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)

UNAUDITED INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

SECTION I IMPORTANT NOTICE

1.1 This interim results announcement is extracted from the full text of the interim report. To fully understand the operating results, financial position and future development plans of Chongqing Iron & Steel Company Limited (the "**Company**", together with its subsidiaries, the "**Group**"), investors are advised to carefully read the full text of the interim report on the website of the Shanghai Stock Exchange (the "**SSE**") (http://www.sse.com.cn) and the website of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (https://www.hkexnews.hk).

1.2 The board of directors (the "**Board**") and the directors and members of senior management of the Company guarantee that the contents of the interim results announcement are true, accurate and complete, without false representations, misleading statements or material omissions, and assume several and joint responsibility in respect thereof.

1.3 All directors of the Company attended the Board meeting.

1.4 The interim results announcement of the Company is unaudited.

1.5 The profit distribution proposal or proposal to transfer capital reserve to share capital for the reporting period as passed by the Board resolution:

Nil.

SECTION II BASIC INFORMATION OF THE COMPANY

2.1 Company Information

Stock Profile

Stock type	Relevant exchange that stock listed on	Stock abbreviation	Stock code	Stock abbreviation before change
A share	SSE	Chongqing Iron & Steel	601005	N/A
H share	Stock Exchange	Chongqing Iron	01053	N/A

Contact persons and contact information	Secretary to the Board	Securities affairs representative
Name	Kuang Yunlong	Peng Guoju
Tel	86-23-6898 3482	86-23-6898 3482
Correspondence address	No. 2 Jiangnan Avenue, Jiangnan Street, Changshou District, Chongqing	No. 2 Jiangnan Avenue, Jiangnan Street, Changshou District, Chongqing
E-mail	ir_601005@baowugroup.com	ir_601005@baowugroup.com

2.2 Major financial data

Unit: RMB'000 Currency: RMB

	At the end of the reporting period	At the end of last year	**Change from the end of last year to the end of the reporting period** *(%)*
Total assets	**32,812,833**	32,086,178	2.26
Net assets attributable to shareholders of the Company	**14,745,768**	13,911,785	5.99

	Reporting period	Corresponding period last year	**Year-on-year change** *(%)*
Revenue	**11,825,977**	13,085,209	-9.62
Total profit	**-177,968**	-129,921	N/A
Net profit attributable to shareholders of the Company	**-178,903**	-131,018	N/A
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	**-202,557**	-140,508	N/A
Net cash flow from operating activities	**562,683**	880,442	-36.09
Weighted average return on net assets *(%)*	**-1.25**	-0.79	Decreased by 0.46 percentage points
Basic earnings per share *(RMB/ share)*	**-0.02**	-0.01	N/A
Diluted earnings per share *(RMB/ share)*	**N/A**	N/A	N/A

2.3 Shareholdings of top ten shareholders

Unit: shares

Total number of shareholders as of the end of the reporting period (account)	171,798
Total number of preferred shareholders with restored voting rights as of the end of the reporting period (account)	0

Shareholdings of top 10 shareholders

Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held	Number of shares held with trading restrictions	Pledged, marked or frozen Status of shares	Number
Chongqing Changshou Iron & Steel Company Limited	State-owned legal person	21.82	2,096,981,600	0	Nil	0
Hwabao Investment Co., Ltd.	State-owned legal person	9.31	895,035,437	757,575,757	Nil	0
HKSCC NOMINEES LIMITED	Overseas legal person	5.55	533,756,211	0	Unknown	Unknown
Chongqing Rural Commercial Bank Co., Ltd.	State-owned legal person	3.01	289,268,939	0	Nil	0
Chongqing Urban Construction Investment (Group) Company Limited	State-owned legal person	2.59	249,276,959	0	Nil	0
Bank of Chongqing Co., Ltd.	State-owned legal person	2.35	226,042,920	0	Nil	0
Baowu Group Zhongnan Iron and Steel Co., Ltd.	State-owned legal person	2.34	224,831,743	0	Nil	0
China Shipbuilding Industry Complete Logistics Co., Ltd.	State-owned legal person	2.20	211,461,370	0	Nil	0
Chongqing Qianxin Foreign Trade and Economic Cooperation Group Co., Ltd.	State-owned legal person	1.78	171,490,070	0	Pledged	71,493,570
China Baowu Steel Group Corporation Limited	State-owned legal person	1.35	129,815,901	0	Nil	0

Description on the associated relationship or acts in concert among the above shareholders	Chongqing Changshou Iron & Steel Company Limited is the controlling shareholder of the Company; Chongqing Changshou Iron & Steel Company Limited, Baowu Group Zhongnan Iron and Steel Co., Ltd. and Hwabao Investment Co., Ltd. are under common control by China Baowu Steel Group Corporation Limited ("**China Baowu**"), a de facto controller of the Company, thus the four are related parties, and have no associated relationship with the other 6 shareholders and they are not parties acting in concert as stipulated in the Administrative Measures for Takeovers of Listed Companies. The Company is also not aware of whether there is any associated relationship among the other 6 shareholders or whether they are parties acting in concert.
Description on the preferred shareholders with restored voting rights and their shareholdings	N/A

2.4 Particulars of the total number of preferred shareholders and top ten preferred shareholders as of the end of the reporting period

☐ Applicable ☑ Not Applicable

2.5 Changes in controlling shareholder or de facto controller

☐ Applicable ☑ Not Applicable

2.6 Existing bonds as of the date of this announcement

☐ Applicable ☑ Not Applicable

SECTION III SIGNIFICANT EVENTS

3.1 The Company shall explain the significant changes in the operation of the Company during the reporting period and events that had or are expected to have a material impact on the operation of the Company in the future occurred during the reporting period in accordance with the principle of materiality

☐ Applicable ☑ Not Applicable

3.2 Discussion and Analysis of Business Operations

(I) Business operations during the reporting period

1) In the first half of 2026, the iron and steel industry continued to be oversupplied, steel prices declined and raw material prices remained firm. Coupled with the overhaul of the Three Gorges Dam, logistics costs increased and industry profits came under pressure. The Company focused on full-staff cost accounting and cost reduction across the entire value chain, strengthened end-to-end control over production and sales, procurement, manufacturing and capital, and maintained stable production. Although the Company remained loss-making during the reporting period, its industry rankings in profitability and cost continued to move forward and management efficiency improved significantly.

2) The operations continued to recover from trough, and a turnaround to profit was achieved in a single quarter in the second quarter. The substantial loss-making trend in the first quarter was effectively contained; production and sales, costs and selling prices improved concurrently in the second quarter, and a quarterly profit was realised. Compared with 2025, industry competitiveness recovered steadily: the industry percentile rankings of profit per tonne of steel and return on net assets for January to June both improved by 13 percentiles as compared with last year; the China Iron and Steel Association (CISA) industry percentile rankings of selling prices of hot rolled coils and heavy plates improved by 10 percentiles and 5 percentiles, respectively.

3) Energy control and process optimisation were advanced in tandem, and breakthroughs were achieved in core indicators. In June, energy control and manufacturing process improvements delivered significant results: purchased energy cost decreased by RMB27/t as compared with 2025, hitting a record low; the blast furnace fuel ratio decreased by 20 kg/t, the lowest in nearly two years; the converter smelting cycle time was shortened by 3.48 minutes, setting a new historical record; and the residual-material utilisation rate of the 4,100 mm heavy plate production line of the rolling mill hit a new monthly high.

   Product channels continued to be optimised and risk-hedging capability was enhanced. High-end orientation accelerated: the proportions of high value-added specialty steels of hot rolled coils and medium and heavy plates in the first half of the year increased by 17 percentage points and 9 percentage points, respectively, as compared with 2025. Price-lock intensity increased, with price-locked orders of hot rolled coils and medium and heavy plates each rising by 9 percentage points year-on-year, effectively smoothing spot price fluctuations. Direct supply to end-users continued to expand, substantially reducing profit leakage through intermediate links.

4) The lean industrial park delivered significant results in efficiency creation. The Company actively explored the "steel manufacturing + value-added services" (1+X) profit model, covering diversified businesses including logistics, energy, plant leasing and resource leasing. Capacity of key projects was released in a steady manner, investment promotion achieved phased progress, and the value of park businesses continued to be unleashed.

(II) Business operations prospect for the second half of the year

In the second half of 2026, the Company will address current operational shortcomings, spare no effort to drive operational improvement, and respond to the long-cycle downturn risks of the iron and steel industry. Firstly, on the procurement side, the Company will optimise the ore and coal blending structure, increase procurement under long-term contracts and of nearby low-cost resources, strictly control raw material inventories, and narrow the gap in industry cost percentiles. Secondly, the Company will strengthen the linkage between production and sales to optimise the product mix, increase the proportion of high value-added specialty steels, accelerate destocking of finished products, and expand central and state-owned enterprises and long-term supply agreement projects. Thirdly, on the manufacturing side, the Company will tackle the three cost-reduction targets of hot metal, process energy consumption and quality-related losses, and promote energy-saving technical transformation and process optimisation. Fourthly, the Company will continue to reduce occupation of the two funds (i.e., inventories and receivables), strictly control the asset-liability ratio, and deeply tap the potential of capital in creating efficiency. Fifthly, the Company will deepen the application of digital systems, complete metering data governance, and realise refined full-staff and full-process cost accounting management.

3.3 Analysis of Principal Business

(1) Analysis of changes in relevant items from financial statements

Unit: RMB'000 Currency: RMB

Item	**For the reporting period**	For the corresponding period last year	**Percentage of change** *(%)*
Revenue	**11,825,977**	13,085,209	-9.62
Cost of sales	**11,726,333**	12,931,497	-9.32
Sales expenses	**33,357**	31,831	4.79
General and administrative expenses	**130,379**	131,455	-0.82
Finance expenses	**78,167**	77,214	1.23
Research and development expenses	**28,700**	14,811	93.78
Net cash flow from operating activities	**562,683**	880,442	-36.09
Net cash flow from investing activities	**-213,277**	–1,186,558	N/A
Net cash flow from financing activities	**635,880**	19,332	3,189.28

Reasons for change in R&D expenses: The number of scientific research projects and the number of participants in R&D projects increased year-on-year.

Reasons for change in net cash flow from operating activities: Mainly due to the increase in occupation of inventory funds.

Reasons for change in net cash flow from investing activities: Mainly due to time deposits purchased in the previous year maturing in the current year, resulting in an increase in cash inflows from investing activities.

Reasons for change in net cash flow from financing activities: Mainly due to the increase in cash inflows from proceeds of the issuance of A Shares to specific target subscriber.

(2) ***Detailed description of major changes in the Company's type of business, profit structure or profit sources***

In the first half of 2026, the Group realised a total loss of RMB178 million, representing a year-on-year increase in loss of RMB48 million, which was mainly due to the following reasons: the selling price of commodity billet amounted to RMB3,114/tonne, representing a year-on-year decrease of 1.02% and resulting in a decrease of RMB111 million in profit; the sales volume of commodity billet reached 3,531,500 tonnes, representing a year-on-year decrease of 9.05%, and, together with the impact of product mix, recorded a decrease of RMB14 million in profit from sales volume and structure; the increase in prices of raw materials, such as ore, coal, alloy, etc., resulted in a decrease of RMB216 million in profit. The Company continued to promote the cost reduction plan and further promoted the work of reducing costs and tapping potentials, realising process cost reduction of RMB125 million; gain from disposal of assets, other income and others resulted in a combined increase of RMB43 million in profit.

In the first half of 2026, the Group's revenue from main business amounted to RMB11,695 million, representing a year-on-year decrease of 9.61%. In particular, the sales income of commodity billet amounted to RMB10,998 million, representing a year-on-year decrease of RMB1,217 million. Firstly, the sales volume of commodity billet was 3,531,500 tonnes, representing a year-on-year decrease of 9.05%, resulting in a decrease in the sales income of RMB1,106 million; secondly, the average sales price of commodity billet was RMB3,114/tonne, representing a year-on-year decrease of 1.02%, resulting in a decrease in the sales income of RMB111 million.

Composition of revenue from principal operations:

Type	First half of 2026 Amount (RMB'000)	First half of 2026 Percentage (%)	First half of 2025 Amount (RMB'000)	First half of 2025 Percentage (%)	Year-on-year growth in amount (%)
Plates	**3,660,431**	**31.30**	3,979,614	30.76	-8.02
Hot rolled coils	**6,889,549**	**58.91**	8,116,474	62.73	-15.12
Steel billets	**447,534**	**3.83**	118,565	0.92	277.46
Sub-total of commodity billets	**10,997,514**	**94.04**	12,214,653	94.41	-9.96
Others	**697,055**	**5.96**	723,908	5.59	-3.71
Total	**11,694,569**	**100.00**	12,938,561	100.00	-9.61

Sales prices of steel products:

Item	**Sales price in the first half of 2026** *(RMB/tonne)*	Sales price in the first half of 2025 *(RMB/tonne)*	**Year-on-year growth** *(%)*	**Income increase** *(RMB'000)*
Plates	**3,362**	3,421	-1.72	–64,245
Hot rolled coils	**3,010**	3,030	-0.66	–45,782
Steel billets	**2,915**	2,921	-0.21	–921
Total	**3,114**	3,146	-1.02	–110,948

Sales volumes of steel products:

Item	**Sales volume for the first half of 2026** *(Ten thousand tonnes)*	Sales volume for the first half of 2025 *(Ten thousand tonnes)*	**Year-on-year growth** *(%)*	**Income increase** *(RMB'000)*
Plates	**108.89**	116.31	-6.38	–254,938
Hot rolled coils	**228.91**	267.90	-14.55	–1,181,143
Steel billets	**15.35**	4.06	278.08	329,890
Total	**353.15**	388.27	-9.05	–1,106,191

Principal operations by sectors, products and regions:

Unit: RMB'000 Currency: RMB

Principal operations by sectors

By sectors	Revenue	Cost of sales	Gross margin *(%)*	Year-on-year increase/ decrease in revenue *(%)*	Year-on-year increase/ decrease in cost of sales *(%)*	Year-on-year increase/ decrease in gross margin *(%)*
Iron and steel	11,694,569	11,622,820	0.61	-9.61	–9.16	–0.50

Principal operations by products

By products	Revenue	Cost of sales	Gross margin (%)	Year-on-year increase/ decrease in revenue (%)	Year-on-year increase/ decrease in cost of sales (%)	Year-on-year increase/ decrease in gross margin (%)
Steel products	10,997,514	10,958,240	0.36	-9.96	–9.14	–0.90
Others	697,055	664,580	4.66	-3.71	–9.49	6.09

Principal operations by regions

By regions	Revenue	Cost of sales	Gross margin (%)	Year-on-year increase/ decrease in revenue (%)	Year-on-year increase/ decrease in cost of sales (%)	Year-on-year increase/ decrease in gross margin (%)
Southwest region	8,325,177	8,293,694	0.38	-18.96	–18.52	–0.55
Other regions	3,369,392	3,329,126	1.20	26.42	27.22	-0.61
Total	11,694,569	11,622,820	0.61	-9.61	–9.16	–0.50

SECTION IV OTHER SIGNIFICANT EVENTS

4.1 ISSUANCE OF A SHARES TO SPECIFIC TARGET SUBSCRIBER

On 22 June 2026, the Company completed the issuance of 757,575,757 A Shares to Hwabao Investment Co., Ltd. at an issue price of RMB1.32 per share, with net proceeds of approximately RMB993.7 million. Upon completion, the total number of issued shares of the Company increased from 8,851,763,767 shares to 9,609,339,524 shares. For details, please refer to the announcement of the Company dated 23 June 2026.

4.2 RELEVANT DISCLOSURES UNDER THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "LISTING RULES")

(1) Compliance with the Corporate Governance Code

To the best knowledge of the Board, the Company has complied with the provisions set out in the Corporate Governance Code in Appendix C1 to the Listing Rules during the reporting period, and no deviation from the code provisions was identified.

(2) Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code for trading of the Company's securities by directors. All directors of the Company confirmed upon specific enquiries that they had complied with the Model Code for the six months ended 30 June 2026.

(3) Interim Dividend

Given that the accumulated undistributed profit of the Company remained negative as of the end of the reporting period, the Company will not distribute interim dividend for the six months ended 30 June 2026 according to Article 213 of the Articles of Association.

(4) Repurchase, Sale or Redemption of Listed Securities of the Company

None of the Company or any of its subsidiaries has repurchased, sold or redeemed any of the Company's listed securities.

(5) Major Acquisition and Disposal of Subsidiaries and Affiliated Companies

No major acquisition and disposal of subsidiaries and affiliated companies occurred during the reporting period.

(6) Audit and Risk Committee

The audit and risk committee is comprised of three independent non-executive directors, namely, Mr. Sheng Xuejun, Mr. Guo Jiebin and Ms. Tang Ping, with Mr. Guo Jiebin acting as the chairman of the audit and risk committee.

The unaudited interim financial report of the Company for the six months ended 30 June 2026 had been reviewed by the members of the audit and risk committee before being submitted to the Board for approval.

(7) Interests or Short Positions

1. Interests or short positions of shareholders

As at 30 June 2026, so far as is known to the directors of the Company, the following persons (other than the directors and chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed under Part XV of the Securities and Futures Ordinance (the "**SFO**") and recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, as follows:

Name of shareholder	The Company/ associated corporations	Capacity	Nature of interests	Total number of interested shares held *(share)*	Percentage in the share capital of A shares of the Company *(%)*	Percentage in the total share capital of the Company *(%)*	Class of shares
China Baowu Steel Group Corporation Limited	The Company	De facto controller	Beneficial interests and interests of controlled corporations	3,369,804,955 (long position)	37.1483	35.0680	A share
Hwabao Investment Co., Ltd.	The Company	Substantial shareholder	Beneficial interests	895,035,437 (long position)	9.8668	9.3142	A share
Chongqing Changshou Iron & Steel Company Limited	The Company	Controlling shareholder	Beneficial interests	2,096,981,600 (long position)	23.1169	21.8223	A share

Note: China Baowu directly holds 129,815,901 A shares of the Company and is deemed under the SFO to be interested in 3,239,989,054 A shares held by its controlled corporations. Therefore, China Baowu is deemed to be interested in an aggregate of 3,369,804,955 A shares.

2. *Interests or short positions of directors and senior management members*

As at 30 June 2026, the interests and short positions (including interests or short positions which they were taken or deemed to have under relevant provisions of the SFO) of the directors or senior management members in the shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

Name	The Company/ associated corporations	Capacity	Nature of interests	Total number of interested shares held *(share)*	Percentage in the share capital of A shares of the Company *(%)*	Percentage in the total share capital of the Company *(%)*	Class of shares
Xie Chao	The Company	Senior vice president	Beneficial interests	1,057,400 (long position)	0.0117	0.0110	A share
Chen Yingming	The Company	Employee director	Beneficial interests	100 (long position)	0.0000	0.0000	A share

(8) Subsequent Events

The Company had no significant subsequent events after 30 June 2026.

SECTION V PREPARATION BASIS OF THE FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the “Accounting Standards for Business Enterprises – Basic Standards” promulgated by the Ministry of Finance and the specific accounting standards, subsequent practice notes, interpretations and other relevant regulations as subsequently announced and revised (collectively “**CAS**”).

These financial statements are prepared on a going concern basis.

The accounting policies applied and methods of computation used in the preparation of the unaudited financial statements of the interim report for the six months ended 30 June 2026 are consistent with those used in the audited financial statements of the annual report for the year ended 31 December 2025.

SECTION VI UNAUDITED FINANCIAL STATEMENTS OF THE GROUP FOR THE SIX MONTHS ENDED 30 JUNE 2026 PREPARED IN ACCORDANCE WITH THE PRC ACCOUNTING STANDARDS

CONSOLIDATED STATEMENT OF BALANCE SHEET

30 June 2026

RMB

Assets	**30 June 2026**	31 December 2025
Current assets		
Cash and bank balances	**3,493,088,422.45**	2,712,339,198.87
Bills receivables	**482,594.59**	4,185,550.14
Trade receivables	**22,006,386.18**	10,948,466.78
Receivables financing	**578,101,966.46**	459,630,155.77
Prepayments	**191,991,303.80**	171,895,658.54
Other receivables	**365,655,245.24**	53,775,499.93
Inventories	**1,685,874,117.25**	1,396,760,706.20
Other current assets	**17,441,357.40**	35,536,755.83
Total current assets	**6,354,641,393.37**	4,845,071,992.06
Non-current assets		
Long-term equity investments	**136,105,514.98**	141,954,046.42
Investment in other equity instruments	**60,364,499.70**	60,364,499.70
Fixed assets	**22,888,258,307.05**	23,585,897,975.23
Construction in progress	**145,018,144.35**	170,112,476.56
Right-of-use assets	**65,411,172.12**	73,172,761.56
Intangible assets	**2,429,497,690.50**	2,476,068,688.22
Goodwill	**42,871,263.01**	42,871,263.01
Deferred tax assets	**690,664,598.09**	690,664,598.09
Total non-current assets	**26,458,191,189.80**	27,241,106,308.79
Total assets	**32,812,832,583.17**	32,086,178,300.85

Liabilities and shareholders' equity	30 June 2026	31 December 2025
Current liabilities		
Short-term borrowings	**979,428,962.99**	975,503,250.15
Notes payable	**3,652,852,778.51**	3,255,608,622.05
Trade payables	**4,400,884,083.39**	4,105,401,735.68
Contract liabilities	**1,071,724,750.91**	1,137,072,939.29
Employee benefits payable	**116,245,049.98**	116,942,823.98
Taxes payable	**45,360,809.82**	12,615,839.64
Other payables	**2,642,618,242.48**	3,118,211,051.73
Non-current liabilities due within one year	**1,086,872,511.47**	2,432,156,341.55
Other current liabilities	**139,324,217.61**	143,043,750.60
Total current liabilities	**14,135,311,407.16**	15,296,556,354.67
Non-current liabilities		
Long-term borrowings	**3,492,816,261.47**	2,526,395,643.01
Lease liabilities	**51,849,502.12**	59,244,715.99
Long-term payables	**17,150,863.15**	20,548,671.60
Long-term employee benefits payable	**34,860,763.26**	57,009,173.39
Provisions for liabilities	**10,371,609.89**	8,026,222.30
Deferred income	**318,265,926.82**	200,222,244.58
Deferred tax liabilities	**6,438,715.50**	6,390,213.87
Total non-current liabilities	**3,931,753,642.21**	2,877,836,884.74
Total liabilities	**18,067,065,049.37**	18,174,393,239.41

Liabilities and shareholders' equity	**30 June 2026**	31 December 2025
Shareholders' equity		
Share capital	**9,609,339,524.00**	8,851,763,767.00
Capital reserves	**19,515,371,342.00**	19,279,224,566.14
Less: treasury shares	**–**	–
Other comprehensive income	**1,585,194.71**	1,585,194.71
Special reserves	**77,725,322.64**	58,562,796.44
Surplus reserves	**608,477,851.26**	608,477,851.26
Unappropriated profit/(Uncovered loss)	**(15,066,731,700.81)**	(14,887,829,114.11)
Total shareholders' equity	**14,745,767,533.80**	13,911,785,061.44
Total liabilities and shareholders' equity	**32,812,832,583.17**	32,086,178,300.85

The financial statements have been signed by:

Legal Representative:	Chief accountant:	Head of the accounting department:
Wang Huxiang	**Kuang Yunlong**	**Hui Zhirong**

Statement of Balance Sheet of the Parent

30 June 2026

RMB

Assets	30 June 2026	31 December 2025
Current assets		
Cash and bank balances	**3,483,366,797.62**	2,708,032,380.47
Bills receivables	**–**	4,185,550.14
Trade receivables	**14,702,248.32**	9,505,363.37
Receivables financing	**578,101,966.46**	459,630,155.77
Prepayments	**184,371,284.90**	171,403,280.98
Other receivables	**407,913,499.98**	86,057,973.27
Inventories	**1,685,708,093.66**	1,395,732,881.16
Other current assets	**1,613.25**	15,802,113.18
Total current assets	**6,354,165,504.19**	4,850,349,698.34
Non-current assets		
Long-term equity investments	**1,073,425,065.00**	1,079,273,596.44
Investment in other equity instruments	**60,364,499.70**	60,364,499.70
Fixed assets	**22,146,699,482.15**	22,809,350,263.94
Construction in progress	**132,253,143.84**	160,117,476.22
Right-of-use assets	**65,411,172.12**	73,172,761.56
Intangible assets	**2,370,352,293.84**	2,416,000,837.10
Deferred tax assets	**690,635,820.42**	690,635,820.42
Total non-current assets	**26,539,141,477.07**	27,288,915,255.38
Total assets	**32,893,306,981.26**	32,139,264,953.72

Liabilities and shareholders' equity	30 June 2026	31 December 2025
Current liabilities		
Short-term borrowings	**979,428,962.99**	975,503,250.15
Notes payable	**3,652,852,778.51**	3,255,608,622.05
Trade payables	**4,565,563,846.79**	4,209,467,944.98
Contract liabilities	**1,069,380,485.75**	1,136,817,199.47
Employee benefits payable	**114,272,096.49**	115,510,894.98
Taxes payable	**34,078,581.48**	10,159,528.93
Other payables	**2,608,458,668.03**	3,081,301,995.42
Non-current liabilities due within one year	**1,086,872,511.47**	2,432,156,341.55
Other current liabilities	**139,019,463.14**	143,010,504.42
Total current liabilities	**14,249,927,394.65**	15,359,536,281.95
Non-current liabilities		
Long-term borrowings	**3,492,816,261.47**	2,526,395,643.01
Lease liabilities	**51,849,502.12**	59,244,715.99
Long-term payables	**17,150,863.15**	20,548,671.60
Long-term employee benefits payable	**34,860,763.26**	57,009,173.39
Provisions for liabilities	**10,371,609.89**	8,026,222.30
Deferred income	**318,265,926.82**	200,222,244.58
Total non-current liabilities	**3,925,314,926.71**	2,871,446,670.87
Total liabilities	**18,175,242,321.36**	18,230,982,952.82

Liabilities and shareholders' equity	30 June 2026	31 December 2025
Shareholders' equity		
Share capital	**9,609,339,524.00**	8,851,763,767.00
Capital reserves	**19,546,314,600.00**	19,310,167,824.14
Other comprehensive income	**1,585,194.71**	1,585,194.71
Special reserves	**19,808,617.81**	9,557,715.26
Surplus reserves	**577,012,986.42**	577,012,986.42
Unappropriated profit/(Uncovered loss)	**(15,035,996,263.04)**	(14,841,805,486.63)
Total shareholders' equity	**14,718,064,659.90**	13,908,282,000.90
Total liabilities and shareholders' equity	**32,893,306,981.26**	32,139,264,953.72

Consolidated Income Statement

For the six months ended 30 June 2026

RMB

		January–June 2026	January–June 2025
I.	**Revenue**	**11,825,977,206.37**	13,085,208,976.53
	Less: Cost of sales	**11,726,332,800.83**	12,931,496,798.65
	Taxes and surcharges	**77,403,653.48**	66,115,767.52
	Sales expenses	**33,357,417.29**	31,831,443.79
	General and administrative expenses	**130,378,885.77**	131,455,497.88
	R&D expenses	**28,700,483.83**	14,810,625.84
	Finance expenses	**78,167,122.84**	77,213,808.50
	Including: Interest expenses	**90,457,216.40**	96,491,040.66
	Interest income	**11,533,279.20**	24,664,851.80
	Add: Other income	**65,605,788.08**	45,019,850.94
	Investment income	**(12,505,304.13)**	1,359,656.65
	Including:Income from investments in associates and joint ventures	**1,680,233.08**	1,359,656.65
	Credit impairment gains/(losses)		
	Asset impairment gains/(losses)	**(7,797,417.06)**	–
	Gain from disposal of assets	**25,025,014.20**	2,275,107.97

		January–June 2026	January–June 2025
II.	**Operating profit/(loss)**	**(178,035,076.58)**	(119,060,350.09)
	Add: Non-operating income	**566,637.81**	961,330.12
	Less: Non-operating expenses	**500,000.00**	11,822,060.38
III.	**Total profit/(loss)**	**(177,968,438.77)**	(129,921,080.35)
	Less: Income tax expenses	**934,147.93**	1,096,560.32
IV.	**Net profit/(loss)**	**(178,902,586.70)**	(131,017,640.67)
	Breakdown by continuity of operations		
	Net profit/(loss) from continuing operations	**(178,902,586.70)**	(131,017,640.67)
	Breakdown by attributable interests		
	Net profit/(loss) attributable to owners of the parent company	**(178,902,586.70)**	(131,017,640.67)
V.	**Total comprehensive income**		
	Total comprehensive income attributable to owners of the parent company	**(178,902,586.70)**	(131,017,640.67)
VI.	**Earnings/(losses) per share**		
	Basic earnings/(losses) per share (RMB/share)	**(0.02)**	(0.01)
	Diluted earnings/(losses) per share (RMB/share)	**N/A**	N/A

Income Statement of the Parent

For the six months ended 30 June 2026

RMB

		January–June 2026	January–June 2025
I.	**Revenue**	**12,630,883,475.25**	13,942,271,860.38
	Less: Cost of sales	**12,528,878,733.71**	13,768,788,827.90
	Taxes and surcharges	**71,579,131.72**	59,669,451.27
	Sales expenses	**33,357,417.29**	31,831,443.79
	General and administrative expenses	**127,576,217.81**	130,418,391.48
	Research and development expenses	**28,700,483.83**	14,810,625.84
	Finance expenses	**78,159,657.12**	77,223,822.89
	Including: Interest expenses	**90,457,216.40**	96,491,040.66
	Interest income	**11,529,706.12**	24,643,977.51
	Add: Other income	**38,388,459.01**	8,388,857.18
	Investment income	**(12,505,304.13)**	1,359,656.65
	Including:Income from investments in associates and joint ventures	**1,680,233.08**	1,359,656.65
	Credit impairment gains/(losses)	**–**	–
	Asset impairment gains/(losses)	**(7,797,417.06)**	–
	Gain from disposal of assets	**25,025,014.20**	2,275,107.97
II.	**Operating profit/(loss)**	**(194,257,414.21)**	(128,447,080.99)
	Add: Non-operating income	**566,637.80**	961,330.12
	Less: Non-operating expenses	**500,000.00**	11,722,042.93
III.	**Total profit/(loss)**	**(194,190,776.41)**	(139,207,793.80)
	Less: Income tax expenses	**–**	–
IV.	**Net profit/(loss)**	**(194,190,776.41)**	(139,207,793.80)
	Including: Net profit/(loss) from continuing operations	**(194,190,776.41)**	(139,207,793.80)
Total comprehensive income/(loss)		**(194,190,776.41)**	(139,207,793.80)

Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

RMB

		January–June 2026	January–June 2025
I.	**Cash flows from operating activities:**		
	Cash received from sale of goods and rendering of services	**11,398,025,399.74**	9,492,068,544.62
	Receipts of taxes refunds	**53,617,003.34**	50,242,767.57
	Other cash received relating to operating activities	**181,348,106.24**	40,684,932.57
	Sub-total of cash inflows from operating activities	**11,632,990,509.32**	9,582,996,244.76
	Cash paid for purchase of goods and services	**10,486,728,720.76**	8,050,803,652.15
	Cash paid to and on behalf of employees	**460,610,334.09**	522,055,667.54
	Cash paid for all types of taxes	**106,686,826.38**	104,193,174.45
	Other cash paid relating to operating activities	**16,281,243.74**	25,501,903.64
	Sub-total of cash outflows from operating activities	**11,070,307,124.97**	8,702,554,397.78
	Net cash flow from operating activities	**562,683,384.35**	880,441,846.98
II.	**Cash flows from investing activities:**		
	Cash received from recovery of investments	**623,841,019.89**	30,600,000.00
	Cash received from return on investments	**6,948,600.26**	4,744,295.25
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**101,629,700.00**	
	Sub-total of cash inflows from investing activities	**732,419,320.15**	35,344,295.25
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**530,099,604.51**	618,911,854.26
	Cash paid for investments	**415,596,926.28**	602,990,607.89
	Sub-total of cash outflows from investing activities	**945,696,530.79**	1,221,902,462.15
	Net cash flow from investing activities	**(213,277,210.64)**	(1,186,558,166.90)

		January–June 2026	January–June 2025
III.	**Cash flows from financing activities:**		
	Cash received from capital contributions	**998,300,000.00**	–
	Cash received from borrowings	**2,106,996,971.68**	908,130,904.44
	Other cash received relating to financing activities	**–**	–
	Sub-total of cash inflows from financing activities	**3,105,296,971.68**	908,130,904.44
	Cash repayments of borrowings	**2,386,068,595.00**	794,736,445.83
	Cash paid for distribution of dividends or profits, and for interest expenses	**83,348,720.53**	94,062,573.24
	Other cash paid relating to financing activities	**–**	–
	Sub-total of cash outflows from financing activities	**2,469,417,315.53**	888,799,019.07
	Net cash flow from financing activities	**635,879,656.15**	19,331,885.37
IV.	**Effect of changes in foreign exchange rate on cash and cash equivalents**		
V.	**Net increase/(decrease) in cash and cash equivalents**	**985,285,829.86**	(286,784,434.55)
	Add: Cash and cash equivalents at the beginning of the year	**1,939,808,534.15**	2,812,341,074.96
VI.	**Cash and cash equivalents at the end of the period**	**2,925,094,364.01**	2,525,556,640.41

Statement of Cash Flows of the Parent

For the six months ended 30 June 2026

RMB

		January–June 2026	January–June 2025
I.	**Cash flows from operating activities:**		
	Cash received from sale of goods and rendering of services	**11,385,932,656.92**	9,490,884,166.26
	Other cash received relating to operating activities	**180,958,962.53**	40,658,904.82
	Sub-total of cash inflows from operating activities	**11,566,891,619.45**	9,531,543,071.08
	Cash paid for purchase of goods and services	**10,471,141,999.85**	8,069,615,890.72
	Cash paid to and on behalf of employees	**450,218,487.61**	509,682,224.30
	Cash paid for all types of taxes	**72,457,840.32**	59,555,676.85
	Other cash paid relating to operating activities	**16,229,416.75**	25,480,244.29
	Sub-total of cash outflows from operating activities	**11,010,047,744.53**	8,664,334,036.16
	Net cash flow from operating activities	**556,843,874.92**	867,209,034.92
II.	**Cash flows from investing activities:**		
	Cash received from recovery of investments	**623,841,019.89**	30,600,000.00
	Cash received from return on investments	**6,948,600.26**	4,744,295.25
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**101,629,700.00**	–
	Sub-total of cash inflows from investing activities	**732,419,320.15**	35,344,295.25
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**529,674,901.51**	614,680,623.80
	Cash paid for investments	**415,596,926.28**	602,990,607.89
	Sub-total of cash outflows from investing activities	**945,271,827.79**	1,217,671,231.69
	Net cash flow from investing activities	**(212,852,507.64)**	(1,182,326,936.44)

		January–June 2026	January–June 2025
III.	**Cash flows from financing activities:**		
	Cash received from capital contributions	**998,300,000.00**	–
	Cash received from borrowings	**2,106,996,971.68**	908,130,904.44
	Sub-total of cash inflows from financing activities	**3,105,296,971.68**	908,130,904.44
	Cash repayments of borrowings	**2,386,068,595.00**	794,736,445.83
	Cash paid for distribution of dividends or profits, and for interest expenses	**83,348,720.53**	94,062,573.24
	Sub-total of cash outflows from financing activities	**2,469,417,315.53**	888,799,019.07
	Net cash flow from financing activities	**635,879,656.15**	19,331,885.37
IV.	**Effect of changes in foreign exchange rate on cash and cash equivalents**		
V.	**Net increase/(decrease) in cash and cash equivalents**	**979,871,023.43**	(295,786,016.15)
	Add: Cash and cash equivalents at the beginning of the year	**1,935,501,715.75**	2,810,620,701.15
VI.	**Cash and cash equivalents at the end of the period**	**2,915,372,739.18**	2,514,834,685.00

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

January–June 2026

RMB

	Share capital	Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Unappropriated profit (Uncovered loss)	Total shareholders' equity
I. Opening balance of the current year	**8,851,763,767.00**	**19,279,224,566.14**	**-**	**1,585,194.71**	**58,562,796.44**	**608,477,851.26**	**(14,887,829,114.11)**	**13,911,785,061.44**
II. Changes in the current period	**757,575,757.00**	**236,146,775.86**	**-**	**-**	**19,162,526.20**	**-**	**(178,902,586.70)**	**833,982,472.36**
(I) Total comprehensive income	-	-	-	-	-	-	(178,902,586.70)	(178,902,586.70)
(II) Capital contribution and withdrawal by shareholders	757,575,757.00	236,146,775.86	-	-	-	-	-	993,722,532.86
1. Capital contribution by owners	757,575,757.00	236,146,775.86	-	-	-	-	-	993,722,532.86
(III) Special reserves	-	-	-	-	19,162,526.20	-	-	19,162,526.20
1. Amount established during the period	-	-	-	-	22,687,938.42	-	-	22,687,938.42
2. Amount utilised during the period	-	-	-	-	(3,525,412.22)	-	-	(3,525,412.22)
III. Closing balance for the period	**9,609,339,524.00**	**19,515,371,342.00**	**-**	**1,585,194.71**	**77,725,322.64**	**608,477,851.26**	**(15,066,731,700.81)**	**14,745,767,533.80**

January–June 2025

	Share capital	Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Unappropriated profit (Uncovered loss)	Total shareholders' equity
I. Opening balance of the current year	8,918,602,267.00	19,282,146,606.55	69,760,540.41	1,585,194.71	31,581,736.68	607,679,608.13	(12,165,198,888.31)	16,606,635,984.35
II. Changes in the current period	(66,838,500.00)	(2,922,040.41)	(69,760,540.41)	–	16,036,301.24	–	(131,017,640.67)	(114,981,339.43)
(I) Total comprehensive income	–	–	–	–	–	–	(131,017,640.67)	(131,017,640.67)
(II) Capital contribution and withdrawal by shareholders	(66,838,500.00)	(2,922,040.41)	(69,760,540.41)	–	–	–	–	–
1. Cancellation of the Company's shares repurchased	(66,838,500.00)	(2,922,040.41)	(69,760,540.41)	–	–	–	–	–
(III) Special reserves	–	–	–	–	16,036,301.24	–	–	16,036,301.24
1. Amount established during the period	–	–	–	–	23,137,059.96	–	–	23,137,059.96
2. Amount utilised during the period	–	–	–	–	(7,100,758.72)	–	–	(7,100,758.72)
III. Closing balance for the period	8,851,763,767.00	19,279,224,566.14	–	1,585,194.71	47,618,037.92	607,679,608.13	(12,296,216,528.98)	16,491,654,644.92

Statement of Changes in Equity of the Parent

For the six months ended 30 June 2026

January–June 2026

RMB

	Share capital	Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Unappropriated profit (Uncovered loss)	Total shareholders' equity
I. Opening balance of the current year	**8,851,763,767.00**	**19,310,167,824.14**	**-**	**1,585,194.71**	**9,557,715.26**	**577,012,986.42**	**(14,841,805,486.63)**	**13,908,282,000.90**
II. Changes in the current period	**757,575,757.00**	**236,146,775.86**	**-**	**-**	**10,250,902.55**	**-**	**(194,190,776.41)**	**809,782,659.00**
(I) Total comprehensive income	-	-	-	-	-	-	(194,190,776.41)	(194,190,776.41)
(II) Capital contribution and withdrawal by shareholders	757,575,757.00	236,146,775.86	-	-	-	-	-	993,722,532.86
1. Capital contribution by owners	757,575,757.00	236,146,775.86	-	-	-	-	-	993,722,532.86
(III) Special reserves	-	-	-	-	10,250,902.55	-	-	10,250,902.55
1. Amount established during the period	-	-	-	-	13,579,050.24	-	-	13,579,050.24
2. Amount utilised during the period	-	-	-	-	-3,328,147.69	-	-	(3,328,147.69)
III. Closing balance for the period	**9,609,339,524.00**	**19,546,314,600.00**	**-**	**1,585,194.71**	**19,808,617.81**	**577,012,986.42**	**(15,035,996,263.04)**	**14,718,064,659.90**

January–June 2025

	Share capital	Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Unappropriated profit (Uncovered loss)	Total shareholders' equity
I. Opening balance of the current year	8,918,602,267.00	19,313,089,864.55	69,760,540.41	1,585,194.71	–	577,012,986.42	(12,334,740,096.92)	16,405,789,675.35
II. Changes in the current period	(66,838,500.00)	(2,922,040.41)	(69,760,540.41)	–	7,393,509.92	–	(139,207,793.80)	(131,814,283.88)
(I) Total comprehensive income	–	–	–	–	–	–	(139,207,793.80)	(139,207,793.80)
(II) Capital contribution and withdrawal by shareholders	(66,838,500.00)	(2,922,040.41)	(69,760,540.41)	–	–	–	–	–
1. Cancellation of the Company's shares repurchased	(66,838,500.00)	(2,922,040.41)	(69,760,540.41)	–	–	–	–	–
(III) Special reserves	–	–	–	–	7,393,509.92	–	–	7,393,509.92
1. Amount established during the period	–	–	–	–	14,450,857.50	–	–	14,450,857.50
2. Amount utilised during the period	–	–	–	–	(7,057,347.58)	–	–	(7,057,347.58)
III. Closing balance for the period	8,851,763,767.00	19,310,167,824.14	–	1,585,194.71	7,393,509.92	577,012,986.42	(12,473,947,890.72)	16,273,975,391.47

1. Trade receivables

(1) Disclosed by aging

RMB

Ageing	**30 June 2026**	31 December 2025
Within 1 year	**22,005,844.70**	10,944,588.41
1 – 2 years	**–**	0.56
2 – 3 years	**–**	1,337.96
Above 3 years	**1,329,059.50**	1,331,057.87
Sub-total	**23,334,904.20**	12,276,984.80
Less: Provision for credit losses for trade receivables	**1,328,518.02**	1,328,518.02
Total	**22,006,386.18**	10,948,466.78

(2) Disclosed by credit loss provision methods

RMB

	30 June 2026					31 December 2025				
	Book value		**Credit loss provision**			Book value		Credit loss provision		
Type	**Amount**	**Percentage (%)**	**Amount**	**Percentage (%)**	**Carrying amount**	Amount	Percentage (%)	Amount	Percentage (%)	Carrying amount
Credit loss provision on a portfolio basis	**23,334,904.20**	**100.00**	**1,328,518.02**	**5.69**	**22,006,386.18**	12,276,984.80	100.00	1,328,518.02	10.82	10,948,466.78

As at 30 June 2026, the Group had no trade receivables for which credit loss provision is individually assessed (31 December 2025: nil).

Credit loss provision on a portfolio basis

As part of the Group's credit risk management, the Group determines the expected credit losses on trade receivables arising from various types of businesses by applying an ageing-based impairment matrix. These businesses share similar risk characteristics, and ageing information can reflect the repayment ability of such customers upon the maturity of trade receivables. The ageing of the aforementioned trade receivables is calculated from the date of delivery of goods or provision of services.

As at 30 June 2026, the credit risk and expected credit losses over entire life of trade receivables in respect of such businesses are as follows:

RMB

	30 June 2026			
Ageing	**Book value**	**Credit loss provision**	**Provision ratio** *(%)*	**Carrying amount**
Within 1 year	**22,005,844.70**	**–**	**–**	**22,005,844.70**
1 – 2 years	**–**	**–**	**–**	**–**
2 – 3 years	**–**	**–**	**–**	**–**
Above 3 years	**1,329,059.50**	**1,328,518.02**	**99.21**	**541.48**
Total	**23,334,904.20**	**1,328,518.02**		**22,006,386.18**

(3) Movements in provision for expected credit losses

RMB

Category	Opening balance	Movement during the period Provision	Recovered or reversed	Write-off	Closing balance
Credit loss provision on a portfolio basis	1,328,518.02	–	–	–	1,328,518.02

Provision for credit losses based on expected credit loss model

RMB

Credit loss provision	Lifetime expected credit losses (without credit impairment)	Lifetime expected credit losses (credit-impaired)	Total
Balance at 31 December 2025	1,328,518.02	–	1,328,518.02
Provision for the period	–	–	–
Reversed during the period	–	–	–
Write-off during the period	–	–	–
Balance at 30 June 2026	1,328,518.02	–	1,328,518.02

(4) Trade receivables write-offs during the period

There were no material write-offs of trade receivable during the period.

(5) The top 5 largest accounts receivable at the end of the period collected by arrears are summarized as follows:

RMB

Company*	Trade receivables closing balance for the period	Proportion in total closing balance of trade receivables *(%)*	Closing balance of expected credit loss on trade receivables
Sany Heavy Machinery (Chongqing) Co., Ltd.	10,451,332.86	44.79	–
Chengdu Western IoT Group Co., Ltd.	5,473,884.96	23.46	–
State Grid Chongqing Electric Power Company	4,110,678.61	17.62	–
Chongqing Iron & Steel (Group) Steel Tube Co., Ltd.	1,239,770.90	5.31	1,224,641.41
Chongqing Qianxin Intelligent Manufacturing Technology Co., Ltd.	722,429.84	3.10	–
Total	21,998,097.17	94.27	1,224,641.41

** English name for edification only*

2. Trade payables

(1) The ageing analysis of trade payables is as follows:

RMB

Item	30 June 2026	31 December 2025
Within 1 year	**4,302,819,638.25**	4,051,663,405.02
1 – 2 years	**62,062,873.77**	30,408,149.31
2 – 3 years	**17,443,310.53**	4,444,834.01
Above 3 years	**18,558,260.84**	18,885,347.34
Total	**4,400,884,083.39**	4,105,401,735.68

(2) As at 30 June 2026, there were no material trade payables of the Group that were aged over one year or overdue.

(3) Supplier financing arrangements

To ensure suppliers obtain financing support and facilitate the early settlement of trade payables, the Group has entered into reverse factoring arrangements. Under such contractual arrangements, Baowu Group Finance Co., Ltd. provides factoring financing to suppliers, and the Group shall repay the full amount to Baowu Group Finance Co., Ltd. on the agreed payment due date. The payment tenors for such trade payables generally range from 30 to 40 days.

The Group's trade payables arising from supplier financing arrangements are as follows:

Item	**30 June 2026**	31 December 2025
Trade payables arising from supplier financing arrangements (Note)	**–**	121,909,274.94

Note: As at 30 June 2026, all suppliers in respect of trade payables arising from supplier financing arrangements had received payment.

3. Revenue and cost of sales

(1) Information on revenue and cost of sales

RMB

	January–June 2026		January–June 2025	
Item	**Revenue**	**Cost**	Revenue	Cost
Principal business	**11,694,569,361.20**	**11,622,819,875.55**	12,938,561,444.46	12,795,130,159.90
Other business	**131,407,845.17**	**103,512,925.28**	146,647,532.07	136,366,638.75
Total	**11,825,977,206.37**	**11,726,332,800.83**	13,085,208,976.53	12,931,496,798.65

(2) Disaggregation of revenue and cost of sales

RMB

Item	**January–June 2026** Revenue	Cost	January–June 2025 Revenue	Cost
Products type				
Sale of Steel Products				
Hot rolled coils	**6,889,549,333.01**	**6,899,552,317.32**	8,116,474,169.24	8,002,016,724.73
Plates	**3,660,431,322.21**	**3,598,197,558.60**	3,979,614,142.94	3,801,917,191.50
Bars	**–**	**17,089,441.66**	–	77,760,717.61
Wire rods	**–**	**10,757,585.53**	–	36,451,348.11
Steel billets	**447,533,605.03**	**432,643,470.36**	118,564,899.57	117,823,597.19
Sub-total	**10,997,514,260.25**	**10,958,240,373.48**	12,214,653,211.75	12,035,969,579.14
Others *(Note)*	**828,462,946.12**	**768,092,427.35**	870,555,764.78	895,527,219.51
Total	**11,825,977,206.37**	**11,726,332,800.83**	13,085,208,976.53	12,931,496,798.65
By geographical location				
Mainland China	**11,825,977,206.37**	**11,726,332,800.83**	13,085,208,976.53	12,931,496,798.65

Note: During the period, the Group recognised rental income of RMB32,284,186.43 (corresponding period: RMB21,812,392.48).

(3) Description of performance obligations

Item	Category	Timing of performance of performance obligations	Significant payment terms	Nature of goods the Company promises to transfer	Whether a principal	Expected amounts to be refunded to customers	Type of quality guarantee and related obligations
Hot rolled coils, plates and steel billets	Sale of steel and other goods	Upon delivery	Payment in advance	Sale of goods	Yes	Nil	Assurance-type quality guarantee
Others	Sale of ore	Upon delivery	Payment in advance	Sale of ore	Yes	Nil	Assurance-type quality guarantee
Others	Sale of energy media	Through valves and ports	Monthly settlement/ collection in the following month	Sale of water, electricity, gas, etc.	Yes	Nil	Nil
Others	On-supply of energy media	Through valves and ports	Monthly settlement/ collection in the following month	On-supply of water, electricity, gas, etc.	No	Nil	Nil

For sales of goods, the Group completes its performance obligation when the customer obtains control of the relevant goods; for rendering of services, the Group recognises the performance obligation completed over the service period according to the progress of performance.

For customers of steel products, payment is generally required in advance, and major customers are granted a 30-day credit period. For customers of other products, the Group's contract consideration is generally due within 30 days after delivery of the products, and there is no significant financing component. Certain contracts between the Group and customers contain sales rebate arrangements (future price concessions based on cumulative sales volume), giving rise to variable consideration. The Group determines the best estimate of variable consideration based on the expected value or the most likely amount, provided that the transaction price including variable consideration does not exceed the amount for which it is highly probable that a significant reversal of cumulative revenue recognised will not occur when the relevant uncertainty is subsequently resolved.

4. Income tax expenses

RMB

Item	**January–June 2026**	January–June 2025
Current income tax expense	**885,646.30**	1,096,560.32
Deferred tax expense	**48,501.63**	–
Total	**934,147.93**	1,096,560.32

Reconciliation between income tax expenses and profit before tax is as follows:

RMB

Item	**January–June 2026**	January–June 2025
Total profit/(loss)	**(177,968,438.77)**	(129,921,080.35)
Tax rate	**0.15**	0.15
Income tax expense at the applicable tax rate	**(26,695,265.82)**	(19,488,162.05)
Effect of non-deductible costs, expenses and losses	**72,185,071.62**	7,561,187.72
Other tax preference	**–**	–
Income not subject to tax	**(252,034.96)**	(203,948.50)
Utilised previous years' tax losses for which no deferred tax asset was recognised	**–**	–
Effect of deductible temporary differences or deductible losses for which no deferred tax asset was recognised at the end of the period	**(44,303,622.91)**	13,227,483.15
Income tax expenses	**934,147.93**	1,096,560.32

5. Taxes and surcharges

RMB

Item	January–June 2026	January–June 2025
Land use tax	**23,971,579.61**	23,847,149.13
Property tax	**35,027,503.29**	21,985,258.38
Environmental protection tax	**5,913,044.96**	11,309,718.22
Stamp duty	**6,933,556.70**	3,004,634.10
Urban maintenance and construction tax	**2,547,085.59**	2,525,699.98
Education surcharge	**1,091,608.11**	1,082,442.84
Local education surcharge	**727,738.74**	721,628.56
Others	**1,191,536.48**	1,639,236.31
Total	**77,403,653.48**	66,115,767.52

6. Earnings per share

RMB

	Earnings per share	
	Basic	Diluted
Net profit attributable to ordinary shareholders of the Company	(0.02)	N/A
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	(0.02)	N/A

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

Chongqing, the PRC, 31 August 2026

As at the date of this announcement, the Directors of the Company are: Mr. Wang Huxiang (Executive Director), Mr. Kuang Yunlong (Executive Director), Mr. Chen Yingming (Executive Director), Mr. Lin Changchun (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).