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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 RE-APPOINTMENT OF ACCOUNTING FIRM FOR THE YEAR 2025**

#### **I. BASIC INFORMATION ON PROPOSED APPOINTMENT OF ACCOUNTING FIRM**

##### **(I) Information on the institution**

###### **1. Basic information**

Ernst & Young Hua Ming LLP (“EYHM”) was founded in September 1992 and completed the transformation of localization in August 2012 from a Sino-foreign limited liability company to a special general partnership. EYHM is headquartered in Beijing, and its registered address is Room 01-12, 17/F, Ernst & Young Tower, Oriental Plaza, No.1 East Chang’an Avenue, Dongcheng District, Beijing. As of the end of 2024, EYHM has 251 partners, and the chief partner is Mr. Mao Anning. EYHM has always attached great importance to cultivation of talents. EYHM has more than 1,700 certified public accountants as of the end of 2024, including more than 1,500 certified public accountants with experience of securities related business service, and over 500 certified public accountants who have signed audit reports under securities service business. The total audited revenue of EYHM for the year 2023 was RMB5.955 billion, of which income from audit business was RMB5.585 billion and income from securities business was RMB2.438 billion. In 2023, EYHM audited annual reports of 137 A share listed companies for total fees amounting to RMB0.905 billion. The main industries of these listed companies involve manufacturing, finance, wholesale and retail, mining, information transmission, software and information technology services, rental and commercial service, etc., of which 66 audit clients were listed companies in same industry as Chongqing Iron & Steel Company Limited (the “Company”).

## **2. *Investor protection capability***

EYHM has sound investor protection capability and has accrued occupational risk fund and purchased occupational insurance which covers its Beijing headquarter and all the other branches in accordance with the relevant laws and regulations. The sum of the cumulative compensation limit of accrued occupational risk fund and purchased occupational insurance of EYHM has exceeded RMB0.2 billion. In the past three years, EYHM has not been required to bear any civil liabilities due to civil litigation related to its practice.

## **3. *Integrity record***

In the past three years, EYHM has received 0 criminal punishment, 0 administrative punishment, 3 supervisory and management measures, 1 self-discipline supervision measure, and 0 disciplinary action for professional conduct. In the past three years, 13 employees have received 0 criminal punishment, 1 administrative punishment, 4 supervisory and management measures, 2 self-discipline supervision measures, and 0 disciplinary action for professional conduct; two employees have received 1 administrative regulatory measure each in the past three years due to personal conduct, which does not involve the professional quality of audit projects. In accordance with relevant laws and regulations, the aforementioned matters do not affect EYHM's ability to continue to undertake or perform securities-related services or other business.

## **(II) Information on the project**

### **1. Basic information**

Project partner and first signing Certified Public Accountant: Mr. Chen Xiaoxiang, a Certified Public Accountant practising in the PRC, has been working in audit-related business in the firm since 1994 and had provided audit services to the Company in 2018 , 2023 – 2024. He has extensive experience in securities services including corporate restructuring and listing audit, annual audit of listed companies and merger and acquisition and restructuring audit in industries such as steel, mining, manufacturing, transportation, education, medicine, real estate, etc. Mr. Chen Xiaoxiang does not have any part-time employment.

Quality control reviewer: Ms. Guo Jing, a Certified Public Accountant practising in the PRC, has been working in audit-related business in the firm since 2002. She has extensive experience in securities services including corporate restructuring and listing audit and annual audit of listed companies in industries such as steel transportation, transportation equipment manufacturing, research and experimental development, and ecological protection and environmental governance, etc. Ms. Guo Jing does not have any part-time employment.

Second signing Certified Public Accountant: Ms. Liu Zhenhong, became a Certified Public Accountant in 2020. She began to audit listed companies in 2015 and joined EYHM in the same year. She provided audit services to the Company in 2021.

### **2. Integrity record**

The above project partner, signing Certified Public Accountants and project quality control reviewer have not been subject to criminal punishment, administrative punishment, supervisory and management measure imposed by the SFC and its local branches or competent authorities in the industry, or self-discipline supervision measure and disciplinary sanction imposed by self-regulatory organizations such as stock exchanges and industry associations in the past three years.

### **3. Independence**

EYHM and the above project partner, signing Certified Public Accountants and project quality control reviewer have no record of violation of the independence requirements in the Code of Professional Ethics for Chinese Certified Public Accountants.

### **4. Audit fees**

The audit fees charged by EYHM are determined based on factors such as the level of responsibility, complexity, the requirements of the work, the necessary working conditions and time required, as well as the professional expertise and experience of the personnel of various levels involved in the engagement. The board of directors of the Company hereby proposes to the general meeting to authorise the board of directors to determine the remuneration of EYHM within the limit of the audit fees for the 2024 fiscal year. The audit fees include the fees for the annual report audit and the internal control audit. The board of directors shall determine the remuneration of EYHM in accordance with the authorisation of the general meeting and based on the actual work performed by EYHM.

## **II. PROCEDURES TO BE PERFORMED FOR THE RE-APPOINTMENT OF ACCOUNTING FIRM**

### **(I) Opinion of the audit committee**

The audit committee has fully understood the matter regarding the Company's re-appointment of EYHM, reviewed basic information, project personnel information, professional competence, investor protection capability, independence and integrity of EYHM, evaluated the audit work for the year 2024, and expressed its opinion as follows: EYHM has followed the independent, objective and impartial practising standards and performed the integrated audit of the Company for the year 2024 in strict accordance with the relevant provisions of the PRC Auditing Standards for Certified Public Accountants and the Guidelines on Internal Control Auditing for Enterprises. Adequate time has been devoted in and reasonable arrangements have been made for the integrated audit; the audit personnel reasonably allocated for the integrated audit has excellent professional ethics, professional competence and extensive experience; the audit fees are reasonable; the audit opinion issued is objective and impartial, truly reflecting the Company's financial position and operating results.

Accordingly, the audit committee of the board of director approves the Resolution in relation to the Re-appointment of Accounting Firm for the Year 2025 and will submit it to the board of directors for consideration.

## **(II) Consideration and voting by the board of directors**

The Resolution in relation to the Re-appointment of Accounting Firm for the Year 2025 was passed by a unanimous vote at the 14th meeting of the tenth session of the board of directors of the Company convened on 26 May 2025.

## **(III) Effective date**

The Resolution in relation to the Re-appointment of Accounting Firm for the Year 2025 will be submitted to the general meeting of the Company for consideration and will become effective from the date of being considered and passed at the general meeting of the Company.

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

Chongqing, the PRC, 26 May 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).*