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(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00323)

**INSIDE INFORMATION/OVERSEAS REGULATORY
ANNOUNCEMENT
2021 THIRD QUARTERLY REPORT**

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

IMPORTANT NOTICE

- (1) The board of directors (the “**Board**”), the supervisory committee, the directors, the supervisors and senior management of Maanshan Iron & Steel Company Limited (the “**Company**”) warrant that there are no false representations or misleading statements contained in, or material omissions from this report; and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the information contained in this report.
- (2) Mr. Ding Yi, the person-in-charge of the Company; Mr. Mao Zhanhong, the person overseeing accounting operations; and Mr. Xing Qunli, the person-in-charge of the Accounting Department, make representations in respect of the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- (3) The financial statements contained in this third quarterly report have not been audited, but have been reviewed by the Audit Committee in the Board of the Company.

I. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

Unit: Yuan Currency: RMB

Items	The reporting period	Increase/ decrease of the reporting period as compared to the same period of previous year (%)	From the beginning of the year to the end of the reporting period	Increase/ decrease from the beginning of the year to the end of the reporting period as compared to the same period of previous year (%)
Revenue	28,951,898,890	39.31	85,815,514,287	47.42
Net profit attributable to equity holders of the Company	1,883,082,109	152.79	6,526,869,226	319.13
Net profit excluding non-recurring gains or losses attributable to equity holders of the Company	1,935,790,175	121.26	6,687,698,614	364.14
Net cash flows from operating activities	N/A	N/A	11,032,874,809	349.84
Basic earnings per share (RMB/share)	0.2446	152.95	0.8476	319.19
Diluted earnings per share (RMB/share)	0.2446	152.95	0.8476	319.19
Return on net assets (weighted average) (%)	5.71	Increased by 3.00 percentage points	20.95	Increased by 15.27 percentage points
	As at the end of the reporting period		As at the end of previous year	Increase/ decrease as at the end of the reporting period as compared to the end of previous year (%)
Total assets	92,271,670,125		80,711,141,782	14.32
Equity attributable to the shareholders of the Company	33,925,257,164		28,386,124,992	19.51

Note: "The reporting period" refers to the three-month period from the beginning of the quarter to the end of the quarter, the same below.

(II) Items and amounts of non-recurring gains or losses

Unit: Yuan Currency: RMB

Items	Amount for the reporting period	Amount from the beginning of the year to the end of the reporting period
Gains/losses from disposal of non-current assets (including the write off portion of the provision for impairment of assets)	-49,796,912	-17,956,684
Government subsidies recognized in current gains/losses (excluding those having close relationship with the Company's normal business, conforming to the national policies and regulations and enjoying ongoing fixed amount or quantity according to certain standard)	18,866,266	78,296,046
Employee termination benefits	-5,640,593	-280,500,784
Gains or losses arising from fair value changes of held-for trading financial assets, held-for-trading financial liabilities, and investment income on disposal of held-for-trading financial assets, held-for-trading financial liabilities, and available-for-sale financial assets other than the hedging business that is related to the normal business of the Company	19,501,380	86,470,757
Non-operating income and expenses other than the above items	29,957,264	29,992,884
Less: Impact of income tax	74,752,277	64,562,743
Impact of non-controlling interests (after tax)	-9,156,806	-7,431,136
Total	<u>-52,708,066</u>	<u>-160,829,388</u>

(III) Changes in major accounting information and financial indicators of the Company and the reasons thereof

Items with more than 30% changes at the end of the reporting period as compared with the end of previous year in the consolidated financial statements, and the reasons for such changes:

- (1) Financial assets held for trading increased by 143.37%, mainly due to the increase in interbank deposits purchased by Magang Group Finance Company Limited (“**Finance Company**”) for recent sale during the current period.
- (2) Trade receivables increased by 34.54%, mainly due to the increase in receivables of the Company resulting from the rise of steel sales volume and prices during the current period.
- (3) Prepayments increased by 246.31%, mainly due to the increase in the prepayments for the purchase of steel billets and ore made by the Company during the current period.
- (4) Inventories increased by 38.25%, mainly due to the rise of prices of steel, raw materials and fuels during the current period, as well as the increase in the quantity of inventories as compared with the end of previous year.
- (5) Financial assets purchased under agreements to resell decreased by 100.00%, mainly due to the decrease in the reverse repurchase business of the Finance Company during the current period.
- (6) Other investment on bonds was RMB20 million, as compared with nil at the end of the previous year, mainly due to the purchase of non-held-to-maturity policy-based financial bonds of Finance Company during the current period.
- (7) Long-term receivables were RMB11 million, as compared with nil at the end of the previous year, mainly due to the foreign finance leasing business conducted by Finance Company during the current period.
- (8) Constructions in progress increased by 60.22%, mainly due to the increase in the investment in construction projects during the current period.
- (9) Customer deposits increased by 30.46%, mainly due to the increase in monetary funds of Magang Group and its member units by Finance Company during the current period.

- (10) Repurchase agreements increased by 222.13%, mainly due to the increase in the amount of funds incorporated in pledges made by Finance Company to other financial institutions during the current period.
- (11) Financial liabilities held for trading decreased by 90.70%, mainly due to changes in the fair value of forward foreign exchange contracts held by the Company during the current period.
- (12) Contract liabilities increased by 37.93%, mainly due to the rise of steel price and the increase in prepayments for steel from customers.
- (13) Taxes payable increased by 34.20%, mainly due to the increase in corporate income tax payable as a result of an increase in the profit of the Company during the current period.
- (14) Non-current liabilities due within one year decreased by 43.17%, mainly due to the repayment of long-term borrowings due within one year during the current period.
- (15) Other comprehensive income was RMB-42 million, as compared with RMB-23 million at the end of the previous year, mainly due to the depreciation of the accounting currency of some overseas subsidiaries against RMB during the current period.
- (16) Special reserve increased by 83.16%, mainly due to the increase in the Company's provision for safety costs and its entitlement to special reserves for associates during the current period.
- (17) Retained earnings increased by 74.93%, mainly due to the operating profit of the Group for the current period.

Items with more than 30% changes from the beginning of the year to the end of the reporting period as compared to the same period previous year in the consolidated financial statements, and the reasons for such changes:

- (1) Revenue increased by 47.42%, mainly due to the year-on-year increase in steel prices and sales volume.
- (2) Cost of sales increased by 35.36%, mainly due to the year-on-year increase in steel sales volume and the prices of bulk raw materials and fuels during the current period.
- (3) R&D expenses increased by 190.29%, mainly due to increased investment in scientific research by the Company and the increase in development of new products during the current period as compared to the same period previous year, which resulted in the year-on-year increase in relevant expenses.

- (4) Other income increased by 31.86%, mainly due to the year-on-year increase in government subsidies received in relation to ordinary operating activities during the current period.
- (5) Investment income increased by 61.80%, mainly due to the profits of associates and joint ventures increased year-on-year during the current period.
- (6) Gains on the changes in fair value were RMB86 million, representing a year-on-year increase of RMB112 million, mainly due to the relatively large gains from changes in fair value of forward foreign exchange contracts held by the Company during the current period.
- (7) Credit impairment losses decreased by RMB19 million as compared to the same period previous year, mainly due to a partial reversal of the bad debt provision under the overdue credit loss model during the current period.
- (8) Asset impairment losses decreased by RMB50 million as compared to the same period previous year, mainly due to a year-on-year decrease in the inventory impairment accrued by the Company during the current period.
- (9) Loss from disposal of assets was RMB18 million, as compared to RMB65 million for the same period previous year, mainly due to the year-on-year decrease in the loss of assets dismantled and disposed of during the current period as a result of the construction of new projects.
- (10) Non-operating income decreased by 70.20%, mainly due to the decrease in government subsidies received by the Group for capacity reduction during the current period.
- (11) Non-operating expenses increased by 1,007.05%, mainly due a year-on-year increase in losses on retirement of fixed assets during the current period.
- (12) Income tax expenses increased by 354.11%, mainly due to the increase in the total profit of the Company and the increase in income tax withdrawn during the current period.
- (13) Profit before tax, net profit and net profit attributable to owners of the parent increased by 293.92%, 282.55% and 319.13%, respectively, mainly due to a year-on-year increase in gross profit of steel products during the current period.

- (14) Non-controlling interests increased by 92.26%, mainly due to the year-on-year increase in the profitability of certain non-wholly-owned subsidiaries during the current period.
- (15) Net cash inflow from operating activities increased by 349.78%, mainly due to a year-on-year increase in deposits absorbed by the Finance Company during the current period, as well as the increase in cash received from the sale of products as a result of the increase in the volume and price of steel products.
- (16) Net cash outflow from investing activities amounted to RMB6,659 million, as compared with a net outflow of RMB4,057 million, mainly due to a year-on-year increase in interbank deposits purchased by Finance Company during the current period.
- (17) Net cash outflow from financing activities amounted to RMB4,276 million, as compared with a net outflow of RMB1,540 million, mainly due to a year-on-year increase in repayment of loans by the Company during the current period.

II. SHAREHOLDER INFORMATION

(I) Total number of shareholders and table of shareholdings of the top ten shareholders

Unit: Share

Total number of shareholders as at the end of the reporting period 139,895

Name of shareholder	Shareholding of the top ten shareholders					
	Nature of shareholders	Number of shares held	Percentage of shareholding (%)	Number of restricted shares held	Number of pledged, marked or frozen shares Status Volume	
Magang (Group) Holding Company Limited	State-owned legal person	3,506,467,456	45.535	-	Nil	-
Hong Kong Securities Clearing Company (Nominees) Limited <i>(note)</i>	Unknown	1,718,259,800	22.313	-	Unknown	Unknown
Magang Group Investment Co., Ltd.	State-owned legal person	158,282,159	2.055	-	Nil	-
Hong Kong Securities Clearing Company Limited	Unknown	155,145,234	2.015	-	Unknown	Unknown
Central Huijin Asset Management Limited	State-owned legal person	142,155,000	1.846	-	Unknown	Unknown

Shareholding of the top ten shareholders

Name of shareholder	Nature of shareholders	Number of shares held	Percentage	Number of	Number of pledged, marked or frozen shares	
			of shareholding (%)	restricted shares held	Status	Volume
China Merchants Bank Ltd. – SSE Dividend ETF	Unknown	115,995,096	1.506	–	Unknown	Unknown
National Social Security Fund – Portfolio 116	Unknown	41,286,809	0.536	–	Unknown	Unknown
Industrial and Commercial Bank of China Co., Ltd. – HFT Reform Driven Flexible Configuration Hybrid Securities Investment Fund	Unknown	35,272,300	0.458	–	Unknown	Unknown
China Construction Bank Corporation – Huashang Credit Enhancement Bond Investment Fund	Unknown	30,255,200	0.393	–	Unknown	Unknown
China Construction Bank Corporation – Huashang Stable Plus Bond Investment Fund	Unknown	25,583,700	0.332	–	Unknown	Unknown

Shareholding of the top ten holders of shares not subject to lock-up

Name of shareholder	Number of shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
Magang (Group) Holding Company Limited	3,506,467,456	RMB-denominated ordinary shares	3,506,467,456
Hong Kong Securities Clearing Company (Nominees) Limited	1,718,259,800	Overseas-listed shares	1,718,259,800
Magang Group Investment Co., Ltd.	158,282,159	RMB-denominated ordinary shares	158,282,159
Hong Kong Securities Clearing Company Limited	155,145,234	RMB-denominated ordinary shares	155,145,234
Central Huijin Asset Management Limited	142,155,000	RMB-denominated ordinary shares	142,155,000
China Merchants Bank Ltd. – SSE Dividend ETF	115,995,096	RMB-denominated ordinary shares	115,995,096
National Social Security Fund – Portfolio 116	41,286,809	RMB-denominated ordinary shares	41,286,809
Industrial and Commercial Bank of China Co., Ltd. – HFT Reform Driven Flexible Configuration Hybrid Securities Investment Fund	35,272,300	RMB-denominated ordinary shares	35,272,300
China Construction Bank Corporation – Huashang Credit Enhancement Bond Investment Fund	30,255,200	RMB-denominated ordinary shares	30,255,200

Shareholding of the top ten holders of shares not subject to lock-up			
Name of shareholder	Number of shares held	Class and number of shares	
	not subject to trading moratorium	Class	Number
China Construction Bank Corporation – Huashang Stable Plus Bond Investment Fund	25,583,700	RMB-denominated ordinary shares	25,583,700
Notes on the above shareholders' affiliated relation or concerted action	Magang (Group) Holding Company Limited is the controlling shareholder of Magang Group Investment Co., Ltd.; China Construction Bank Corporation – Huashang Credit Enhancement Bond Investment Fund and China Construction Bank Corporation – Huashang Stable Plus Bond Investment Fund are managed by the same fund manager. However, it is not in the knowledge of the Company whether there is any affiliated relation among other foregoing shareholders and whether they are persons acting in concerted action.		
Description of participation in securities margin trading and refinancing business of top ten shareholders and top ten shareholders whose shares are not subject to trading moratorium (if any)	Not applicable		

Note: Hong Kong Securities Clearing Company (Nominees) Limited held 1,718,259,800 H Shares of the Company, which were held on behalf of its customers. Among them, Baosteel Hong Kong Investment Ltd. held 739,590,000 H Shares of the Company, which is the wholly-owned subsidiary of China Baowu Steel Group (hereinafter referred as “**China Baowu**”), the controlling shareholder of Magang (Group) Holding Co., Ltd..

III. OTHER REMINDERS

This year, the central government coordinated its efforts to fight against the pandemic while promoting economic and social development in a scientific manner, with refined and targeted policies and effective measures that ensure the national economy to continue to recover steadily. The domestic steel industry keeps running well as a whole. Nevertheless, since July, steel enterprises have been under great pressure from relevant policies requiring “double control of energy consumption” and restriction to electricity use and production. As such, the Company has upheld the guiding principle of “stable and orderly for overall optimization” to strictly implement tasks on reducing the crude steel production, organizing production in accordance with the plan which sets the standard of crude steel yields at no higher than that in 2020. The Company has shifted the focus of production organization from creating the ultimate capacity efficiency to optimizing product structure, aligned with economic operation and the progress on key indicators. From January to September, the Company and its subsidiaries produced 14.06 million tonnes of pig iron, 16.25 million tonnes of crude steel and 15.71 million tonnes of steel, representing an increase of 1.37%, 4.91% and 7.38%, respectively (of which: the Company produced 11.08 million tonnes of pig iron, 12.81 million tonnes of crude steel and 12.13 million tonnes of steel, representing a year-on-year increase of 1.84%, 6.31% and 10.27%, respectively).

IV. QUARTERLY FINANCIAL STATEMENT

Consolidated Statement of Financial Position

30 September 2021

Unit: RMB

	30 September 2021 Unaudited	31 December 2020 Audited
ASSETS		
CURRENT ASSETS:		
Cash and bank balances	5,486,038,237	5,346,108,774
Financial assets held for trading	4,937,959,213	2,028,957,057
Trade receivables	1,404,046,616	1,043,606,041
Financing receivables	7,314,093,087	7,072,160,166
Prepayments	2,615,801,818	755,340,403
Other receivables	345,666,468	426,386,362
Inventories	15,069,803,142	10,900,294,231
Financial assets purchased under agreements to resell	–	1,346,725,440
Loans and advances to customers	4,893,812,445	4,636,066,439
Other current assets	3,544,265,883	3,981,226,262
Total current assets	45,611,486,909	37,536,871,175
NON-CURRENT ASSETS:		
Other debt investments	19,941,427	–
Long term equity investments	4,383,932,742	3,694,172,463
Long term receivables	11,000,000	–
Other equity instruments investments	421,698,172	390,798,231
Investment properties	61,217,631	62,504,615
Property, plant and equipment	28,114,951,476	29,564,588,450
Construction in progress	11,183,867,637	6,980,279,959
Right-of-use assets	384,298,434	394,472,380
Intangible assets	1,839,784,336	1,881,124,406
Deferred tax assets	235,946,064	202,888,795
Other non-current assets	3,545,297	3,441,308
Total non-current assets	46,660,183,216	43,174,270,607
TOTAL ASSETS	92,271,670,125	80,711,141,782

Liabilities and Shareholders' Equity	30 September 2021 Unaudited	31 December 2020 Audited
CURRENT LIABILITIES:		
Customer deposits	8,636,463,574	6,620,132,197
Repurchase agreements	639,358,686	198,480,944
Short-term loans	12,321,175,129	12,584,935,187
Financial liabilities held for trading	8,922,722	95,968,940
Notes payable	3,931,883,118	3,297,446,207
Trade payables	8,789,304,627	7,612,476,174
Contract liabilities	6,037,270,494	4,377,105,559
Payroll and employee benefits payable	541,795,389	549,348,136
Taxes payable	764,643,693	569,759,727
Other payables	3,851,585,721	4,123,490,248
Non-current liabilities due within one year	1,461,828,197	2,572,092,845
Accrued liabilities	23,755,775	26,968,253
Other current liabilities	703,211,469	569,023,723
	<hr/>	<hr/>
Total current liabilities	47,711,198,594	43,197,228,140
	<hr/> <hr/>	<hr/> <hr/>

Liabilities and Shareholders' Equity	30 September 2021 Unaudited	31 December 2020 Audited
NON-CURRENT LIABILITIES:		
Long-term loans	4,518,927,771	3,536,364,338
Lease liabilities	389,321,322	394,983,673
Long-term employee benefits payable	75,508,028	79,496,046
Deferred revenue	1,061,542,308	872,949,281
Deferred tax liabilities	18,934,339	18,934,339
	<hr/>	<hr/>
Total non-current liabilities	6,064,233,768	4,902,727,677
	<hr/>	<hr/>
Total liabilities	53,775,432,362	48,099,955,817
	<hr/> <hr/>	<hr/> <hr/>
SHAREHOLDERS' EQUITY:		
Share capital	7,700,681,186	7,700,681,186
Capital reserve	8,363,029,333	8,361,457,903
Other comprehensive income	(42,387,808)	(23,151,783)
Special reserve	68,311,708	37,295,614
Surplus reserve	4,687,127,181	4,687,127,180
General reserve	248,156,969	248,156,969
Retained earnings	12,900,338,595	7,374,557,923
Equity attributable to owners of the Parent Company	33,925,257,164	28,386,124,992
Non-controlling interests	4,570,980,599	4,225,060,973
	<hr/>	<hr/>
Total shareholders' equity	38,496,237,763	32,611,185,965
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TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	92,271,670,125	80,711,141,782
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<i>Legal representative:</i> Ding Yi	<i>Chief Accountant:</i> Mao Zhanhong	<i>Head of Accounting:</i> Xing Qunli

Consolidated Profit or Loss Statement
January to September 2021

Unit: RMB

	July to September 2021 Unaudited	January to September 2021 Unaudited	July to September 2020 Unaudited	January to September 2020 Unaudited
Revenue	28,951,898,890	85,815,514,287	20,781,716,751	58,210,752,305
Less: Cost of sales	24,530,015,197	71,572,288,983	18,673,314,753	52,876,344,925
Taxes and surcharges	138,564,170	501,736,425	123,535,129	389,536,252
Selling expenses	308,668,393	859,780,350	205,813,405	736,253,270
General and administrative expenses	465,753,808	1,172,946,507	283,191,332	975,855,628
R&D expenses	1,283,764,426	3,329,851,985	510,694,628	1,147,090,830
Financial expenses	105,702,984	489,196,017	123,347,779	414,110,694
including: interest expense	155,584,296	507,644,661	112,050,853	447,223,092
interest income	13,368,144	22,563,309	8,441,325	35,081,242
Add: Other income	17,956,093	78,296,046	17,749,023	59,379,480
Investment income	251,618,906	639,893,731	163,532,156	395,491,726
including: share of profits of associates and joint ventures	188,553,242	575,737,955	120,138,070	283,742,900
gain from derecognition of financial assets measured at amortised cost	-	-	18,685,031	52,433,668
Gain/(loss) on the changes in fair value	20,591,492	86,470,757	(55,062,807)	(25,751,487)
Credit impairment losses / (reversal)	19,954,720	13,211,968	2,716,140	(5,313,961)
Asset impairment losses / (reversal)	1,600,572	(24,702,904)	(1,570,921)	(74,699,901)
Gains/(losses) on disposal of assets	(19,176,154)	(17,956,684)	(3,131,707)	(65,291,325)
Operating profit	2,411,975,541	8,664,926,934	986,051,609	1,955,375,238
Add: Non-operating income	16,190,266	76,316,432	1,898,909	256,075,459
Less: Non-operating expenses	16,853,760	46,323,548	1,275,339	4,184,406
Profit before tax	2,411,312,047	8,694,919,818	986,675,179	2,207,266,291
Less: Income tax expense	346,851,967	1,592,621,131	127,742,738	350,709,464
Net profit	2,064,460,080	7,102,298,687	858,932,441	1,856,556,827
Categorized by operation continuity				
Net profit from continuing operations	2,064,460,080	7,102,298,687	858,932,441	1,856,556,827
Net profit from discontinued operations	-	-	-	-
Categorized by ownership				

	July to September 2021 Unaudited	January to September 2021 Unaudited	July to September 2020 Unaudited	January to September 2020 Unaudited
Net profit attributable to owners of the parent	1,883,082,109	6,526,869,226	744,909,513	1,557,252,024
Profit or loss attributable to non-controlling interests	<u>181,377,971</u>	<u>575,429,461</u>	<u>114,022,928</u>	<u>299,304,803</u>
Other comprehensive income, net of tax	3,429,105	1,180,848	(9,197,425)	712,997
Other comprehensive income attributable to owners of the parent, net of tax	3,429,105	1,180,848	(9,197,425)	712,997
Other comprehensive income not to be reclassified to profit or loss:	-	23,174,957	-	(1,269,965)
Change in fair value of other equity instruments investments	-	23,174,957	-	(1,269,965)
Other comprehensive income to be reclassified to profit or loss:	3,429,105	(21,994,109)	(9,197,425)	1,982,962
Other comprehensive income that can be transferred to profit or loss under equity method	-	520,764	-	-
Exchange differences on translation of foreign operation	3,429,105	(24,191,684)	(9,197,425)	1,982,962
Credit impairment provisions for other debt investments	-	1,676,811	-	-
Other comprehensive income attributable to non-controlling interests, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income	<u>2,067,889,185</u>	<u>7,103,479,535</u>	<u>849,735,016</u>	<u>1,857,269,824</u>
Attributable to:				
Owners of the parent	1,886,511,214	6,528,050,074	735,712,088	557,965,021
Non-controlling interests	181,377,971	575,429,461	114,022,928	299,304,803
Earnings per share :				
Basic earnings per share	24.46cents	84.76cents	9.67cents	20.22cents
Diluted earnings per share	<u>24.46cents</u>	<u>84.76cents</u>	<u>9.67cents</u>	<u>20.22cents</u>

Legal representative:
Ding Yi

Chief Accountant:
Mao Zhanhong

Head of Accounting:
Xing Qunli

Consolidated Statement of Cash Flow
January to September 2021

Unit: RMB

	January to September 2021 Unaudited	January to September 2020 Unaudited
I. Cash flow from operating activities:		
Cash received from sale of goods and rendering of services	97,938,615,377	67,065,846,666
Tax refunds received	17,218,238	507,600
Net increase in repurchase agreements	440,877,741	–
Net increase in customer deposits and balances from banks	2,016,331,376	–
Net decrease in financial assets purchased under agreements to resell	1,346,725,440	1,028,779,127
Cash received for interest charges, fees and commissions	403,040,638	197,109,738
Cash received relating to other operating activities	460,806,748	675,983,236
Sub-total of cash inflows	<u>102,623,615,558</u>	<u>68,968,226,367</u>
Cash paid for purchase of goods and services	(83,441,980,029)	(57,183,789,425)
Cash paid to and on behalf of employees	(3,871,142,040)	(3,232,001,774)
Taxes and surcharges paid	(3,372,784,488)	(1,377,550,234)
Increase in deposits in central bank	(5,210,587)	(149,783,269)
Net decrease in repurchase agreements	–	(408,296,698)
Net decrease in customer deposits and balances from banks	–	(3,581,433,800)
Net increase in loans and advances to customers	(257,746,005)	(176,833,726)
Cash paid for interest charges, fees and commissions	(184,945,208)	(125,943,614)
Cash paid relating to other operating activities	(456,932,392)	(279,969,969)
Sub-total of cash outflows	<u>(91,590,740,749)</u>	<u>(66,515,602,509)</u>
Net cash flows from operating activities	<u>11,032,874,809</u>	<u>2,452,623,858</u>

	January to September 2021 Unaudited	January to September 2020 Unaudited
II. Cash flows from investing activities:		
Cash received from disposal of investments	27,581,111,266	17,253,287,215
Cash received from investment income	502,538,976	100,295,318
Proceeds from disposal of items of property, plant and equipment, intangible assets and other non-current assets	90,025,625	176,086,596
Cash received relating to other investment activities	52,074,482	–
Sub-total of cash inflows	28,225,750,349	17,529,669,129
Purchases of property, plant and equipment, intangible assets and other non-current assets	(4,029,768,582)	(4,854,005,624)
Cash paid for investments	(30,829,907,116)	(16,620,647,754)
Cash paid relating to other investment activities	(24,708,401)	(112,177,918)
Sub-total of cash outflows	(34,884,384,099)	(21,586,831,296)
Net cash flows used in investing activities	(6,658,633,750)	(4,057,162,167)
III. Cash flows from financing activities:		
Cash received from borrowings	13,020,340,127	14,253,759,358
Cash received relating to other financing activities	–	102,230,000
Cash received from capital injection	–	13,125,000
Including: cash received from capital injection from minority shareholders by subsidiaries	–	13,125,000
Sub-total of cash inflows	13,020,340,127	14,369,114,358

	January to September 2021 Unaudited	January to September 2020 Unaudited
Repayment of borrowings	(15,360,967,251)	(14,543,088,873)
Cash paid for the distribution of dividend or profits and for interest expenses	(1,935,309,637)	(1,347,429,808)
Including: dividends or profits paid by subsidiaries to minority shareholders	(236,624,809)	(283,635,590)
Cash paid relating to other financing activities	(236,624,809)	(283,635,590)
	–	(18,937,361)
Sub-total of cash outflows	<u>(17,296,276,888)</u>	<u>(15,909,456,042)</u>
Net cash flows used in financing activities	<u>(4,275,936,761)</u>	<u>(1,540,341,684)</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents	79,750,014	(31,973,761)
V. Net increase/(decrease) in cash and cash equivalents	178,054,312	(3,176,853,754)
Add: cash and cash equivalents at the beginning of the period	3,123,596,841	7,239,650,634
VI. Cash and cash equivalents at the end of the period	<u>3,301,651,153</u>	<u>4,062,796,880</u>

Legal representative:
Ding Yi

Chief Accountant:
Mao Zhanhong

Head of Accounting:
Xing Qunli

By order of the Board
Maanshan Iron & Steel Company Limited
Ding Yi
Chairman

26 October 2021
Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include executive directors Ding Yi and Ren Tianbao; and independent non-executive directors Zhang Chunxia, Zhu Shaofang and Wang Xianzhu.