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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
2024 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

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.

Mr. Jiang Yuxiang, the person-in-charge of the Company; Mr. Zhang Wenyang, the person overseeing accounting operations; and Mr. Xu Jikang, 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.

The financial statements contained in this third quarterly report as calculated based on PRC GAAP have not been audited, but have been reviewed by the Audit and Compliance Committee of 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 of the period from the beginning of the year to the end of the reporting period as compared to the same period of previous year (%)
Revenue	18,505,734,094	-25.79	61,513,212,884	-16.78
Net profit attributable to equity holders of the Company	-1,390,086,397	-318.00	-2,534,866,334	Not applicable
Net profit excluding non-recurring gains or losses attributable to equity holders of the Company	-1,385,766,514	-321.28	-2,622,521,897	Not applicable
Net cash flows from operating activities	Not applicable	Not applicable	2,549,554,855	38.65
Basic earnings per share (RMB/share)	-0.1805	-320.93	-0.3292	Not applicable
Diluted earnings per share (RMB/share)	-0.1805	-320.93	-0.3292	Not applicable
Return on net assets (weighted average) (%)	-5.36	Decreased by 7.71 percentage points	-9.57	Decreased by 3.93 percentage points
Item	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	81,391,097,583	84,552,252,935	-3.74	
Equity attributable to the shareholders of the Company	25,230,624,013	27,768,582,604	-9.14	

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 period	Amount from the beginning of the year to the end of the reporting period	Explanation
Gains/losses from disposal of non-current assets, including the write-off of provision for impairment on assets	77,299	73,607,232	
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 according to established standard, and having a constant impact on the profit or loss of the Company	2,710,720	29,201,795	
Gains or losses arising from fair value changes of financial assets and financial liabilities held by non-financial corporations and gains and losses arising from the disposal of financial assets and financial liabilities other than the hedging business related to the normal business of the Company	1,524	4,500,249	
Reversal of provision for impairment on receivables individually tested for impairment	-	19,679,292	
Non-operating income and expenses other than the above items	-1,067,569	-9,846,975	
Other items of profit or loss falling within the definition of non-recurring gains and losses	-	3,669,805	Transitional dividend on transfer of equity interest in Ouyeel Commercial Factoring Co., Ltd.
Less: Impact of income tax	2,279,822	19,718,199	
Impact of non-controlling interests (after tax)	3,762,035	13,437,635	
Total	-4,319,883	87,655,563	

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

Item	Percentage of change (%)	Main reason
Operating revenue _ the Reporting Period	-25.79	Steel sales volume and prices fell year-on-year during the period due to weak demand from downstream industries.
Net profit attributable to equity holders of the Company _ the Reporting Period	-318.00	Steel prices continued to fall during the period, hitting their lowest point in nearly three years in the third quarter, and the spread between purchases and sales continued to narrow, resulting in an increase in losses year-on-year.
Net profit attributable to equity holders of the Company _ From the beginning of the year to the end of the Reporting Period	Not applicable	
Net profit excluding non-recurring gains or losses attributable to equity holders of the Company _ the Reporting Period	-321.28	
Net profit excluding non-recurring gains or losses attributable to equity holders of the Company _ From the beginning of the year to the end of the Reporting Period	Not applicable	
Basic earnings per share (<i>RMB/ share</i>) _ the Reporting Period	-320.93	
Basic earnings per share (<i>RMB/ share</i>) _ From the beginning of the year to the end of the Reporting Period	Not applicable	
Diluted earnings per share (<i>RMB/ share</i>) _ the Reporting Period	-320.93	
Diluted earnings per share (<i>RMB/ share</i>) _ From the beginning of the year to the end of the Reporting Period	Not applicable	
Net cash flows from operating activities _ From the beginning of the year to the end of the Reporting Period	38.65	During the period, the Group strengthened the control of funds utilised for trade receivables and inventories and reduced the level of inventories.

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

149,709

Shareholding of the top ten shareholders

Name of shareholder	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 shareholder	3,691,098,749	47.65	–	Nil	–
Hong Kong Securities Clearing Company (Nominees) Limited	Unknown	1,718,071,495	22.18	–	Unknown	Unknown
Central Huijin Investment Ltd.	State-owned shareholder	139,172,300	1.80	–	Unknown	Unknown
China Merchants Bank Co., Ltd. – SSE Dividend Index ETF	Other	84,497,892	1.09	–	Unknown	Unknown
Hong Kong Securities Clearing Company Limited	Unknown	50,648,566	0.65	–	Unknown	Unknown
Ping An Life Insurance Company of China, Ltd. – Universal – Individual Universal Insurance	Unknown	49,262,041	0.64	–	Unknown	Unknown
Agricultural Bank of China Limited – CSI 500 Exchange Traded Open-ended Index Fund	Other	42,134,396	0.54	–	Unknown	Unknown
Ping An Life Insurance Company of China, Ltd. – Self-owned Fund	Unknown	25,916,300	0.33	–	Unknown	Unknown
Beijing Guoxing Real Estate Management Co., Ltd.	Unknown	23,480,700	0.30	–	Unknown	Unknown
Shenwan Hongyuan Securities Co., Ltd.	State-owned shareholder	22,615,904	0.29	–	Unknown	Unknown

Shareholding of the top ten holders without restricted selling condition

Name of shareholder	Number of shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
Magang (Group) Holding Company Limited	3,691,098,749	Ordinary shares in RMB	3,691,098,749
Hong Kong Securities Clearing Company (Nominees) Limited	1,718,071,495	Overseas listed foreign shares	1,718,071,495
Central Huijin Investment Ltd.	139,172,300	Ordinary shares in RMB	139,172,300
China Merchants Bank Co., Ltd. – SSE Dividend Index ETF	84,497,892	Ordinary shares in RMB	84,497,892
Hong Kong Securities Clearing Company Limited	50,648,566	Ordinary shares in RMB	50,648,566
Ping An Life Insurance Company of China, Ltd. –Universal – Individual Universal Insurance	49,262,041	Ordinary shares in RMB	49,262,041
Agricultural Bank of China Limited – CSI 500 Exchange Traded Open-ended Index Fund	42,134,396	Ordinary shares in RMB	42,134,396
Ping An Life Insurance Company of China, Ltd. – Self-owned Fund	25,916,300	Ordinary shares in RMB	25,916,300
Beijing Guoxing Real Estate Management Co., Ltd.	23,480,700	Ordinary shares in RMB	23,480,700
Shenwan Hongyuan Securities Co., Ltd.	22,615,904	Ordinary shares in RMB	22,615,904
Notes on the above shareholders' affiliated relation or concerted action	Magang (Group) Holding Company Limited has no affiliated relation with any of the other foregoing shareholders, nor is a person acting in concerted action; 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.		

Note: As at the end of the Reporting Period, Hong Kong Securities Clearing Company (Nominees) Limited held 1,718,071,495 H shares of the Company on behalf of its several customers, including Baosteel Hong Kong Investment Ltd., holding 358,950,000 H Shares of the Company.

III. OTHER REMINDERS

In the first three quarters of 2024, the national economy continued to recover and improve, with a year-on-year GDP growth of 4.8%. In September, there were positive changes in the macroeconomic operation, but the foundation of economic recovery is not yet solid. The overall steel demand in downstream industries has not fully recovered, with national production of pig iron, crude steel, and steel products decreasing by 4.6%, 3.6%, and 0.1% respectively year-on-year, putting pressure on steel companies' operations. The average domestic steel price index decreased by 7.71% year-on-year; the Platts Iron Ore Index (62% Fe: CFR: Qingdao Port) decreased by 4.35% year-on-year, but saw a significant rebound at the end of September.

During the reporting period, steel prices continued to fall, hitting a new low for the year. Faced with a severe market situation, the Company and its subsidiaries (“**the Group**”) unified our thoughts, remained confident, cascaded pressure, deepened cost accounting, expanded synergistic benefits, fully mobilized all favorable factors, seized market opportunities, increased sales of key products, continued to reduce production costs, strengthened technological improvements, and made efforts to improve the company's production and operating performance. However, due to the impact of the market downturn, we were unable to turn around the loss situation. From January to September, the Group produced a total of 13.22 million tons of pig iron, 14.41 million tons of crude steel, and 13.31 million tons of steel, representing year-on-year decreases of 8.12%, 8.39%, and 14.16%, respectively. The Group's net loss attributable to shareholders of the listed company was approximately RMB2.535 billion.

IV. QUARTERLY FINANCIAL STATEMENT

Consolidated Statement of Financial Position 30 September 2024

Unit: RMB

	30 September 2024 Unaudited	31 December 2023 Audited
ASSETS		
CURRENT ASSETS:		
Cash and bank balances	6,910,278,487	5,569,797,722
Notes receivable	1,139,127,200	1,708,216,158
Trade receivables	1,692,549,169	1,400,664,759
Financing receivables	1,649,808,709	1,801,284,684
Prepayments	469,598,132	645,423,430
Other receivables	358,010,994	315,637,040
Inventories	8,198,725,154	9,918,290,048
Other current assets	312,098,666	682,306,261
Total current assets	20,730,196,511	22,041,620,102
NON-CURRENT ASSETS:		
Long-term equity investments	7,019,140,605	7,043,824,631
Other equity instruments investments	366,782,614	391,993,788
Investment properties	53,688,207	55,196,655
Property, plant and equipment	47,116,969,708	48,548,833,230
Construction in progress	3,668,054,340	4,013,854,765
Right-of-use assets	327,657,848	348,972,586
Intangible assets	1,768,810,451	1,753,618,113
Deferred tax assets	339,797,299	354,339,065
Total non-current assets	60,660,901,072	62,510,632,833
TOTAL ASSETS	81,391,097,583	84,552,252,935

	30 September 2024 Unaudited	31 December 2023 Audited
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term loans	11,123,373,497	9,428,060,223
Notes payable	8,788,764,076	8,631,701,173
Trade payables	11,880,488,923	13,513,640,486
Contract liabilities	4,339,840,400	4,013,383,663
Payroll and employee benefits payable	137,090,763	204,380,835
Taxes payable	186,642,007	372,393,489
Other payables	3,043,124,022	3,068,633,198
Non-current liabilities due within one year	2,992,021,809	3,784,343,228
Accrued liabilities	12,466,808	9,875,967
Other current liabilities	598,041,045	1,028,203,765
Total current liabilities	<u>43,101,853,350</u>	<u>44,054,616,027</u>
NON-CURRENT LIABILITIES:		
Long-term loans	7,365,179,959	6,799,686,232
Lease liabilities	367,563,661	361,507,890
Long-term receivables	52,964,036	52,964,036
Long-term employee benefits payable	1,554,186	1,554,186
Deferred revenue	989,252,647	1,002,087,759
Deferred tax liabilities	302,688	295,454
Total non-current liabilities	<u>8,776,817,177</u>	<u>8,218,095,557</u>
TOTAL LIABILITIES	<u>51,878,670,527</u>	<u>52,272,711,584</u>

	30 September 2024 Unaudited	31 December 2023 Audited
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY:		
Share capital	7,746,937,986	7,746,937,986
Capital reserve	8,442,596,514	8,439,923,708
Less: Treasury shares	105,928,072	105,928,072
Other comprehensive income	(34,173,540)	(12,900,327)
Special reserve	112,313,441	96,805,291
Surplus reserve	4,720,262,452	4,720,262,452
Retained earnings	4,348,615,232	6,883,481,566
Equity attributable to owners of the Parent Company	<u>25,230,624,013</u>	<u>27,768,582,604</u>
Non-controlling interests	<u>4,281,803,043</u>	<u>4,510,958,747</u>
Total shareholders' equity	<u><u>29,512,427,056</u></u>	<u><u>32,279,541,351</u></u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>81,391,097,583</u></u>	<u><u>84,552,252,935</u></u>

Consolidated Profit or Loss Statement
January to September 2024

Unit: RMB

	July to September 2024 (Unaudited)	January to September 2024 (Unaudited)	July to September 2023 (Unaudited)	January to September 2023 (Unaudited)
I. Revenue	18,505,734,094	61,513,212,884	24,936,528,117	73,916,980,989
Less: Cost of sales	19,242,986,029	61,727,440,256	23,550,265,419	73,073,743,450
Taxes and surcharges	101,823,174	355,437,595	98,678,073	317,277,507
Selling expenses	63,808,092	208,176,009	87,380,452	265,282,315
General and administrative expenses	217,831,206	652,657,837	198,174,304	654,554,710
R&D expenses	270,948,668	780,576,286	270,866,458	914,290,446
Financial expenses	148,034,031	464,693,695	139,321,334	318,285,127
including: interest expense	151,044,275	463,116,821	139,360,767	370,988,740
interest income	29,393,443	75,381,778	26,369,948	45,219,421
Add: Other income	76,874,245	209,992,485	17,922,374	70,379,307
Investment income	30,203,171	114,490,761	8,042,801	460,032,532
including: share of profits of associates and joint ventures	27,931,648	104,050,707	8,381,917	92,893,374
Gain/(loss) on the changes in fair value	-	-	-	(34,558,767)
Credit impairment losses	539,290	16,849,410	(3,278,671)	37,679,446
Asset impairment losses	-	(353,201,258)	(2,154,207)	(674,197,903)
Gain on disposal of assets	19,836	73,549,769	4,656,652	21,540,443
II. Operating (loss)/profit	(1,432,060,564)	(2,614,087,627)	617,031,026	(1,745,577,508)
Add: Non-operating income	686,794	1,420,063	3,381,623	5,928,756
Less: Non-operating expenses	1,696,901	11,209,576	2,291,367	3,568,118
III. Total (loss)/profit	(1,433,070,671)	(2,623,877,140)	618,121,282	(1,743,216,870)
Less: Income tax expense	16,068,261	137,157,409	29,405,547	101,455,203
IV. Net (loss)/profit	(1,449,138,932)	(2,761,034,549)	588,715,735	(1,844,672,073)
(I) Categorized by operation continuity:				
1. Net (loss)/profit from continuing operations	(1,449,138,932)	(2,761,034,549)	588,715,735	(1,844,672,073)
(II) Categorized by ownership:				
1. Net loss attributable to owners of the parent	(1,390,086,397)	(2,534,866,334)	637,663,318	(1,597,835,178)
2. Profit or loss attributable to non-controlling interests	(59,052,535)	(226,168,215)	(48,947,583)	(246,836,895)

	July to September 2024 (Unaudited)	January to September 2024 (Unaudited)	July to September 2023 (Unaudited)	January to September 2023 (Unaudited)
V. Other comprehensive income, net of tax	(1,330,801)	(21,273,213)	(31,600,639)	15,872,471
(I) Other comprehensive income attributable to owners of the parent, net of tax	(1,330,801)	(21,273,213)	(31,600,639)	15,872,471
1. Other comprehensive income that cannot be reclassified to profit or loss	-	(21,429,498)	-	(11,689,222)
2. Other comprehensive income to be reclassified to profit or loss	(1,330,801)	156,285	(31,600,639)	27,561,693
(1) Changes in fair value of other debt investments	-	-	-	4,076,476
(2) Translation differences in foreign currency financial statements	(1,330,801)	(1,315,614)	(31,600,639)	(1,488,874)
(3) Other comprehensive income that can be transferred to profit or loss under the equity method	-	1,471,899	-	24,974,091
(II) Other comprehensive income attributable to non-controlling interests, net of tax	-	-	-	-
VI. Total comprehensive income	(1,450,469,733)	(2,782,307,762)	557,115,096	(1,828,799,602)
Attributable to:				
(I) Owners of the parent	(1,391,417,198)	(2,556,139,547)	606,062,679	(1,581,962,707)
(II) Non-controlling interests	(59,052,535)	(226,168,215)	(48,947,583)	(246,836,895)
VII. Earnings per share:				
(I) Basic earnings per share <i>(RMB/share)</i>	(0.1805)	(0.3292)	0.0817	(0.2075)
(II) Diluted earnings per share <i>(RMB/share)</i>	(0.1805)	(0.3292)	0.0817	(0.2075)

Consolidated Statement of Cash Flow
January to September 2024

Unit: RMB

	January to September 2024 Unaudited	January to September 2023 Unaudited
I. Cash flow from operating activities:		
Cash received from sale of goods and rendering of services	58,597,395,077	63,799,193,537
Tax refunds received	548,282,996	790,671,051
Net decrease in deposits in the central bank	–	249,240,601
Net decrease in financial assets purchased under agreements to resell	–	2,680,209,514
Net decrease in loans and advances to customers	–	1,645,825,963
Received interests, handling fees and commission charges	–	93,262,097
Cash received relating to other operating activities	149,575,447	561,892,241
Sub-total of cash inflows	<u>59,295,253,520</u>	<u>69,820,295,004</u>
Cash paid for purchase of goods and services	(52,618,803,586)	(59,220,999,947)
Cash paid to or on behalf of employees	(2,741,804,731)	(3,341,313,633)
Taxes and surcharges paid	(712,401,148)	(892,004,543)
Net decrease in repurchase agreements	–	(659,635,255)
Net decrease in customer deposits and balances from banks and other financial institutions	–	(2,493,266,501)
Cash paid for interest charges, fees and commissions	–	(48,659,682)
Cash paid relating to other operating activities	(672,689,200)	(1,325,588,822)
Sub-total of cash outflows	<u>(56,745,698,665)</u>	<u>(67,981,468,383)</u>
Net cash flows from operating activities	<u>2,549,554,855</u>	<u>1,838,826,621</u>

	January to September 2024 Unaudited	January to September 2023 Unaudited
II. Cash flows from investing activities:		
Cash received from disposal of investments	10,693,307	6,048,247,324
Cash received from investment income	143,446,275	171,545,204
Proceeds from disposal of items of property, plant and equipment, intangible assets and other non-current assets	68,077,286	366,871,777
Net cash received from disposal of subsidiaries and other business units	–	790,122,876
Cash received relating to other investing activities	13,204,227	14,426,595
Sub-total of cash inflows	<u>235,421,095</u>	<u>7,391,213,776</u>
Purchases of property, plant and equipment, intangible assets and other non-current assets	(955,410,905)	(2,926,790,625)
Cash paid for investments		(1,812,865,058)
Cash paid for other investing activities	(4,941,856)	–
Sub-total of cash outflows	<u>(960,352,761)</u>	<u>(4,739,655,683)</u>
Net cash flows generated/(used) in investing activities	<u>(724,931,666)</u>	<u>2,651,558,093</u>
III. Cash flows from financing activities:		
Cash received from borrowings	11,870,618,114	8,469,437,709
Cash received from investors including: capital injection from a subsidiary's non-controlling interests	–	937,470,040
Cash received from bond issuance	–	937,470,040
Cash received from bond issuance	–	500,000,000
Cash received relating to other financing activities	127,179,807	406,849,100
Sub-total of cash inflows	<u>11,997,797,921</u>	<u>10,313,756,849</u>

	January to September 2024 Unaudited	January to September 2023 Unaudited
Repayment of borrowings	(12,081,602,078)	(13,692,078,032)
Cash paid for the distribution of dividend or profits and for interest expenses including: dividends and profits paid by subsidiaries to minority shareholders	(477,371,449)	(529,579,377)
Cash paid relating to other financing activities	(11,187,063)	(13,913,579)
	(8,589,127)	(74,982,831)
Sub-total of cash outflows	<u>(12,567,562,654)</u>	<u>(14,296,640,240)</u>
Net cash flows (used in)/generated from financing activities	<u>(569,764,733)</u>	<u>(3,982,883,391)</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents	(59,249,856)	42,829,414
V. Net increase in cash and cash equivalents	1,195,608,600	550,330,737
Add: cash and cash equivalents at the beginning of the year	4,428,594,208	4,360,738,411
VI. Cash and cash equivalents at the end of the year	<u>5,624,202,808</u>	<u>4,911,069,148</u>

Legal representative:
Jiang Yuxiang

Chief Accountant:
Zhang Wenyang

Head of Accounting:
Xu Jikang

By order of the Board
Maanshan Iron & Steel Company Limited
Jiang Yuxiang
Chairman

30 October 2024
Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include executive directors Jiang Yuxiang, Mao Zhanhong and Zhang Wenyang; and independent non-executive directors Guan Bingchun, He Anrui, Qiu Shengtao and Zeng Xiangfei.