by the Company.
- The Company’s current production and operation are normal and there is no major change in the internal and external business environment. Investors are advised to make prudent decisions and pay attention to investment risks.

I. PARTICULARS OF UNUSUAL MOVEMENTS IN SHARES TRADING

The increase in the closing prices of A shares of the Company deviated by more than 20% for three consecutive trading days on 12 April, 13 April and 14 April 2021 on a cumulative basis, which falls within the circumstances of unusual movements in shares trading according to the relevant requirements of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange.

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II. THE COMPANY'S CONCERN AND VERIFICATION ON RELEVANT MATTERS

(I) Production and Operation

After conducting an internal investigation, the Company confirms that its current production and operation are normal. There are no major changes in the internal and external business environment. There is no material discloseable information which may cause unusual movements in share prices but remains undisclosed by the Company.

(II) Significant Events

After an internal investigation by the Company and written enquiries with the controlling shareholder and the de facto controller of the Company, the Company confirms that, as of now, the Company, its controlling shareholder and de facto controller do not possess any material discloseable information which remains undisclosed, nor are there significant events that may affect unusual movements in the shares trading of the Company, including but not limited to proposed significant events involving the Company such as material assets reorganisation, issuance of shares, acquisition, debt restructuring, business restructuring, asset stripping, asset injection, share repurchase, equity incentives, bankruptcy reorganisation, major business cooperation as well as introduction of strategic investors.

(III) Media Coverage, Market Rumours and Hot Topics

The Company is not aware of any media coverage or market rumours which should be clarified or other significant events that may have a material impact on the share prices of the Company's shares.

(IV) Other Price-sensitive Information

As verified by the Company, the directors, supervisors, senior management, controlling shareholder, de facto controller of the Company and its parties acting in concert did not sell or purchase the shares of the Company during the unusual movements in the shares trading of the Company. There is no need to supplement or correct the information disclosed previously by the Company.

III. STATEMENT OF THE BOARD OF DIRECTORS

The board of directors of the Company confirms that the Company does not have any undisclosed matters which should be disclosed pursuant to the relevant rules including the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or any planning, negotiation, intention and agreement relating to such matters, nor is the board of directors aware of any information which has not been disclosed but should be disclosed pursuant to the relevant rules including the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and may have a material impact on the trading prices of the shares of the Company and their derivatives. There is no need to correct or supplement the information disclosed previously by the Company.

IV. RELEVANT RISK WARNING

(I) Secondary Market Trading Risks

The increase in the closing prices of the A shares of the Company deviated by more than 20% for three consecutive trading days on 12 April, 13 April and 14 April 2021 on a cumulative basis, which falls within the circumstances of the unusual movements in shares trading specified in the Trading Rules of the Shanghai Stock Exchange. Investors are advised to pay attention to secondary market trading risks and make investment based on prudent decision-making.

(II) Other Risks

The designated media for information disclosure of the Company include the website of the Shanghai Stock Exchange, and China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily. The information of the Company published on the above designated media shall prevail. Investors are advised to exercise caution and beware of investment risks.

By order of the Board
Chongqing Iron & Steel Company Limited
Liu Jianrong
Chairman

Chongqing, the PRC, 15 April 2021

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