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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)

THIRD QUARTERLY REPORT OF 2022

The board of directors (the “**Board**”) of Chongqing Iron & Steel Company Limited (the “**Company**”) and all directors of the Company warrant that there are no false representations, misleading statements contained in or material omissions from this announcement and accept legal responsibility for the truthfulness, accuracy and completeness of the contents thereof.

IMPORTANT NOTICE:

The Board, the supervisory committee and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents in the quarterly report, confirm that there are no false representations or misleading statements contained in or material omissions from this report, and jointly and severally accept legal responsibility.

The legal representative, the chief accountant and the head of the accounting department (accounting officer) of the Company warrant the truthfulness, accuracy and completeness of the financial information contained in the quarterly report.

Whether the third quarterly financial statements have been audited

Yes

No

I. MAJOR FINANCIAL DATA

(I) Key accounting figures and financial indicators

Unit: RMB'000

Item	For the Reporting Period	Increase/decrease over the corresponding period last year (%)	For the period from the beginning of the year to the end of the Reporting Period	Increase/decrease for the period from the beginning of the year to the end of the Reporting Period over the corresponding period last year (%)
Revenue from operations	7,649,896	-15.88	25,666,072	-19.20
Net profit attributable to the shareholders of the Company	-787,733	-531.21	-271,317	-109.42
Net profit attributable to shareholders of the Company after non-recurring items	-833,404	-558.09	-286,785	-109.51
Net cash flow from operating activities	N/A	N/A	1,101,822	-44.66
Basic earnings per share (<i>RMB per share</i>)	-0.09	-550.00	-0.03	-109.29
Diluted earnings per share (<i>RMB per share</i>)	-0.09	-550.00	-0.03	-109.29
Weighted average return on net assets (%)	-3.50	Decreased by 4.30 percentage points	-1.22	Decreased by 14.60 percentage points
	As at the end of the Reporting Period		As at the end of the previous year	Changes from the end of the previous year (%)
Total assets	39,645,837		42,995,956	-7.79
Owners' equity attributable to shareholders of the Company	22,100,841		22,375,209	-1.23

Note: The "Reporting Period" refers to the three months from 1 June 2022 to 30 September 2022, and the same below.

(II) Non-recurring items and amounts

Unit: RMB'000

Item	Amount for the Reporting Period	Amount for the period from the beginning of the year to the end of the Reporting Period
Gains or losses on disposal of non-current assets	–	-7
Government grants included in profit or loss of the period other than those closely related with the normal operation of the Company and in compliance with national policies and regulations and conferred on the standard quota or quantity basis	51,856	54,982
Capital occupancy fee from non-financial enterprises recognized through profit or loss	1,779	3,988
Other non-operating income and expenses other than the above items	<u>-7,964</u>	<u>-43,495</u>
Total	<u><u>45,671</u></u>	<u><u>15,468</u></u>

Explanation on defining any non-recurring items listed under the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public – Non-recurring Gains/Losses as recurring items.

Applicable Not applicable

(III) Changes in key accounting figures and financial indicators and the reasons thereof

Applicable Not applicable

Item	Change (%)	Reasons
Net profit attributable to shareholders of the Company	-109.42	Mainly due to the decrease in sales volume and selling price of commodity billets and the increase in the price of raw materials and fuels
Net profit attributable to shareholders of the Company after non-recurring items	-109.51	Mainly due to the decrease in sales volume and selling price of commodity billets and the increase in the price of raw materials and fuels
Net cash flows from operating activities	-44.66	Mainly due to the significant decrease in net profit
Basic earnings per share (RMB per share)	-109.29	Mainly due to the significant decrease in net profit
Diluted earnings per share (RMB per share)	-109.29	Mainly due to the significant decrease in net profit

II. INFORMATION ON SHAREHOLDERS

(I) Total number of ordinary shareholders, total number of preferred shareholders with restored voting rights and shareholdings of the top ten shareholders

Unit: shares

Total number of ordinary shareholders as at the end of the Reporting Period	178,939	Total number of preferred shareholders with restored voting rights (if any) as at the end of the Reporting Period	Nil
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Shareholdings of top 10 shareholders

Name of shareholder	Type of shareholder	Number of shares held	Shareholding percentage (%)	Number of shares held with trading restrictions	Pledged, tagged or frozen Share Status	Number
Chongqing Changshou Iron & Steel Company Limited	Domestic non-state-owned legal person	2,096,981,600	23.51	0	Nil	0
HKSCC NOMINEES LIMITED	Foreign legal person	532,291,221	5.97	0	Unknown	-
Chongqing Qianxin Group Co., Ltd.	State-owned legal person	427,195,760	4.79	0	Pledged	427,190,070
Chongqing Rural Commercial Bank Co., Ltd.	State-owned legal person	289,268,939	3.24	0	Nil	0
Chongqing Guochuang Investment and Management Co., Ltd.	State-owned legal person	278,288,059	3.12	0	Nil	0
Bank of Chongqing Co., Ltd.	State-owned legal person	226,042,920	2.53	0	Nil	0
Baowu Group Zhongnan Steel Co., Ltd.	State-owned legal person	224,831,743	2.52	0	Nil	0
Industrial Bank Co., Ltd. Chongqing Branch	Unknown	219,633,096	2.46	0	Nil	0
Agricultural Bank of China Limited						
Chongqing Branch	State-owned legal person	216,403,628	2.43	0	Nil	0
China Shipbuilding Industry Complete Logistics Co., Ltd. (中船工業成套物流有限公司)	State-owned legal person	211,461,370	2.37	0	Nil	0

Shareholdings of the top 10 holders of shares not subject to trading moratorium

Name of shareholder	Number of shares held not subject to trading moratorium	Class	Class and number of shares Number
Chongqing Changshou Iron & Steel Company Limited	2,096,981,600	RMB-denominated ordinary shares	2,096,981,600
HKSCC NOMINEES LIMITED	532,291,221	Overseas listed foreign shares	532,291,221
Chongqing Qianxin Group Co., Ltd.	427,195,760	RMB-denominated ordinary shares	427,195,760
Chongqing Rural Commercial Bank Co., Ltd.	289,268,939	RMB-denominated ordinary shares	289,268,939
Chongqing Guochuang Investment and Management Co., Ltd.	278,288,059	RMB-denominated ordinary shares	278,288,059
Bank of Chongqing Co., Ltd.	226,042,920	RMB-denominated ordinary shares	226,042,920
Baowu Group Zhongnan Steel Co., Ltd.	224,831,743	RMB-denominated ordinary shares	224,831,743
Industrial Bank Co., Ltd. Chongqing Branch	219,633,096	RMB-denominated ordinary shares	219,633,096
Agricultural Bank of China Limited Chongqing Branch	216,403,628	RMB-denominated ordinary shares	216,403,628
China Shipbuilding Industry Complete Logistics Co., Ltd. (中船工業成套物流有限公司)	211,461,370	RMB-denominated ordinary shares	211,461,370

Description of connected relationship and acting 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 and Baowu Group Zhongnan Steel Co., Ltd. are under common control by China Baowu Steel Group Corporation Limited, a de facto controller of the Company, thus the two are related parties, and has no connected relationship with the other 8 shareholders and they are not parties acting in concert as defined under the Administrative Measures for Management of Information Disclosure of Changes in Shareholdings of Shareholders of Listed Companies. The Company is also not aware of whether there is any connected relationship among the other 8 shareholders or whether they are parties acting in concert

Description of involvement in securities margin financing, short selling and refinancing (if any) by top 10 shareholders and top 10 holders of shares not subject to trading moratorium

Nil

III. OTHER REMINDERS

Other important information about the Company's operations during the Reporting Period that should be brought to the attention of investors

Applicable Not applicable

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

Applicable Not applicable

(II) Financial statements

Consolidated Balance Sheet

30 September 2022

Prepared by: Chongqing Iron & Steel Company Limited

Unit: RMB'000 Audit type: unaudited

Item	30 September 2022	31 December 2021
Current assets:		
Cash and bank balance	3,293,945	6,410,645
Balances with clearing companies		
Placements with banks and other financial institutions		
Held-for-trading financial assets	–	600,000
Derivative financial assets		
Bills receivable		
Accounts receivable	60,110	53,885
Receivables financing	989,744	1,536,724
Prepayments	918,699	756,710
Premiums receivable		
Accounts receivable from reinsurers		
Deposits receivable from reinsurers		
Other receivables	69,803	52,279
Including: Interests receivable		
Dividends receivable		
Proceeds from financial assets purchased under agreements to resell		
Inventories	3,624,291	3,840,198
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	247,915	100,221
Total current assets	9,204,507	13,350,662

Item	30 September 2022	31 December 2021
Non-current assets:		
Loans and advances granted		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	110,192	58,160
Other equity instruments investments	5,000	5,000
Other non-current financial assets		
Investment properties		
Fixed assets	23,622,810	21,891,662
Construction in progress	3,200,734	4,174,369
Biological assets for production		
Fuel assets		
Right-of-use assets	421,134	518,318
Intangible assets	2,381,479	2,384,882
Development expenses		
Goodwill	328,055	328,055
Long-term deferred expenditures	246	271
Deferred income tax assets	142,252	142,568
Other non-current assets	229,428	142,009
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Total non-current assets	30,441,330	29,645,294
	<hr/> <hr/>	<hr/> <hr/>
Total assets	39,645,837	42,995,956
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Item	30 September 2022	31 December 2021
Current liabilities:		
Short-term borrowings	1,606,704	2,629,734
Borrowings from central bank		
Placements from banks and other financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Bills payable	594,366	1,261,138
Accounts payable	3,477,568	4,567,985
Advances from customers		
Contract liabilities	3,064,296	2,185,095
Disposal of repurchased financial assets		
Deposit taking and deposit in interbank market		
Customer deposits for trading in securities		
Customer deposits for underwriting		
Employee remuneration payable	99,701	112,844
Taxes payable	38,362	16,744
Other payables	2,211,222	2,770,510
Including: Interests payable		
Dividends payable		
Handling charges and commissions payable		
Payable to reinsurers		
Held-for-sale liabilities		
Non-current liabilities due within one year	1,980,985	1,582,635
Other current liabilities	398,358	284,736
	<hr/>	<hr/>
Total current liabilities	13,471,562	15,411,421
	<hr/> <hr/>	<hr/> <hr/>

Item	30 September 2022	31 December 2021
Non-current liabilities:		
Deposits for insurance contracts		
Long-term borrowings	1,546,800	1,792,800
Debentures payable	–	498,434
Including: Preferential shares		
Perpetual bonds		
Lease liabilities	323,533	408,135
Long-term payables	2,029,792	2,301,299
Long-term employee remuneration payable	109,672	144,977
Accrued liabilities		
Deferred income	57,225	56,903
Deferred income tax liabilities	6,412	6,778
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	4,073,434	5,209,326
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities	17,544,996	20,620,747
	<hr/> <hr/>	<hr/> <hr/>
Owners' equity (or Shareholders' equity):		
Paid-in capital (or share capital)	8,918,602	8,918,602
Other equity instruments		
Including: Preferential shares		
Perpetual bonds		
Capital reserve	19,282,147	19,282,147
Less: Treasury stock		
Other comprehensive income		
Special reserve	15,542	18,593
Surplus reserve	606,991	606,991
General risk provision		
Undistributed profit	-6,722,441	-6,451,124
Total equity attributable to owners of the parent company (or shareholders' equity)	22,100,841	22,375,209
Minority interests		
	<hr/>	<hr/>
Total owners' equity (or shareholders' equity)	22,100,841	22,375,209
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities and owners' equity (or shareholders' equity)	39,645,837	42,995,956
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Legal representative:
Zhang Wenxue

Chief accountant:
Zou An

*Head of the
accounting department:*
Lei Xiaodan

Consolidated Income Statement

January to September 2022

Prepared by: Chongqing Iron & Steel Company Limited

Unit: RMB'000 Audit type: unaudited

Item	First three quarters of 2022 (January- September)	First three quarters of 2021 (January- September)
I. Total revenue from operations	25,666,072	31,764,218
Including: Revenue from operations	25,666,072	31,764,218
Interest income		
Premiums earned		
Income from fee and commission		
II. Total operating costs	26,008,734	28,758,515
Including: Operating costs	25,091,695	27,768,610
Interest expenses		
Fee and commission expenses		
Surrender value		
Net expenditure for compensation payments		
Net drawing on deposits for insurance contracts		
Expenditures for insurance policy dividend		
Reinsurance costs		
Taxes and surcharges	109,975	124,747
Selling expenses	54,742	64,387
Administrative expenses	256,336	375,378
R&D expenses	196,029	117,372
Finance cost	299,957	308,021
Including: Interest expenses	225,979	378,512
Interest income	49,023	75,764

Item	First three quarters of 2022 (January- September)	First three quarters of 2021 (January- September)
Add: Other income	79,745	40,264
Gains from investment (loss is represented by “-”)	31,739	310
Including: Gains from investment in associates and joint ventures		
Gains from derecognition of financial assets measured at amortized cost		
Exchange gain (loss is represented by “-”)		
Income on hedging the net exposure (loss is represented by “-”)		
Gain from change in fair value (loss is represented by “-”)		
Credit impairment loss (loss is represented by “-”)		
Asset impairment loss (loss is represented by “-”)		
Gain on disposal of assets (loss is represented by “-”)		
III.Profit from operations (loss is represented by “-”)	-231,178	3,046,277
Add: Non-operating income	4,212	1,511
Less: Non-operating expenses	43,950	168,684
IV.Total profit (total loss is represented by “-”)	-270,916	2,879,104
Less: Income tax expense	401	-617
V. Net profit (net loss is represented by “-”)	-271,317	2,879,721
(I) Classified on a going concern basis		
1. Net profit from continuing operations (net loss is represented by “-”)	-271,317	2,879,721
2. Net profit from discontinued operations (net loss is represented by “-”)		
(II) Classified according to the ownership		
1. Net profit attributable to shareholders of the parent company (net loss is represented by “-”)	-271,317	2,879,721
2. Profit or loss attributable to minority shareholders (net loss is represented by “-”)		

Item	First three quarters of 2022 (January- September)	First three quarters of 2021 (January- September)
VI. Other comprehensive income (net of tax)		
(I) Other comprehensive income (net of tax) attributable to owners of the parent company		
1. Other comprehensive income that will not be reclassified to profit or loss		
(1) Changes in re-measurement of defined benefit plan		
(2) Other comprehensive income accounted for using equity method that will not be reclassified to profit or loss		
(3) Changes in fair value of other equity instruments investment		
(4) Changes in fair value of the enterprise's own credit risk		
2. Other comprehensive income that will be reclassified to profit or loss		
(1) Other comprehensive income accounted for using equity method that will be reclassified to profit and loss		
(2) Changes in fair value of other debt investments		
(3) Amount of financial assets reclassified to other comprehensive income		
(4) Provision for credit impairment of other debt investments		
(5) Hedging reserve for cash flows		
(6) Exchange difference on translation of foreign currency financial statements		
(7) Others		
(II) Other comprehensive income (net of tax) attributable to minority shareholders		

Item	First three quarters of 2022 (January- September)	First three quarters of 2021 (January- September)
VII.Total comprehensive income	-271,317	2,879,721
(I) Total comprehensive income attributable to owners of the parent company	-271,317	2,879,721
(II) Total comprehensive income attributable to minority shareholders		
VIII.Earnings per share:		
(I) Basic earnings per share <i>(RMB per share)</i>	-0.03	0.32
(II) Diluted earnings per share <i>(RMB per share)</i>	-0.03	0.32

Legal representative:
Zhang Wenxue

Chief accountant:
Zou An

*Head of the
accounting department:*
Lei Xiaodan

Consolidated Statement of Cash Flows
January-September 2022

Prepared by: Chongqing Iron & Steel Company Limited

Unit: RMB'000 Audit type: unaudited

Item	First three quarters of 2022 (January- September)	First three quarters of 2021 (January- September)
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	27,788,389	29,286,413
Net increase in customer and interbank deposits		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums under original insurance contract		
Net cash received from reinsurance business		
Net increase in deposits of policy holders and investment		
Cash received from interest, fees and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in capital from repurchase business		
Net cash received from trading in securities		
Refunds of taxes	60,270	38,356
Other cash received relating to operating activities	134,769	121,058
	<hr/>	<hr/>
Sub-total of cash inflows from operating activities	27,983,428	29,445,827
	<hr/> <hr/>	<hr/> <hr/>

Item	First three quarters of 2022 (January- September)	First three quarters of 2021 (January- September)
Cash paid for goods purchased and service received	25,217,000	25,949,584
Net increase in customer loans and advances		
Net increase in deposit in central bank and interbank deposit		
Cash paid for compensation payments under original insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash paid for interest, fee and commission		
Cash paid for insurance policy dividend		
Cash paid to and on behalf of employees	1,159,362	1,142,787
Cash paid for all types of taxes	426,066	198,421
Other cash paid relating to operating activities	79,178	163,881
	<hr/>	<hr/>
Sub-total of cash outflows from operating activities	26,881,606	27,454,673
	<hr/> <hr/>	<hr/> <hr/>
Net cash flows from operating activities	1,101,822	1,991,154
	<hr/> <hr/>	<hr/> <hr/>
II. Cash flows from investing activities:		
Cash received from disposal of investments	600,000	–
Cash received from return on investments	28,607	310
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investing activities		
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	628,607	310
	<hr/> <hr/>	<hr/> <hr/>

Item	First three quarters of 2022 (January- September)	First three quarters of 2021 (January- September)
Cash paid for acquisition and construction of fixed assets, intangible assets and other long- term assets	2,718,249	3,086,962
Cash paid for investments	48,900	550,000
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other operating entities	-	114,449
Other cash paid relating to investing activities	-	-
Sub-total of cash outflows from investing activities	<u>2,767,149</u>	<u>3,751,411</u>
Net cash flows from investing activities	<u>-2,138,542</u>	<u>-3,751,101</u>
III. Cash flows from financing activities:		
Cash received from investments Including: Proceeds received by subsidiaries from minority shareholders' investment		
Cash received from borrowings	2,433,694	3,848,065
Other cash received relating to financing activities	-	1,892,392
Sub-total of cash inflows from financing activities	<u>2,433,694</u>	<u>5,740,457</u>

Item	First three quarters of 2022 (January- September)	First three quarters of 2021 (January- September)
Cash repayments of borrowings	3,513,265	4,272,838
Cash paid for distribution of dividends or profits, and for interest expenses	248,365	244,524
Including: Dividend and profit paid by subsidiaries to minority shareholders		
Other cash paid relating to financing activities	538,225	87,903
Sub-total of cash outflows from financing activities	4,299,855	4,605,265
Net cash flows from financing activities	-1,866,161	1,135,192
IV.Effect of fluctuations in exchange rates on cash and cash equivalents	17,717	9,595
V. Net increase in cash and cash equivalents	-2,885,164	-615,160
Add: Cash and cash equivalents at the beginning of the period	5,832,238	4,698,090
VI.Balance of cash and cash equivalents at the end of the period	2,947,074	4,082,930

Legal representative:
Zhang Wenxue

Chief accountant:
Zou An

*Head of the
accounting department:*
Lei Xiaodan

Balance Sheet of the Parent Company

30 September 2022

Prepared by: Chongqing Iron & Steel Company Limited

Unit: RMB'000 Audit type: unaudited

Item	30 September 2022	31 December 2021
Current assets:		
Cash and bank balance	3,293,789	6,410,521
Held-for-trading financial assets	–	600,000
Derivative financial assets		
Bills receivable		
Accounts receivable	94,227	69,402
Receivables financing	989,744	1,536,724
Prepayments	976,313	833,678
Other receivables	183,382	180,813
Including: Interests receivable		
Dividends receivable		
Inventories	3,602,413	3,815,186
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	230,311	98,251
Total current assets	9,370,179	13,544,575

Item	30 September 2022	31 December 2021
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	1,102,480	1,050,448
Other equity instruments investments	5,000	5,000
Other non-current financial assets		
Investment properties		
Fixed assets	22,582,949	20,791,030
Construction in progress	3,200,734	4,175,296
Biological assets for production		
Fuel assets		
Right-of-use assets	421,134	518,318
Intangible assets	2,309,379	2,307,776
Development expenses		
Goodwill		
Long-term deferred expenditures	246	271
Deferred income tax assets	121,492	121,492
Other non-current assets	229,413	102,289
	<hr/>	<hr/>
Total non-current assets	29,972,827	29,071,920
	<hr/> <hr/>	<hr/> <hr/>
Total assets	39,343,006	42,616,495
	<hr/> <hr/>	<hr/> <hr/>

Item	30 September 2022	31 December 2021
Current liabilities:		
Short-term borrowings	1,606,704	2,629,734
Held-for-trading financial liabilities		
Derivative financial liabilities		
Bills payable	594,366	1,261,138
Accounts payable	3,429,156	4,676,051
Advances from customers		
Contract liabilities	3,064,259	2,185,095
Employee remuneration payable	98,302	108,454
Taxes payable	34,580	13,915
Other payables	2,171,842	2,690,068
Including: Interests payable		
Dividends payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	1,980,904	1,355,853
Other current liabilities	398,354	284,736
Total current liabilities	<u>13,378,467</u>	<u>15,205,044</u>
Non-current liabilities:		
Long-term borrowings	1,546,800	1,792,800
Debentures payable	–	498,434
Including: Preferential shares		
Perpetual bonds		
Lease liabilities	323,533	408,135
Long-term payables	2,029,792	2,301,299
Long-term employee remuneration payable	109,672	144,977
Accrued liabilities		
Deferred income	57,225	56,903
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	<u>4,067,022</u>	<u>5,202,548</u>
Total liabilities	<u>17,445,489</u>	<u>20,407,592</u>

Item	30 September 2022	31 December 2021
Owners' equity (or Shareholders' equity):		
Paid-in capital (or share capital)	8,918,602	8,918,602
Other equity instruments		
Including: Preferential shares		
Perpetual bonds		
Capital reserve	19,313,090	19,313,090
Less: Treasury stock		
Other comprehensive income		
Special reserve	8,327	13,365
Surplus reserve	577,012	577,012
Undistributed profit	-6,919,514	-6,613,166
	<u> </u>	<u> </u>
Total owners' equity (or shareholders' equity)	<u>21,897,517</u>	<u>22,208,903</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>39,343,006</u>	<u>42,616,495</u>

Legal representative:

Zhang Wenxue

Chief accountant:

Zou An

*Head of the
accounting department:*

Lei Xiaodan

Income Statement of the Parent Company

January to September 2022

Prepared by: Chongqing Iron & Steel Company Limited

Unit: RMB'000 Audit type: unaudited

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
I. Revenue from operations	26,185,894	31,767,278
Less: Operating costs	25,644,811	27,967,286
Taxes and surcharges	100,810	118,108
Selling expenses	54,742	64,387
Administrative expenses	245,977	347,321
R&D expenses	196,029	117,373
Finance cost	293,726	285,877
Including: Interest expenses	219,695	356,358
Interest income	48,915	75,726
Add: Other income	51,018	4,951
Gains from investment (loss is represented by “-”)	31,739	310
Including: Gains from investment in associates and joint ventures		
Gains from derecognition of financial assets measured at amortized cost		
Income on hedging the net exposure (loss is represented by “-”)		
Gain from change in fair value (loss is represented by “-”)		
Credit impairment loss (loss is represented by “-”)		
Asset impairment loss (loss is represented by “-”)		
Gain on disposal of assets (loss is represented by “-”)		

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
II. Profit from operations (loss is represented by “-”)	-267,444	2,872,187
Add: Non-operating income	4,138	1,309
Less: Non-operating expenses	43,042	140,365
III. Total profit (total loss is represented by “-”)	-306,348	2,733,131
Less: Income tax expense		
IV. Net profit (net loss is represented by “-”)	-306,348	2,733,131
(I) Net profit from continuing operations (net loss is represented by “-”)	-306,348	2,733,131
(II) Net profit from discontinued operations (net loss is represented by “-”)		
V. Other comprehensive income (net of tax)		
(I) Other comprehensive income that will not be reclassified to profit or loss		
1. Changes in re-measurement of defined benefit plan		
2. Other comprehensive income accounted for using equity method that will not be reclassified to profit or loss		
3. Changes in fair value of other equity instruments investment		
4. Changes in fair value of the enterprise’s own credit risk		

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income accounted for using equity method that will be reclassified to profit and loss		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified to other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Hedging reserve for cash flows		
6. Exchange difference on translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	-306,348	2,733,131
VII. Earnings per share:		
(I) Basic earnings per share (RMB per share)	-0.03	0.31
(II) Diluted earnings per share (RMB per share)	-0.03	0.31
<i>Legal representative:</i>	<i>Chief accountant:</i>	<i>Head of the accounting department:</i>
Zhang Wenxue	Zou An	Lei Xiaodan

Cash Flow Statement of the Parent Company
January to September 2022

Prepared by: Chongqing Iron & Steel Company Limited

Unit: RMB'000 Audit type: unaudited

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
I. Cash flow from operating activities:		
Cash received from sale of goods and rendering of services	27,784,286	29,264,688
Refunds of taxes	47,500	–
Other cash received relating to operating activities	93,487	120,675
Sub-total of cash inflow from operating activities	27,925,273	29,385,363
Cash paid for goods purchased and service received	25,521,816	26,469,749
Cash paid to and on behalf of employees	1,115,840	1,093,708
Cash paid for all types of taxes	369,029	155,681
Other cash paid relating to operating activities	51,078	161,087
Sub-total of cash outflow from operating activities	27,057,763	27,880,225
Net cash flow from operating activities	867,510	1,505,138

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
II. Cash flows from investment activities:		
Cash received from disposal of investments	600,000	–
Cash received from return on investments	28,607	310
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investing activities		
Sub-total of cash inflow from investing activities	628,607	310
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	2,718,249	3,079,762
Cash paid for investments	48,900	550,000
Net cash paid for acquiring subsidiaries and other operating entities	–	114,449
Other cash paid relating to investing activities		
Sub-total of cash outflow from investing activities	<u>2,767,149</u>	<u>3,744,211</u>
Net cash flow from investing activities	<u>-2,138,542</u>	<u>-3,743,901</u>

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
III. Cash flow from financing activities:		
Cash received from investments		
Cash received from borrowings	2,433,694	3,848,065
Other cash received relating to financing activities	–	1,892,392
Sub-total of cash inflow from financing activities	2,433,694	5,740,457
Cash paid for repayment of debts	3,513,265	3,813,547
Cash paid for distribution of dividends and profits or for interest expenses	239,810	216,933
Other cash paid relating to financing activities	312,500	87,903
	<hr/>	<hr/>
Sub-total of cash outflow from financing activities	4,065,575	4,118,383
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Net cash flow from financing activities	-1,631,881	1,622,074
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Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
IV. Effect of fluctuation in exchange rates on cash and cash equivalents	17,717	9,595
V. Net increase in cash and cash equivalents	-2,885,196	-607,094
Add: Balance of cash and cash equivalents at the beginning of the period	5,832,114	4,689,461
VI. Balance of cash and cash equivalents at the end of the period	<u>2,946,918</u>	<u>4,082,367</u>

<i>Legal representative:</i> Zhang Wenxue	<i>Chief accountant:</i> Zou An	<i>Head of the accounting department:</i> Lei Xiaodan
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Adjustments to the opening financial statements upon initial application of the New Accounting Standard or Interpretations of Standard since 2022

Applicable Not Applicable

By order of the Board
Chongqing Iron & Steel Company Limited
Zou An
Secretary to the Board

Chongqing, the PRC, 31 October 2022

As at the date of this announcement, the Directors of the Company are: Mr. Zhang Wenxue (Executive Director), Mr. Xie Zhixiong (Executive Director), Mr. Zou An (Executive Director), Mr. Song De An (Non-executive Director), Mr. Lai Xiaomin (Non-executive Director), Mr. Zhou Ping (Non-executive Director), Mr. Sheng Xuejun (Independent Non-executive Director), Mr. Zhang Jinruo (Independent Non-executive Director) and Mr. Guo Jiebin (Independent Non-executive Director).