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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)

VOLUNTARY ANNOUNCEMENT **PROGRESS ANNOUNCEMENT ON JOINT ESTABLISHMENT OF** **A JOINT VENTURE COMPANY**

References are made to the voluntary announcement dated 12 August 2019 in relation to the proposed joint establishment of a joint venture company and the supplemental announcement dated 13 August 2019 in relation to the proposed joint establishment of a joint venture company of Chongqing Iron & Steel Company Limited (the “**Company**” or “**Chongqing Iron & Steel**”).

I. OVERVIEW OF EXTERNAL INVESTMENT

On 9 August 2019, Chongqing Iron & Steel convened the twelfth meeting of the eighth session of the board of directors at which the Proposal in Relation to Proposed Joint Establishment of a Joint Venture Company by Chongqing Iron & Steel and Siyuanhe Intelligent Manufacturing Fund was considered and approved.

In order to speed up the promotion of intelligent manufacturing projects, Chongqing Iron & Steel proposed to establish a joint venture company with Siyuanhe Intelligent Manufacturing Fund (which was to be established and was tentatively named, the final name would be subject to the approval of registration) or any related enterprise(s) designated by it to initiate cooperation in relation to intelligent manufacturing.

As of now, the cooperating party and the joint venture company of the said external investment have been established, and relevant industrial and commercial registrations have been completed. Eventually, Chongqing Jianwei Intelligent Technology Co., Ltd. (重慶鑿微智能科技有限公司) (“**Jianwei Intelligent**”) was jointly established by Jianwei Digital Technology (Chongqing) Co., Ltd. (鑿微數字科技(重慶)有限公司) (“**Jianwei Digital**”), which was invested and established by Siyuanhe (Wuhan) Intelligent Manufacturing Equity Investment Fund Partnership (Limited Partnership) (四源合(武漢)智慧製造股權投資基金合伙企業) (“**Siyuanhe Intelligent Manufacturing Fund**”), and Chongqing Iron & Steel.

Siyuanhe Intelligent Manufacturing Fund is a shareholder of Jianwei Digital, and was jointly established by Siyuanhe Equity Investment Management Co., Ltd. (“**Siyuanhe Investment**”) in cooperation with telecommunications operators and industrial technology service providers.

In view of the above, the joint establishment of the joint venture company constitutes a related transaction, but does not constitute a material asset reorganisation as stipulated in the Administrative Measures for the Material Asset Reorganisation of Listed Companies (《上市公司重大資產重組管理辦法》) of the PRC.

II. INFORMATION ON THE JOINT VENTURE COUNTERPARTY

Jianwei Digital, as the cooperating party of the said external investment, has completed the industrial and commercial registration and obtained the Business License issued by the Market Supervision and Administration Bureau, Changshou District, Chongqing. The information of the relevant registration is as follows:

Name of the corporate: Jianwei Digital Technology (Chongqing) Co., Ltd.

Unified social credit code: 91500115MA60N21058

Type of the corporate: limited liability company

Legal representative: Liao Xiangrong

Registered capital: RMB200 million

Address of the corporate: Room 6–1, No. 20 Qixin Avenue, Yanjia Street, Changshou District, Chongqing

Scope of business: Licensed projects: The second type of value-added telecommunications business (for the projects requiring approval according to laws, the operating activities that can only be carried out upon approval from relevant authority(ies), and specific licensed projects that should be determined by approval documentations or licenses issued by relevant government agencies); General projects: intelligent agricultural management, manufacturing of IoT equipment, manufacturing of wearable intelligent devices, virtual reality equipment, manufacturing of devices for instruments and meters, manufacturing of industrial automatic control system, manufacturing of intelligent instruments and meters, manufacturing of intelligent basic manufacturing equipment, manufacturing of special instruments and meters for environmental monitoring, manufacturing of special instruments and meters for agriculture, forestry, animal husbandry and fishery, manufacturing of testing equipment specifically

for textile, manufacturing of other specific equipment, wholesale of computer software and hardware and auxiliary equipment, sales of intelligent robots, sales of artificial intelligence hardware, sales of servo control unit, sales of CNC machine tool, sales of intelligent basic manufacturing equipment, sales of agricultural product intelligent logistics equipment, sales of intelligent agricultural machinery equipment, sales of monitoring and detection instruments and meters for air pollution, sales of monitoring and detection instruments and meters for water pollution, sales of monitoring and detection instruments and meters for ecological environment, sales of detection instruments and meters for solid waste, sales of testing instruments and meters, sales of environmental emergency technology equipment for environmental emergency, domestic trade agents, Internet information services, artificial intelligence public service platform, artificial intelligence public data platform, basic resources and technology platform for artificial intelligence, Internet data services, blockchain technology-related software and services, big data services, IoT services, software development, basic software development for artificial intelligence , application software development for artificial intelligence, software development for network and information security, theory and algorithm software development for artificial intelligence, research and development of intelligent robots, information system integration services, integration of intelligent control systems, general application systems for artificial intelligence, industrial application systems for artificial intelligence, IoT technical services, operation and maintenance services for information system, information technology consultation services, rental of computer and communication equipment, supply chain management services, information consultation services (excluding consultation services of licence-related information), environmental protection consultation services, engineering management services, technical services, technological development, technological consultation, technological exchange, technological transfer, technological promotion, energy-saving management services, Internet platform, (except for projects that are subject to approval in accordance with the laws, the business activities should be conducted independently with the business licence(s) in accordance with the laws)

III. INFORMATION ON THE JOINT VENTURE COMPANY

The joint venture company has completed the industrial and commercial registration and obtained the Business License issued by Market Supervision and Administration Bureau, Changshou District, Chongqing. The information of relevant registration is as follows:

Name of the corporate: Chongqing Jianwei Intelligent Technology Co., Ltd.

Unified social credit code: 91500115MA60NNHUXR

Type of the corporate: limited liability company

Legal representative: Wang Bulin

Registered capital: RMB5 million

Address of the corporate: Room 6-1, No. 20 Qixin Avenue, Yanjia Street, Changshou District, Chongqing

Ratio of contribution: Jianwei Digital contributes RMB2.5 million, accounting for 50% of the registered capital; Chongqing Iron & Steel contributes RMB2.5 million, accounting for 50% of the registered capital.

Scope of business: Licensed projects: Internet platform, the second type of value-added telecommunications business (for the projects requiring approval according to laws, the operating activities that can only be carried out upon approval from relevant authority(ies), and specific licensed projects shall be determined by approval documentations or licenses issued by relevant government agencies); General projects: intelligent agricultural management, manufacturing of intelligent instruments and meters, manufacturing of intelligent basic manufacturing equipment, sales of artificial intelligence hardware, sales of intelligent basic manufacturing equipment, sales of the intelligent logistics equipment of agricultural products, sales of intelligent agricultural machinery equipment, artificial intelligence public service platform, artificial intelligence public data platform, artificial intelligence basic resources and technology platform, research and development of intelligent robots, integration of intelligent control systems, general application systems of artificial intelligence, industrial application systems of artificial intelligence, Internet information services, information system integration services, operation and maintenance services of information system, information technology consultation services, information consulting services (excluding consultation services of licence-related information), manufacturing of IoT equipment, IoT technical services, manufacturing of instruments and meters, manufacturing of special instruments and meters for environmental monitoring, manufacturing of special instruments and meters for agriculture, forestry, animal

husbandry and fishery, sales of monitoring and detection instruments and meters relating to air pollution, sales of monitoring and detection instruments and meters relating to water pollution, sales of monitoring and detection instruments and meters for ecological environment, sales of detection instruments and meters for solid waste, sales of testing instruments and meters for environmental emergency, virtual reality equipment, manufacturing of testing equipment specifically for textile, manufacturing of other specific equipment, wholesale of computer software and hardware and auxiliary equipment, rental of computer and communication equipment, sales of servo control unit, sales of CNC machine tool, domestic trade agents, technological services, technological development, technological consultation, technological exchange, technological transfer, technological promotion, engineering management services, environmental protection consultation services, Internet data services, IoT services, sales of environmental emergency technology equipment, blockchain technology-related software and services, big data services, energy-saving management services, manufacturing of wearable intelligent devices, manufacturing of devices for industrial automatic control system, supply chain management services, sales of intelligent robots (except for projects that are subject to approval in accordance with the laws, the business activities should be conducted independently with the business licence(s) in accordance with the laws)

IV. PURPOSE AND EFFECTS OF THE ESTABLISHMENT OF THE JOINT VENTURE COMPANY

The establishment of the joint venture company will further support Chongqing Iron & Steel to focus on the development and planning of intelligent manufacturing, to extensively introduce social capital and technical forces to participate in intelligent manufacturing of Chongqing Iron & Steel, to explore a new path for intelligent manufacturing of iron and steel enterprises, and to assist in the continuous improvement of business of Chongqing Iron & Steel.

V. RISK WARNING

The production and operation of the joint venture company may be affected by national and industrial policies, macroeconomics, market demand as well as changes in the international environment, and investment risks may exist.

The Company will fulfill its information disclosure obligations in a timely manner according to the relevant laws and regulations, and investors are advised to pay attention to investment risks.

As the applicable percentage ratios of the establishment of the joint venture company are less than 0.1%, the relevant transaction will be exempt from the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and will not constitute a notifiable transaction under Chapter 14 of the Listing Rules. This announcement is made by the Company on a voluntary basis.

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

Chongqing, the PRC, 17 December 2019

As at the date of this announcement, the Directors of the Company are: Mr. Zhou Zhuping (Non-executive Director), Mr. Song De An (Non-executive Director), Mr. Zhang Shuogong (Non-executive Director), Mr. Li Yongxiang (Executive Director), Mr. Tu Deling (Executive Director), Mr. Wang Li (Executive Director), Mr. Xu Yixiang (Independent Non-executive Director), Mr. Xin Qingquan (Independent Non-executive Director) and Mr. Wong Chunwa (Independent Non-executive Director).