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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 CHANGE OF ACCOUNTING FIRM OF THE COMPANY FOR 2025

I. BASIC INFORMATION ON PROPOSED APPOINTMENT OF ACCOUNTING FIRM

(I) Information on the institution

1. Basic information

The predecessor of Deloitte Touche Tohmatsu Certified Public Accountants LLP (“**Deloitte CPA**”) is Deloitte Touche Tohmatsu Shanghai CPA Ltd. established in February 1993. It was renamed as Deloitte Touche Tohmatsu CPA Ltd. in 2002 and converted into a special general partnership upon obtaining approval from departments including the Ministry of Finance in September 2012. The registered capital of Deloitte CPA is RMB86.7 million and registered address is 30/F, 222 Yan An Road East, Huangpu District, Shanghai.

Deloitte CPA possesses the CPA practising certificate as approved by the Ministry of Finance, and is approved to engage in audit business for H-share listed companies by the Ministry of Finance and China Securities Regulatory Commission (the “**CSRC**”). Deloitte CPA has filed registration for engaging in securities service business as required by the Administrative Measures on Filing for Accounting Firm to Engage in Securities Services Business 《(會計師事務所從事證券服務業務備案管理辦法)》 and other regulations issued by the Ministry of Finance and the CSRC. Over the past two decades, Deloitte CPA has been practicing in securities and futures related businesses and has accumulated extensive experience in securities service business.

The managing partner of Deloitte CPA is Mr. Tang Lianjiong. As at the end of 2024, Deloitte CPA had a total of 204 partners, 5,616 practitioners and 1,169 certified public accountants, of which more than 270 certified public accountants signed audit reports on securities service business.

Deloitte CPA's total audited revenue for 2024 amounted to RMB3,893 million, including revenue of RMB3,352 million attributable to audit business and RMB660 million attributable to securities business. Deloitte CPA provided audit services with respect to 2024 annual reports for 61 listed companies and received a total audit fees of RMB197 million. Listed companies receiving services from Deloitte CPA are mainly from manufacturing, transportation, warehousing and postal, information transmission, software and information technology service industries, finance, and real estate. Among those listed companies receiving audit services from Deloitte CPA, there are 24 clients operating in manufacturing industry .

2. *Investor protection capability*

Deloitte CPA has sound investor protection capability and has accrued occupational risk fund and purchased occupational insurance in accordance with the relevant laws and regulations. The occupational insurance purchased by Deloitte CPA has an aggregate limit of indemnity exceeding RMB200 million. Deloitte CPA has not been required to assume any civil liability in any civil action arising from its business practice during the past three years.

3. *Integrity record*

During the past three years, Deloitte CPA and its practitioners have not been subject to any criminal punishment, nor disciplinary decisions from stock exchanges, industry associations or other self-disciplinary organisations for their business practice. Deloitte CPA was subject to one administrative punishment, two administrative regulatory measures imposed by securities regulatory authorities and one self-regulation measure. Each of seventeen practitioners was subject to one administrative punishment, each of four practitioners was subject to one administrative regulatory measure and each of five practitioners was subject to one self-regulation measure. A former employee who resigned in 2021 was subject to administrative punishment in 2022 for personal conduct, which did not concern the professional service quality of audit engagements. According to the requirements of relevant laws and regulations, the above incidents did not affect the continuous engagement in or performance of securities service business by Deloitte CPA.

(II) Information on the project

1. Basic information

Mr. Jiang Jian, a project partner, started to provide audit and capital market related professional services in Deloitte CPA in 2004 and became a Chinese Certified Public Accountant in 2004. Currently, he is a practising member of CICPA. Mr. Jiang Jian has been providing audit services to Chongqing Iron & Steel Company Limited (the “**Company**”) since 2025. He signed or reviewed audit reports for several listed companies in the past three years.

Ms. Hu Yuanyuan, a project quality reviewer, started to provide audit and capital market related professional services in Deloitte CPA in 1997 and became a Chinese Certified Public Accountant in 2000. Currently, she is a practising member of CICPA. Ms. Hu Yuanyuan has been providing audit services to the Company since 2025. She signed or reviewed audit reports for several listed companies in the past three years.

Ms. Ouyang Qianli, a signing Certified Public Accountant, started to provide audit and capital market related professional services in 2009 and became a Chinese Certified Public Accountant in 2015. Currently, she is a practising member of CICPA. She joined Deloitte CPA in 2018, signed or reviewed audit reports for several listed companies in the past three years.

2. Integrity record

During the past three years, none of the above personnel were subject to criminal punishment, administrative punishment, administrative regulatory measures from securities regulatory authorities nor self-regulation measures or disciplinary decisions from stock exchanges, industry associations or other self-disciplinary organisations for their business practice.

3. Independence

There is no circumstance that could affect the independence of Deloitte CPA, the above-mentioned engagement partner, certified public accountant with signatory authority or the project quality control reviewer.

4. Audit fees

The Company has determined the 2025 audit fees at RMB2.4083 million (tax inclusive, including subsidiaries) through negotiations based on factors including business scale, personnel and workload allocated to financial statement audit and internal control audit services, and the accounting firm's fee standards, among which the audit fee for the annual financial report is RMB1.90 million and the audit fee for the internal control is RMB0.5083 million. The audit fees for 2025 represent a decrease of 5% as compared with the previous period.

II. EXPLANATION ON THE PROPOSED CHANGE OF ACCOUNTING FIRM

(I) Information on the former accounting firm and the auditor's opinion of last year

Ernst & Young Hua Ming LLP (“EYHM”) has provided audit services to the Company for seven consecutive years, during which period, consistently adhered to the principle of independent audit, exercised due diligence, issued audit opinions in a fair and independent manner. In 2024, EYHM issued a standard unqualified audit opinion on the annual financial report and the internal control of the Company. The Company has not dismissed any previously appointed accounting firm after they had commenced partial audit work.

(II) Reasons for changing the accounting firm

Pursuant to the requirements under the Administrative Measures for the Selection and Appointment of Accounting Firms by State-owned Enterprises and Listed Companies (《國有企業、上市公司選聘會計師事務所管理辦法》(the “Administrative Measures”) issued by the Ministry of Finance, the SASAC of the State Council and the CSRC, a state-owned enterprise shall not employ the same accounting firm for more than eight consecutive years in principle. EYHM has provided audit services to the Company for seven consecutive years, approaching the prescribed limit for auditing. Meanwhile, considering the Company's operation and audit service requirements, and following the bidding process and evaluation results, the Company proposes to appoint Deloitte CPA as the auditor for financial and internal control auditor of the Company for the year 2025. There are no disagreements between the former accounting firm and the Company in terms of work arrangements, fees or opinions.

(III) Communication between the listed company and its former and subsequent accounting firms

The Company has fully communicated in advance with EYHM and Deloitte CPA regarding the change of accounting firm, and EYHM and Deloitte CPA have been clearly informed of the matter of change and confirmed that they have no objection on such matter, and will actively carry out the relevant communication and coordination work in accordance with PRC Auditing Standard for Certified Public Accountants No. 1153 – Communication between Former Certified Public Accountants and Subsequent Certified Public Accountants and other relevant requirements. EYHM has confirmed in its letter of resignation that there are no other matters or circumstances in connection with the change of accounting firm that need to be brought to the attention of the shareholders of the Company. The board of directors and the audit committee of the Company have also confirmed that they are not aware of any disagreements or unresolved matters concerning EYHM’s resignation that need to be brought to the attention of the shareholders.

III. PROCEDURES TAKEN IN THE PROPOSED CHANGE OF AUDITOR

(I) Audit opinion of the audit committee

The audit committee of the Company has thoroughly reviewed the change of accounting firm for the year 2025 and has examined Deloitte CPA’s basic information, professional competence, investor protection capabilities, independence and integrity, and hereby issues the following opinion: Deloitte CPA possesses the professional qualifications required by the Securities Law and other laws and regulations, as well as H-share regulatory requirements, to engage in securities services, meets the Company’s requirements for the audit in terms of professional competence, investor protection capabilities, integrity and independence, and the firm and its practitioners have not been subject to any criminal punishment, nor disciplinary decisions from stock exchanges, industry associations or other self-disciplinary organisations for their business practice during the past three years.

All members of the audit committee unanimously agree to engage Deloitte CPA as the annual financial and internal control auditor of the Company for the year 2025, and agree to submit the “Resolution in relation to the Appointment of Accounting Firm for 2025” to the board of directors for consideration.

(II) Consideration and voting by the board of directors

All directors unanimously considered and approved the Resolution in relation to the Appointment of Accounting Firm for 2025 at the 20th meeting of the tenth session of the board of directors of the Company convened on 30 October 2025, agreeing to engage Deloitte CPA as the auditor for the annual financial and internal control auditor of the Company for the year 2025. The audit fees is RMB2.4083 million (tax inclusive, including subsidiaries), among which the audit fee for the annual financial report is RMB1.90 million and the audit fee for the internal control is RMB0.5083 million. The audit fees for 2025 represent a decrease of 5% as compared with the previous period.

(III) Effective date

The Change of Accounting Firm for 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. A circular containing relevant information regarding the proposed change of accounting firm and the convening of a general meeting will be dispatched to the shareholders of the Company in due course.

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

Chongqing, the PRC, 30 October 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).