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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)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

I IMPORTANT NOTICE

- This summary of annual report is abstracted from the full text of the annual report. In order to comprehensively understand the operating results, financial position and future development plans of Chongqing Iron & Steel Company Limited (the "Company"), investors shall refer to the website of the Shanghai Stock Exchange at http://www.sse.com.cn and the website of The Stock Exchange of Hong Kong Limited at https://www.hkexnews.hk to carefully read the full text of the annual report.
- The board of directors, (the "**Board**") the board of supervisors, the directors, the supervisors and members of senior management of the Company guarantee the authenticity, accuracy and completeness of the contents of the annual report, in which there are no false representations, misleading statements contained or material omissions, and assume the several and joint responsibilities as well.
- 3 All directors of the Company attended the Board meeting.
- 4 Ernst & Young Hua Ming LLP has issued a standard and unqualified audit report for the Company.
- The profit distribution proposal or proposal to transfer capital reserve to share capital for the reporting period as passed by the Board meeting

According to the auditing by Ernst & Young Hua Ming LLP, the realized net loss attributable to the parent company for 2023 amounted to RMB1,511 million, and the unappropriated profit by parent company as at the end of 2023 amounted to RMB-9.166 billion. As the parent company recorded a negative unappropriated profit as at the end of 2023, the Board suggested not to make profit distribution or transfer capital reserve to share capital in 2023 pursuant to Article 250 of the Articles of Association.

II BASIC INFORMATION OF THE COMPANY

1 Company Profile

Stock profile

Stock type	Relevant Exchange tha stock listed on	t Stock abbreviation	Stock code	Stock abbreviation before change
A Share	Shanghai Stock Exchange	Chongqing Iron & Steel	601005	N/A
H Share	The Stock Exchange of Hong Kong Limited	Chongqing Iron	01053	N/A

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

2 Main Business Profile during the Reporting Period

The Company, belonging to the manufacturing industry/ferrous metal smelting and rolling processing industry, is mainly engaged in the production and sale of hot rolled sheets, medium plates, rebars, wire rods, billets, steel by-products and coking and coal chemical products, etc. The Company has the following main production lines: 4,100mm wide and thick plate, 2,700mm medium plate, 1,780mm hot rolled sheet, double high rods, high speed wire rods and bar materials.

With rich production lines, the Company is able to provide a diversified portfolio of products. The products include the varieties of medium plates, heavy plates, hot coil and long products. The Company's products are widely applied in various sectors, such as railways, airports, bridges, tunnels, ships, as well as urban high-rise buildings. The products of the Company are mainly sold in Chongqing and southwestern regions, and have met the development demands in northwestern regional markets. The products are highly recognized in regional markets.

The Company's steel products used in hull structure, boilers and pressure vessels were rewarded the title of "Chinese brand products" and four other products were rewarded the title of "Chongqing's brand products". The Company successively obtained the following titles of honor: national Labor Day certificate, national implementation of performance excellence model advanced enterprises, Chongqing famous trademark, Chongqing quality benefit enterprise and Chongqing contract-abiding and trustworthy Enterprises. In 2023, the Company's hot rolled wide steel plates of structural steel for ships and offshore engineering, and hot rolled wide steel plates of structural steel for bridges were recognized as "Golden-cup Excellent Products" by China Iron and Steel Association, and the Company has successfully established a national advanced unit of metallurgical greening, and was awarded the honorary titles of "Green Steel Development Benchmarking Enterprise" and "Chongqing Environmental Integrity Enterprise".

In 2023, extremely turbulent international situation, sluggish recovery of the global economy, intensified geopolitical risks, and sustained decline in global economic growth resulted in a significant contraction in steel demand. The cost of raw fuel procurement remained at a high level for a relatively long period of time, resulting in a contraction in demand, rising costs, and a continuous decline in steel prices and profits decline in the domestic steel market. The Company's market price difference between the purchase and sales continued to narrow. With "production with orders, production with margins, income with profits, and profits with cash" as the framework to promote the accounting operation, the Company took multiple measures, and various technical and economic indicators continued to set new historical records, and stabilizing the fundamentals of the high-quality development of Chongqing Iron & Steel.

3 Major Financial Data and Financial Indicators of the Company

3.1 Major financial data and financial indicators for the last three years

Unit: RMB'000

	2023	2022	Increase/ decrease from last year (%)	2021
Total assets	37,357,035	39,364,800	-5.10	42,995,956
Net assets attributable to shareholders of listed				
company	19,854,331	21,341,918	-6.97	22,375,211
Operating income	39,318,142	36,561,531	7.54	39,849,418
Operating revenue net				
of business revenue				
not related to principal				
business and income				
lacking commercial	00 000 454	00 070 700	7.00	07 400 050
substance	39,030,451	36,273,788	7.60	37,466,956
Net profit attributable to shareholders of listed				
	-1,494,417	-1,019,409	N/A	2,274,395
company Net profit attributable to	-1,454,417	-1,010,400	IV/A	2,274,333
shareholders of listed				
company, netting non-				
recurring gains and losses	-1,514,298	-1,086,273	N/A	2,453,197
Net cash flow from	, ,	, ,		, ,
operating activities	1,022,039	1,470,087	-30.48	5,621,433
Weighted average return on			Decreased by	
net assets (%)			2.60 percentage	
	-7.26	-4.66	points	10.73
Basic earnings per share			27/4	
(RMB/share)	-0.17	-0.11	N/A	0.26
Diluted earnings per share	0.47	0.44	ът/а	0.00
(RMB/share)	-0.17	-0.11	N/A	0.26

3.2 Major financial data by quarter during the reporting period

Unit: RMB'000

	1st Quarter (January– March)	2nd Quarter (April–June)	3rd Quarter (July– September)	4th Quarter (October– December)
Operating income Net profit attributable to shareholders of listed	10,470,409	10,524,422	9,017,979	9,305,332
company Net profit attributable to shareholders of listed company, netting non- recurring gains and	-105,452	-329,288	-157,582	-902,095
losses Net cash flow from	-113,661	-333,144	-164,097	-903,396
operating activities	-1,027,469	1,441,990	71,039	536,479
Explanation on the diregular reporting data	ifferences bo	etween quart	erly data and	disclosed
Applicable	Not app	licable		

4 Shareholders

4.1 Total number of ordinary shareholders, preferred shareholders with restored voting rights and total number of shareholders with special voting rights and shareholdings of the top 10 shareholders as at the end of the reporting period and the end of the month before the annual report disclosure

Unit: share As of the end of the reporting period, the total number of ordinary shareholders (accounts) 168,503 At the end of the month before the annual report disclosure, the total number of ordinary shareholders (accounts) 166,725 As of the end of the reporting period, the total number of preferred shareholders with restored voting rights (accounts) 0 At the end of the month before the annual report disclosure, the total number of preferred shareholders with restored voting rights (accounts) 0

The top 10 shareholders

Nome of shougholder (Full name)	Changes during the reporting	Period-end number of	Dette	Number of restricted	Stock	arked or frozen	Nature of
Name of shareholder (Full name)	period	stock	Ratio (%)	stock held	Status	Quantity	shareholders
Chongqing Changshou Iron & Steel Company Limited	0	2,096,981,600	23.51	0	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED	483,920	533,065,141	5.98	0	Unknown	-	Foreign legal person
Chongqing Qianxin Group Co., Ltd.	0	427,195,760	4.79	0	Pledged	427,190,070	State-owned legal person
Chongqing Rural Commercial Bank Co., Ltd.	0	289,268,939	3.24	0	Nil	0	State-owned legal person
Chongqing Guochuang Investment and Management Co., Ltd.	0	278,288,059	3.12	0	Nil	0	State-owned legal person
Bank of Chongqing Co., Ltd.	0	226,042,920	2.53	0	Nil	0	State-owned legal person
Baowu Group Zhongnan Steel Co., Ltd	0	224,831,743	2.52	0	Nil	0	State-owned legal person
Industrial Bank Co., Ltd. Chongqing Branch	0	219,633,096	2.46	0	Nil	0	Unknown
Agricultural Bank of China Limited Chongqing Branch	0	216,403,628	2.43	0	Nil	0	State-owned legal person
China Shipbuilding Industry Complete Logistics Co., Ltd.	0	211,461,370	2.37	0	Nil	0	State-owned legal person

The above shareholders' connected relationship or acting in concert

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 associated relationship with the other 8 shareholders and they are not parties acting in concert regulated in Administrative Measures for the Takeover of Listed Companies' Shareholders. The Company is also not aware of any connected relationship among the other 9 shareholders or whether they are acting in concert

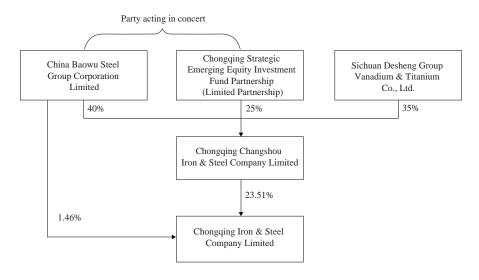
Preferred shareholders with restored voting rights and their shareholding

Not applicable

4.2 Chart of equity and the controlling relationship between the Company and the controlling shareholder



4.3 Chart of equity and the controlling relationship between the Company and the actual controllers



4.4 The total number of preferred shareholders of the Company and the top 10 shareholders at the end of the reporting period

	77 . 10 1	
Applicable	Not applicab	le

5.1 E tl. Na Ch 5.2 In 5.3 A cr 5.4 S.	Applicable Existing bonds as the Company The Company The of bond T	Abbreviated name 20 Chongqing Iron & Steel MTN001B The bonds during the dit rating the sies during to the sies during the si	Stock code 102000391 ring the Reapplicable results of	Due date 19 March 2023 eporting F	Unite Balance both	e of Interest nds rate (%
Na Ch 5.2 In 5.3 A cr 5.4 S	me of bond ongqing Iron & Steel Company Limited 2020 First tranche of medium-term notes (Type 2) Applicable djustment of cre redit rating agence	Abbreviated name 20 Chongqing Iron & Steel MTN001B The bonds during the dit rating the sies during to the sies during the si	Stock code 102000391 ring the Reapplicable results of	Due date 19 March 2023 eporting F	Unite Balance both	e of Interest nds rate (%
6.2 In 5.3 A c1 5.4 S	ongqing Iron & Steel Company Limited 2020 First tranche of medium-term notes (Type 2) Applicable djustment of cre redit rating agence	name 20 Chongqing Iron & Steel MTN001B of bonds dur Not a	102000391 ring the Repplicable results of	19 March 2023 eporting F the Comp	Balance both Period pany or	e of Interest rate (% - 5.13
6.2 In 5.3 A c1 5.4 S	ongqing Iron & Steel Company Limited 2020 First tranche of medium-term notes (Type 2) Applicable djustment of cre redit rating agence	name 20 Chongqing Iron & Steel MTN001B of bonds dur Not a	102000391 ring the Repplicable results of	19 March 2023 eporting F the Comp	Period pany or	nds rate (% - 5.13
5.2 In 5.3 A cr	Company Limited 2020 Cirst tranche of medium-term notes (Type 2) Applicable djustment of creating agence	Iron & Steel MTN001B of bonds dur Not a edit rating to ies during to	ring the R applicable results of	eporting F	Period pany or	
	Applicable djustment of cre redit rating agence	Not a	applicable results of	the Com	pany or	· bonds by
6.4 S	djustment of cre	edit rating ries during t	results of	_		· bonds by
6.4 S	redit rating agenc	cies during t		_		· bonds by
	Applicable	D NT .				
		Not a	pplicable			
	ignificant accoun ears	iting data a	and finan	cial indica	ators in	the last 2
	Applicable	Not a	pplicable			
					Unit	: RMB'000
					(Change from the same period of
M	ajor Indicators			2023	2022	last year to this period (%)
	earing Ratio (%)			16.85	45.78	1.07
N	et profit after deducti profit or loss	ng non-recurri	ng - 1,51 4	1 902 _1 (086,273	N/A
ח	ebt-to-EBITDA ratio		-1,314	1,296 -1,0 0.03	0.06	-50.00
In	ראניום ביות איייים מיייים מיייים			0.00	0.00	-30.00 N/A

III SIGNIFICANT EVENTS

1	The Company shall explain the significant changes in the operation of the Company during the reporting period under the principle of materiality and events that occurred during the reporting period had material impact on the operation of the Company and expected to have a material impact in the future.
	Applicable Not applicable
2	If there is a delisting risk warning or termination of listing after the disclosure of the annual report of the Company, the reasons resulting the delisting risk warning or termination of listing shall be disclosed.
	Applicable Not applicable

3 Major operations during the reporting period

During the reporting period, the Group produced 6.5160 million tonnes of iron, 7.1155 million tonnes of steel and 10.2222 million tonnes of commodity billet, representing year-on-year decrease of 9.88% and 9.63% of iron and steel and a year-on-year increase of 22.53% of commodity billet. The sales volume of commodity billet was 10.2895 million tonnes, representing a year-on-year growth of 22.74%. The operating income was RMB39.318 billion, while the total profit was RMB-1,744 million.

3.1 Main business analysis

(1) Analysis of changes in certain items from Income Statement and Cash Flow Statement

Unit: RMB'000

Item	Current period	Corresponding period of last year	Change (%)
Operating income	39,318,142	36,561,531	7.54
Operating cost	40,002,413	36,592,389	9.32
Selling expenses	75,804	74,204	2.16
Administrative expenses	334,986	418,291	-19.92
Financial expenses	242,279	358,905	-32.49
R&D expenses	31,949	24,764	29.01
Net cash flow from operating activities	1,022,039	1,470,087	-30.48
Net cash flow from investing activities	-801,075	-2,111,390	N/A
Net cash flow from financing activities	-2,327,132	-1,253,003	N/A

Reasons for change in financial expenses: The decrease in financial expenses was mainly due to the decrease in the size of interest-bearing liabilities and consolidated finance costs.

Reasons for change in net cash flow from operating activities: The decrease in net cash flow from operating activities was mainly due to the decrease in profit for the current period.

Reasons for change in net cash flow from investment activities: The decrease in net cash flow from operating activities was mainly due to the decrease in investment expenditure on fixed assets for current period.

Reasons for change in net cash flow from financing activities: The increase in net cash flow from financing activities was mainly due to decrease in new borrowings for the current period.

(2) Revenue and cost analysis

In 2023, the Group realized a total profit of RMB-1,744 million, representing a year-on-year decrease of 45.13%, which was mainly due to the following reasons: the selling price of commodity billet amounted to RMB3,638/tonne, representing a year-on-year decrease of 10.13%, and commodity billet achieved an decrease of RMB3,575 million in profit; the sales volume of commodity billet reached 10.2895 million tonnes, representing a year-onyear increase of 22.74%, and achieving an decrease of RMB524 million in profit affected by products structure; the Company continued to promote cost reduction plan, thus key technical and economic indicators continued to improve, resulting in an increase of RMB1,261 million in profit from cost reduction in the aspect of process; ore price rose, prices of coal and, scrap steel fell, resulted in an increase of RMB2,208 million in profit. The Company insisted on reducing all expenses, thus resulting in an increase of RMB198 million in profit; others matters resulted in an decrease of RMB113 million in profit in total; mainly due to the yearon-year decrease of RMB42 million in profit from impairment of assets and a year-on-year decrease of RMB48 million from government grants.

In 2023, the Group's revenue from main business amounted to RMB39.030 billion, representing a year-on-year increase of 7.60%. In particular, the income from sales of commodity billet products amounted to RMB37.434 billion, representing a year-on-year increase of RMB3,502 million. Firstly, the sales volume of commodity billet was 10.2895 million tonnes, representing a year-on-year increase of 22.74%, resulting in an increase in the sales income of RMB7,077 million; secondly, the sales price of commodity billet was RMB3,638/tonne, representing a year-on-year decrease of 10.13%, resulting in a decrease in the sales income of RMB3,575 million.

Composition of income from main businesses:

	202	3	Year-on-ye 2022 Increa			
Туре	Amount	Percentage	Amount	Percentage	in amount	
JI	(RMB'000)	(%)	(RMB'000)	(%)	(%)	
Plate	9,604,212	24.61	11,202,787	30.89	-14.27	
Hot rolling	17,998,354	46.11	17,256,980	47.57	4.30	
Bars	3,250,795	8.33	1,633,885	4.50	98.96	
Double high rods	3,969,804	10.17	2,854,994	7.87	39.05	
Profiles	1,371,770	3.51	931,025	2.57	47.34	
billets	1,239,556	3.18	52,305	0.14	2,269.86	
Subtotal	37,434,491	95.91	33,931,976	93.54	10.32	
Other	1,595,960	4.09	2,341,812	6.46	-31.85	
Total	39,030,451	100.00	36,273,788	100.00	7.60	

Sales prices of commodity billet:

Item	2023 Sales price (RMB/tonne)	2022 Sales price (RMB/tonne)	Year-on-year growth (%)	Income increase (RMB'000)
Plate	3,941	4,322	-8.82	-928,383
Hot rolling	3,613	3,994	-9.54	-1,898,218
Bars	3,427	3,606	-4.96	-169,782
Double high rods	3,384	3,748	-9.71	-427,008
Profiles	3,632	3,878	-6.34	-92,914
billets	3,338	3,495	-4.49	-58,294
Total of commodity	3,638	4,048	-10.13	-3,574,599

Sales volumes of commodity billet:

	Sales	Sales		
	volume for	volume for	Year-on-year	Income
Item	2023	2022	growth	increase
	(Ten thousand	(Ten thousand		
	tonnes)	tonnes)	(%)	(RMB'000)
Plate	243.67	259.23	-6.00	-670,192
Hot rolling	498.22	432.09	15.30	2,639,592
Bars	94.85	45.31	109.34	1,786,692
Double high rods	117.31	76.19	53.97	1,541,818
Profiles	37.77	24.00	57.38	533,659
billets	37.13	1.50	2,375.33	1,245,545
Total of commodity	y 1,028.95	838.32	22.74	7,077,114

1) Main business by sectors, products and regions and sales model

Unit: RMB'000

Main business by sectors

	Omounting	Onemating	Cwass	Year-on-year increase/ decrease	Year-on-year increase/ decrease	Year-on-year
By sectors	Operating income	Operating cost	Gross margin (%)	in operating income (%)	cost	increase/decrease in gross margin (%)
Iron and steel	39,030,451	39,740,404	-1.82	7.60	9.31	Decreased by 1.60 percentage

Main business by products

By products	Operating income	Operating cost	Gross margin (%)	Year-on-year increase/ decrease in operating income	Year-on-year increase/ decrease in operating cost (%)	Year-on-year increase/ decrease in gross margin (%)
Commodity billet	37,434,491	38,201,837	-2.05	10.32	12.38	Decreased by 1.87 percentage
Other	1,595,960	1,538,567	3.60	-31.85	-34.87	Increased by 4.48 percentage

Main business by regions

By regions	Operating income	Operating cost	Gross margin (%)	Year-on-year increase/decrease in operating income	Year-on-year increase/ decrease in operating cost (%)	Year-on-year increase/ decrease in gross margin (%)
Southwest	31,621,178	32,292,465	-2.12	13.15	14.54	Decreased by
Other regions	7,409,273	7,447,939	-0.52	-11.02	-8.73	1.24 percentage Decreased by 2.52 percentage

2) Table of production and sales volume analysis

Main products	Unit	Production volume	Sales volume	Inventory	Year-on-year increase/ decrease in production volume (%)	Year-on-year increase/ decrease in sales volume (%)	Year-on-year increase/ decrease in inventory (%)
Plate	Ten thousand tonnes	239.37	243.67	1.17	-6.66	-6.00	-65.79
Hot rolling	Ten thousand tonnes	494.42	498.22	2.77	15.26	15.30	0.73
Bars	Ten thousand tonnes	93.46	94.85	0.04	100.04	109.34	-97.22
Double high rods	Ten thousand tonnes	118.82	117.31	1.79	55.40	53.99	539.29
Profiles	Ten thousand tonnes	39.02	37.77	1.23	61.51	57.38	232.43
Commodity billets	Ten thousand tonnes	37.13	37.13	0.00	2,358.94	2,375.33	-100.00

3) Cost analysis table

Unit: RMB'000

By sectors

By sectors	Cost component	Amount for the period	Percentage of the amount for the period in total costs (%)	Amount for the corresponding period of last year	Percentage of the amount for the corresponding period of last year in total costs (%)	Year- on-Year change (%)	explanation
Iron and steel Iron and steel Iron and steel	Raw material Energy Labor and other costs	33,511,420 1,366,040 4,862,944	84.33 3.44 12.24	29,071,795 2,021,368 5,261,315	79.97 5.56 14.47	15.27 -32.42 -7.57	N/A N/A N/A

By products

By products	Cost component		Percentage of the amount for the period in total costs (%)	Amount for the corresponding period of last year	of the amount for the corresponding period of last year in total costs (%)	Year- on-year change (%)	explanation
Commodity billet	Raw material and energy costs	38,201,837	96.13	33,992,172	93.50	12.38	N/A
Other	Raw material and energy costs	1,538,567	3.87	2,362,306	6.50	-34.87	N/A

4) Major buyers and major suppliers

A. Major customers of the Company

The sales attributable to the five largest buyers amounted to RMB12,757,820,000, representing 32.45% of the total sales for the year, of which the sales attributable to related parties amounted to RMB5,339,740,000, representing 13.58% of the total sales for the year.

B. Major suppliers of the Company

Purchases from the top five suppliers amounted to RMB11,584,970,000, accounting for 28.96% of the total purchases for the year, of which purchases from related parties amounted to RMB11,584,970,000, accounting for 28.96% of the total purchases for the year.

(3) Expenses

Unit: RMB'000

			Change in
			amount for
			the period
			as compared
			with the
		Amount for	corresponding
	Amount for	the previous	period of
Item	the period	period	last year
	_		(%)
Selling expenses	75,804	74,204	2.16
Administrative expenses	334,986	418,291	-19.92
Finance costs	242,279	358,905	-32.49
Research and development			
expenses	31,949	24,764	29.01

(4) R&D investment

1) Table of R&D investment

	Uni	it: RMB'000
	Expensed R&D investment for the period	1,453,700
	Capitalised R&D investment for the period Total R&D investment Percentage of total R&D investment	1,453,700
	to revenue (%)	3.70
	Percentage of capitalized R&D investment (%)	_
2)	R&D personnel	
	Number of R&D personnel of the Company	1,025
	Percentage of R&D personnel in the total number of employees of the Company (%)	17.33
	Educational structure of R&D person	
	Educational category	Number
	Doctoral graduate	2
	Master's graduate	61
	Undergraduate	478
	Junior college	484
	High school and below	0
	Age Structure of R&D Staff	
		Age
	•	structure
	Age category	number
	Under 30 years old (exclusive)	246
	30-40 years old (including 30 years old,	
	excluding 40 years old)	539
	40-50 years old (including 40 years old,	100
	excluding 50 years old)	139
	50-60 years old (including 50 years old,	101
	excluding 60 years old) 60 and above	101
	ou and above	U

3) Explanation

In 2023, the Group's total R&D investment in approved projects was RMB1,453,700,484.75, of which RMB31,948,556.02 was included in R&D expenses. The trial products in the course of R&D had been sold externally, and the corresponding cost expenditure of RMB1,421,751,928.73 had been included in operating costs.

(5) Cash flow

Unit: RMB'000

Item	2023	2022	Main reasons for changes
Net cash flow from operating activities	1,022,039	1,470,087	Decrease in profit for the current period.
Net cash flow from investing activities	-801,075	-2,111,390	Decrease in fixed assets investment projects.
Net cash flow from financing activities	-2,327,132	-1,253,003	Decrease in new borrowings for the current period.
Net increase in cash and cash equivalents	-2,106,168	-1,894,306	-

3.2 Analysis of assets and liabilities

(1) Assets and liabilities

Unit: RMB'000

T.	Amount at the end	•	of the previous $\frac{1}{2}$	Percentage of the amount at the end of the previous period in	Year- on-year	T. I. e
Item	of the period	in total assets (%)	period	total assets (%)	Change (%)	Explanation
Cash and bank balances	1,935,398	5.18	3,995,676	10.15	-51.56	Repayment of borrowings
Trade receivables	30,630	0.08	38,789	0.10	-21.03	-
Receivables financing	632,329	1.69	799,687	2.03	-20.93	-
Prepayments	633,937	1.70	845,433	2.15	-25.02	-
Other receivables	19,740	0.05	34,846	0.09	-43.35	Recovery of amount
Inventories	2,621,657	7.02	2,592,757	6.59	1.11	-
Other current assets	178,296	0.48	207,035	0.53	-13.88	-
Long-term equity investments	110,935	0.30	111,123	0.28	-0.17	-
Other equity investments	60,364	0.16	-	-	N/A	Capital injection of Baowu Water
Property, plant and equipment	26,159,118	70.02	26,281,780	66.76	-0.47	-
Construction in progress	1,244,272	3.33	894,155	2.27	39.16	Increase in current projects
Right-of-use assets	310,328	0.83	388,739	0.99	-20.17	-
Intangible assets	2,512,168	6.72	2,514,368	6.39	-0.09	-
Goodwill	328,055	0.88	328,055	0.83	-	-
Long-term expenses to be amortized	-	-	237	-	-100	Completion of the amortization of leasehold improvement expenses
Deferred income tax assets	579,071	1.55	327,989	0.83	76.55	Increase in deductible losses
Other non-current assets	737	-	4,132	0.01	-82.16	Decrease in prepayments for construction
Short-term borrowings	450,331	1.21	1,106,441	2.81	-59.30	Repayment of borrowings

				Percentage		
		Percentage		of the amount		
		of the amount	Amount	at the end		
	Amount	at the end	at the end	of the previous		
	at the end	of the period	of the previous	period in	Year- on-year	
Item	of the period	in total assets	period	total assets	Change	Explanation
	-	(%)		(%)	(%)	
Bills payable	1,938,301	5.19	609,368	1.55	218.08	Increase in bills payment
Trade payables	3,886,777	10.40	3,115,967	7.92	24.74	1 <i>J</i>
Contract liabilities	1,893,130	5.07	2,645,569	6.72	-28.44	-
Employee benefits payable	125,720	0.34	144,905	0.37	-13.24	-
Tax payable	28,301	0.08	22,974	0.06	23.19	-
Other payables	3,046,875	8.16	2,720,897	6.91	11.98	-
Non-current liabilities due within one year	2,252,747	6.03	2,352,484	5.98	-4.24	-
Other current liabilities	241,403	0.65	343,924	0.87	-29.81	-
Long-term borrowings	2,986,945	8.00	2,751,945	6.99	8.54	-
Lease liabilities	183,493	0.49	278,353	0.71	-34.08	Payment of asset leases
Long-term payables	307,779	0.82	1,730,677	4.40	-82.22	Repayment of finance leases
Long-term employee benefits payable	64,994	0.17	107,663	0.27	-39.63	Payment of termination benefits
Estimated liabilities	4,227	0.01	5,540	0.01	-23.70	-
Deferred income	85,732	0.23	79,743	0.20	7.51	-
Deferred income tax liabilities	5,949	0.02	6,431	0.02	-7.49	-

(2) Major restricted assets at the end of the Reporting Period

Unit: RMB'000

Item	Carrying balance	Carrying amount	Type of restriction	Restricted situation
Cash and bank balances	103,634	103,634	Deposit and freeze	Bill deposit and freeze
Receivables financing	111,003	111,003	pledge	Pledged notes for billing purposes endorsed/ discounted but not derecognized
Property, plant and equipment	701,737	701,737	pledge	Secured borrowings, sale and leaseback
Intangible assets	280,927	280,927	pledge	Secured borrowings
Total	1,197,301	1,197,301	_	-

4. Management Discussion and Analysis on Future Development of the Company

4.1 Industry competition pattern and development trend

In 2024, the macroeconomic situation will rebound and improve, but will also be full of challenges. The external environment is still volatile, and the challenges for economic development are no less than last year. The global economic prospects remain bleak and uncertain, and we will continue to face the combined disturbances caused by financial tensions, geopolitical rifts, and the rapid development of generative artificial intelligence. Domestically, the basic trend of economic recovery and long-term improvement remains unchanged, but we need to overcome some unfavorable factors, including insufficient domestic demand, shrinking external demand, and diminishing investment effects. Local government debt risks are accumulating, the supply-demand relationship in the real estate market is undergoing significant changes, and the manufacturing industry's business climate is insufficient. The steel industry still faces a complex and severe situation. and efforts must continue to be made to improve the dynamic adaptability between supply and demand.

4.2 Development strategy of the Company

With the mission of "Keeping the national strength of steel alive and build a green and wonderful life" and the development goal of "to create a high-quality green intelligent steel manufacturer with an annual output exceeding 10 million tons", the Company is committed to building "Beautiful Chongqing Iron & Steel, Pastoral Chongqing Iron & Steel" and becoming a leader in the steel industry in Southwest China and providing steel support for social development.

The Company is located in Southwest China, adjacent to the Yangtze River and enjoys a unique and important geographical locations. Based in Chongqing, we will integrate into the construction of Chengdu Chongging dual-city economic circle, promote the development of the Yangtze River Economic Belt, and facilitate the Western Development Strategy. The Company will strive to become a steel enterprise with sound governance structure, efficient management system with leading production technology, significant economies of scale, cost saving creed, low-carbon and environmental protection, strong ability to respond to changes in the external environment, and the first comprehensive strength and dominant market position in Southwest China. During the fourteenth Five-Year-Plan period, the Company will firmly follow the path of green development, build smart factories with technological innovation, seize opportunities, ride on the momentum, start a new journey of high quality development, and strive to achieve the development goal of high-quality green and intelligent steel enterprise.

In the face of a complex and severe external environment, we actively implement the production concept of "fully benchmarking to find differences, vigorously reducing costs and increasing efficiency, achieving ultimate management and minimizing consumption." We adhere to the principles of "production with orders, production with margins, income with profits, and profits with cash", to continuously enhance the Company's ability to withstand market risks.

4.3 Business Plan

In 2024, the Company plans to produce 8.49 million tons of iron, 9.9 million tons of steel, and 9.32 million tons of materials, with an operating income of RMB36.7 billion. The Company will continue to be guided by the direction of "advancing to high-end, upgrading to intelligence, transforming to green, and developing efficiently," strengthen our sense of responsibility and spare no effort in completing the annual business objectives, winning the battle to turn losses into profits, and promoting Chongqing Iron and Steel to become a leader in the steel industry in Southwest China. We will also contribute to Central South Iron and Steel being recognized as a builder of a well-known steel ecosystem and to China Baowu creating a world-class great enterprise.

In 2024, the steel industry situation will still be severe, and the Company will focus on the following areas of work: (1) strengthening safety performance, improving the responsibility system, and enhancing safety management capabilities; (2) focusing on extreme energy efficiency, deepening environmental governance, and promoting sustainable green development; (3) pursuing extreme efficiency, deepening technological innovation, and enhancing product core competitiveness; (4) adhering to change leadership, focusing on the site, and enhancing equipment system capabilities; (5) aiming for the best iron cost and creating the most efficient procurement; (6) building an extremely efficient and highly effective marketing team to promote product structure upgrades; (7) strengthening investment management and promoting environmental protection project construction to strive for green and low-carbon steel enterprises; (8) comprehensively deepening reforms, improving management efficiency, and promoting high-quality development of the Company; (9) focusing on standardized operations to promote grassroots basic management to a higher level; (10) adhering to profit-based management, vigorously reducing costs and increasing efficiency, and effectively improving business performance.

4.4 Potential risks

1. The global economic outlook is still uncertain, and the Company's main source of iron ore is imported, which is greatly affected by fluctuations in bulk raw material prices, and is facing certain risks of fuel price fluctuations.

Company response measures: In 2024, the Company will firmly establish the concept of "reducing costs is the primary guarantee against risks," focusing on "resource expansion, structural optimization, pipeline optimization, logistics optimization, and model innovation." According to the "Guidelines for the Application of Internal Control in Enterprises," we will carry out risk identification and evalsuation around procurement-related business processes, such as procurement planning, supplier management, procurement and pricing, acceptance and objections, inventory, contract order management, and fund activities. We will focus on supplier management, strengthen the supplier evalsuation mechanism in terms of admission evalsuation, performance evalsuation, and annual review, continuously optimize the supplier team, and focus on achieving quality improvement, efficiency improvement, and direct supply ratio improvement.

2. The complexity, severity, and uncertainty of the current external environment have increased, and the contradictions between supply and demand in the industry have become prominent, resulting in certain operating pressures for the Company.

Company response measures: In 2024, the Company will deepen profit-based management, strictly control investment scale, promote extreme cost and efficiency, implement a new type of management responsibility system, follow the principles of value creation and overall benefit maximization, continue to deepen technological innovation, fully utilize the production, sales, and research platform to jointly develop special steel, focus on improving product quality and technical and economic indicators, respond to market changes dynamically based on its regional positioning, adjust product structure in a timely manner, strengthen procurement and sales coordination, enhance the competitive advantage of differentiated products, increase market share and profitability, and strive to build efficient and refined manufacturing capabilities.

IV DISCLOSURE PURSUANT TO THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE

1 Compliance with the Corporate Governance Code

To the best knowledge of the Board, the Company has complied with the requirements of the Corporate Governance Code set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") during the reporting period, and no deviation from the code has been 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 10 to the Listing Rules as the code for dealing in securities of the Company by the Directors. All directors of the Company confirmed upon specific enquiries that they had complied with the required standards as set out in the Model Code for the year ended 31 December 2023.

3 Purchase, Sale and Redemption of Listed Shares of the Company

No purchase, sale and redemption of the listed securities of the Company during the reporting period.

4 Major Acquisition and Disposal of Subsidiaries and Affiliates

No major acquisition and disposal of subsidiaries and affiliates of the Company occurred during the reporting period.

5 Audit Committee

The Audit Committee of the Company consists of three independent non-executive Directors and one non-executive Director, namely Mr. Zhang Jinruo, Mr. Sheng Xuejun, Mr. Guo Jiebin and Mr. Zhou Ping. Mr. Zhang Jinruo is the chairman of the Audit Committee.

The annual report of the Company for 2023 had been reviewed by the members of the Audit Committee before being submitted to the Board for approval.

6 Interests or Short Positions

As at 31 December 2023, the interests and short positions (including interests or short positions which they were taken or deemed to have under relevant provisions of the Securities and Futures Ordinance ("**SFO**")) of the directors, supervisors and senior management members in the shares or 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 Rules Governing the Listing of Securities on the Stock Exchange and the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange, were as follows:

Name	The Company/ Associated Corporation	Capacity	Nature of interest	Number of Shares interested Total (Shares)	Percentage of the Company's A share Capital (%)	Percentage of total share capital of the Company (%)	Class of shares
Zou An	the Company	Director, Senior Vice President, Chief Financial Officer, Secretary to the Board, General Legal Counsel	Beneficial interest	1,684,600 (Long position)	0.0201	0.0189	A share
Xia Tong	the Company	Employee Supervisor	Beneficial interest	534100 (Long position)	0.064	0.006	A share
Lei Yougao	the Company	Employee Supervisor	Beneficial interest	430000 (Long position)	0.005	0.0048	A share
Xie Chao	the Company	Senior Vice President	Beneficial interest	1,057,400 (Long position)	0.0126	0.0119	A share

7 Pre-emptive Rights

There are no provisions for pre-emptive rights under the Articles of Association and the relevant laws of the People's Republic of China which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

8 Public Float of H Shares

As at the date hereof, to the best knowledge of the directors, the Company has maintained sufficient public float as required by the Listing Rules of the Stock Exchange.

9 Marketability Market Value

Based on the available information to the Company, as at 31 December 2023, the circulating market capitalization of H Shares of the Company (circulating H Share capital x closing price of H Shares (HK\$0.73)) was approximately HK\$393 million and the circulating market capitalization of A Shares of the Company (circulating A Share capital x closing price of A Shares (RMB1.39)) was approximately RMB11.649 billion.

10 Final Dividend

The Company's profit distribution policies are set out in detail in the Articles of Association, which provides the principles, forms and conditions of distribution, the justification procedures for distribution scheme and decision-making mechanism, as well as policy adjustments. When determining profit distribution (including dividend payment) and distribution proportion, the Company will follow several major principles including the continuity and stability of profit distribution policies, paying full attention to the reasonable investment return for investors, and considering the long-term interests of the Company, sustainable development and the interests of all shareholders as a whole, and the Board will prepare the proposal for profit distribution according to the operating situations and development of the Company, then submit it to the general meetings for approval. Please refer to the profit distribution policies set out in the Articles of Association for more details.

The Company does not have any predetermined dividend distribution proportion or dividend distribution ratio, and the distribution and the amount of dividend will be determined by the Board's discretion as aforesaid.

According to the auditing by Ernst & Young Hua Ming LLP, the realized net loss attributable to the parent company for 2023 amounted to RMB1,511 million, and the unappropriated profit by the parent company as at the end of 2023 amounted to RMB-9,166 million. As the parent company recorded a negative unappropriated profit as at the end of 2023, the Board suggested not to make profit distribution or transfer capital reserve to share capital in 2023 pursuant to Article 250 of the Articles of Association.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2023

Unit: RMB

Assets	31 December 2023	31 December 2022
Current assets		
Cash and bank balances	1,935,398,455.91	3,995,675,679.90
Including: Cash in other financial institutions	601,483,019.17	1,228,168,091.66
Trade receivables	30,630,026.22	38,789,243.44
Receivables financing	632,329,098.48	799,686,555.46
Prepayments	633,937,474.09	845,432,996.80
Other receivables	19,739,557.29	34,846,186.58
Inventories	2,621,656,663.14	2,592,756,838.00
Other current assets	178,296,028.42	207,034,907.16
Total current assets	6,051,987,303.55	8,514,222,407.34
Non-current assets		
Long-term equity investments	110,934,705.02	111,123,058.00
Other equity investments	60,364,499.70	-
Property, plant and equipment	26,159,118,216.83	26,281,780,445.68
Construction in progress	1,244,271,745.73	894,154,698.17
Right-of-use assets	310,328,158.14	388,738,725.76
Intangible assets	2,512,167,799.59	2,514,367,788.86
Goodwill	328,054,770.34	328,054,770.34
Long-term prepaid expenses	_	237,486.45
Deferred tax assets	579,070,890.11	327,989,203.45
Other non-current assets	736,593.65	4,131,818.97
Total non-current assets	31,305,047,379.11	30,850,577,995.68
Total assets	37,357,034,682.66	39,364,800,403.02

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Liabilities and shareholders' equity	31 December 2023	31 December 2022
Current liabilities		
Short-term borrowings	450,330,519.49	1,106,441,170.84
Notes payable	1,938,301,405.71	609,367,940.00
Trade payables	3,886,777,138.43	3,115,966,628.22
Contract liabilities	1,893,130,130.08	2,645,569,472.47
Employee benefits payable	125,719,847.89	144,905,310.06
Taxes payable	28,300,986.53	22,974,352.75
Other payables	3,046,874,537.02	2,720,896,934.96
Non-current liabilities due within one year	2,252,746,756.99	2,352,484,115.99
Other current liabilities	241,402,787.45	343,924,031.42
Total current liabilities	13,863,584,109.59	13,062,529,956.71
Non-current liabilities		
Long-term borrowings	2,986,945,100.00	2,751,945,100.00
Lease liabilities	183,493,200.13	278,352,825.03
Long-term payables	307,779,167.09	1,730,677,459.72
Long-term employee benefits payable	64,993,865.63	107,663,455.08
Provision	4,226,982.76	5,540,444.09
Deferred income	85,732,350.43	79,742,929.39
Deferred tax liabilities	5,948,955.06	6,430,532.64
Total non-current liabilities	3,639,119,621.10	4,960,352,745.95
Total liabilities	17,502,703,730.69	18,022,882,702.66

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Unit:	RMB
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Liabilities and shareholders' equity	31 December 2023	31 December 2022
Shareholders' equity		
Share capital	8,918,602,267.00	8,918,602,267.00
Capital reserves	19,282,146,606.55	19,282,146,606.55
Other Comprehensive Income	1,585,194.71	(2,664,805.29)
Special reserves	13,954,677.59	7,374,566.33
Surplus reserves	607,300,662.40	606,990,553.42
Unappropriated profit	(8,969,258,456.28)	(7,470,531,487.65)
Total shareholders' equity	19,854,330,951.97	21,341,917,700.36
Total liabilities and shareholders' equity	37,357,034,682.66	39,364,800,403.02

CONSOLIDATED INCOME STATEMENT

		Unit: RMB
	2023	2022
Revenue	39,318,142,482.09	36,561,531,209.23
Less: Cost of sales	40,002,413,070.34	36,592,389,251.37
Taxes and surcharges	171,555,511.59	148,265,437.33
Distribution and selling expenses	75,803,809.64	74,204,262.56
General and administrative expenses	334,986,340.60	418,291,225.05
Research and development costs	31,948,556.02	24,763,704.07
Finance expenses	242,278,984.70	358,904,759.89
Including: Interest expenses	268,419,752.20	297,357,722.61
Interest income	47,286,994.74	58,831,730.38
Add: Other income	59,935,721.46	96,402,921.87
Investment income	7,380,890.39	32,670,179.29
Including: Share of profits and losses of		
joint ventures and associates	6,611,137.98	8,586,343.64
Impairment losses on credit	_	9,483,591.39
Impairment losses on assets	(303, 326, 699.55)	(250,697,833.74)
Gain/(Loss) on disposal of items of		
property, plant and equipment	12,625,015.26	1,675,134.36
Operating profit/(loss)	(1,764,228,863.24)	(1,165,753,437.87)
Add: Non-operating income	7,516,375.71	2,522,782.84
Less: Non-operating expenses	(12,453,853.76)	38,664,472.89
Total profit/(loss)	(1,744,258,633.77)	(1,201,895,127.92)
Less: Income tax expenses/(credit)	(249,841,735.24)	(182,485,773.58)
Net Profit/(Loss)	(1,494,416,898.53)	(1,019,409,354.34)
Breakdown by continuity of operations		
Net profit/(loss) from continuing operations	(1,494,416,898.53)	(1,019,409,354.34)
Breakdown by attributable interests		
Net profit/(loss) attributable to shareholders of the parent Non-controlling interests	(1,494,416,898.53)	(1,019,409,354.34)
Tion controlling interests		

CONSOLIDATED INCOME STATEMENT (CONTINUED)For the year ended 31 December 2023

		Unit: RMB
	2023	2022
Other comprehensive income/(loss) after tax	250,038.88	(2,664,805.29)
Other comprehensive income/(loss) after tax attributable to shareholders of the parent	250,038.88	(2,664,805.29)
Items that will not be reclassified to profit or loss Remeasurements of the net defined benefit liability Changes in fair value of equity investments	_	1,585,194.71
at fair value through other comprehensive income	250,038.88	(4,250,000.00)
Other comprehensive income/(loss) after tax attributable to non-controlling interests		
Total comprehensive income	(1,494,166,859.65)	(1,022,074,159.63)
Including: Total comprehensive income/(loss) attributable to shareholders of the parent Total comprehensive income/(loss) attributable to non-controlling interests	(1,494,166,859.65)	(1,022,074,159.63)
Earnings per share: Basic earnings/(loss) per share (RMB/share)	(0.17)	(0.11)
Diluted earnings/(loss) per share (RMB/share)	(0.17)	(0.11)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2023

Unit: RMB

2023

Total shareholders' equity	21,341,917,700.36	(1,494,166,859.65)	1	1	69,531,928.45 (62,951,817.19)	19,854,330,951.97
Unappropriated losses	(7,470,531,487.65)	(1,494,416,898.53)	(310,108.98)	(3,999,961.12)		(8,969,258,456.28)
Surplus reserves	606,990,553.42	1	310,108.98	ı	1 1	607,300,662.40
Special reserves	7,374,566.33	•	'	1	69,531,928.45 (62,951,817.19)	13,954,677.59
Other comprehensive income	(2,664,805.29)	250,038.88	'	3,999,961.12		1,585,194.71
Capital reserves	19,282,146,606.55	•	1	1		19,282,146,606.55
Share capital	8,918,602,267.00	1	1	ı	1 1	8,918,602,267.00
	Closing balances of the preceding year and opening balances of the current year	Changes in the current year (I) Total comprehensive income (II) Profit distribution	Appropriation to surplus reserves (III) Transfer within equity	Transfer of other comprehensive income to retained earnings (IV) Special reserve	 Amount established during the year Amount utilized during the year 	. Closing balance for the year
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2023

Unit: RMB

	Total shareholders' equity	22,375,210,710.21	(1,022,074,159.63)	55,971,177.10 $(67,190,027.32)$	21,341,917,700.36
	Unappropriated losses	(6,451,122,133.31)	(1,019,409,354.34)	1 1	(7,470,531,487.65)
	Surplus reserves	606,990,553.42	ı	1 1	606,990,553.42
	Special reserves	18,593,416.55	I	55,971,177.10 (67,190,027.32)	7,374,566.33
	Other comprehensive income		(2,664,805.29)	1 1	(2,664,805.29)
	Capital reserves	19,282,146,606.55	ı	1 1	19,282,146,606.55
	Share capital	8,918,602,267.00	I	1 1	8,918,602,267.00
22		Closing balances of the preceding year and opening balances of the current year	Changes in the current year (I) Total comprehensive income (II) Special reserve	 Amount established during the year Amount utilized during the year 	Closing balance for the year
2022		— ;	Ħ		ij
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CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Unit: RMB

2023	2022
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I. Cash flows from operating activities:

Cash received from sale of goods and rendering of		
services	50,788,348,438.44	39,071,555,618.70
Receipts of taxes refunds	61,802,578.01	16,923,780.52
Other cash received relating to operating activities	224,194,735.92	197,862,313.90
Sub-total of cash inflows from operating activities	51,074,345,752.37	39,286,341,713.12
Cash paid for purchase of goods and services	48,169,812,475.25	35,557,135,538.78
Cash paid to and on behalf of employees	1,341,207,795.37	1,524,884,039.14
Cash paid for all types of taxes	393,321,914.51	450,085,368.00
Other cash paid relating to operating activities	147,965,016.03	284,149,708.37
Sub-total of cash outflows from operating activities	50,052,307,201.16	37,816,254,654.29
Net cash flows from operating activities	1,022,038,551.21	1,470,087,058.83

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

			Unit: RMB
		2023	2022
II.	Cash flows from investing activities:		
	Cash received from disposal of investments	_	600,000,000.00
	Cash received from return on investments	7,496,137.74	28,606,919.90
	Proceeds from disposal of items of property, plant		
	and equipment	6,737,712.05	1,675,134.34
	Net cash receipts from disposal of subsidiaries and		
	other business units	1,073,144.51	
	Sub-total of cash inflows from investing activities	15,306,994.30	630,282,054.24
	Cash paid for acquisition of property plant and		
	equipment, intangible assets and other long-term assets	816,381,606.15	2,692,771,888.13
	Cash paid for acquisition of investments	010,301,000.13	48,900,000.00
	cush para for acquisition of investments		10,000,000.00
	Sub-total of cash outflows from investing activities	816,381,606.15	2,741,671,888.13
	Net cash flows from investing activities	(801,074,611.85)	(2,111,389,833.89)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

			Unit: RMB
		2023	2022
III.	Cash flows from financing activities:		
	Cash received from borrowings	2,450,118,019.46	3,908,109,238.28
	Sub-total of cash inflows from financing activities	2,450,118,019.46	3,908,109,238.28
	Cash repayments of borrowings Cash paid for distribution of dividends or profits,	2,562,355,799.63	4,028,011,234.83
	and for interest expenses	247,796,655.21	299,675,308.17
	Other cash paid relating to financing activities	1,967,097,860.10	833,425,219.48
	Sub-total of cash outflows from financing activities	4,777,250,314.94	5,161,111,762.48
	Net cash flows from financing activities	(2,327,132,295.48)	(1,253,002,524.20)
IV.	Effect of changes in exchange rate on cash and cash equivalents		
V.	Net increase /(decrease) in cash and cash equivalents	(2,106,168,356.12)	(1,894,305,299.26)
	Add: Cash and cash equivalents at the beginning of the year	3,937,932,833.28	5,832,238,132.54
VI.	Cash and cash equivalents at the end of the year	1,831,764,477.16	3,937,932,833.28

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY

As at 31 December 2023

IInit:	RMB
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Assets	31 December 2023	31 December 2022
Current assets:		
Cash and bank balances	1,932,761,844.24	3,994,801,171.12
Including: Cash in other financial institutions	601,483,019.17	1,228,168,091.66
Trade receivables	82,672,548.13	181,294,862.78
Receivables financing	631,829,098.48	799,686,555.46
Prepayments	630,098,874.50	839,401,303.56
Other receivables	105,159,938.75	133,345,845.02
Inventories	2,608,142,027.73	2,574,096,616.38
Other current assets	158,929,714.60	189,302,364.07
Total current assets	6,149,594,046.43	8,711,928,718.39
Non-current assets:		
Long-term equity investments	1,103,222,699.70	1,103,411,052.68
Other equity investments	60,364,499.70	-
Property, plant and equipment	25,206,384,607.09	25,255,209,027.99
Construction in progress	1,240,904,345.23	894,154,698.17
Right-of-use assets	310,328,158.14	388,738,725.76
Intangible assets	2,448,410,130.65	2,443,935,942.71
Long-term prepaid expenses	_	237,486.45
Deferred tax assets	545,759,646.12	292,699,314.69
Other non-current assets	736,593.65	4,131,818.97
Total non-current assets	30,916,110,680.28	30,382,518,067.42
Total assets	37,065,704,726.71	39,094,446,785.81

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY (CONTINUED)

As at 31 December 2023

		Unit: RMB
Liabilities and shareholders' equity	31 December 2023	31 December 2022
Current liabilities :		
Short-term borrowings	450,330,519.49	1,106,441,170.84
Notes payable	1,938,301,405.71	609,367,940.00
Trade payables	3,851,876,789.66	3,100,744,371.99
Contract liabilities	1,893,124,713.20	2,645,569,472.47
Employee benefits payable	124,602,850.64	140,976,377.94
Taxes payable	21,451,669.84	16,713,145.35
Other payables	3,014,378,772.11	2,670,230,920.49
Non-current liabilities due within one year	2,252,746,756.99	2,352,484,115.99
Other current liabilities	241,402,083.26	343,924,031.42
Total current liabilities	13,788,215,560.90	12,986,451,546.49
Non-current liabilities :		
Long-term borrowings	2,986,945,100.00	2,751,945,100.00
Lease liabilities	183,493,200.13	278,352,825.03
Long-term payables	307,779,167.09	1,730,677,459.72
Long-term employee benefits payable	64,780,458.09	106,550,937.54
Provision	4,226,982.76	5,540,444.09
Deferred income	85,732,350.43	79,742,929.39
Total non-current liabilities	3,632,957,258.50	4,952,809,695.77
Total liabilities	17,421,172,819.40	17,939,261,242.26

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY (CONTINUED)

As at 31 December 2023

		Unit: RMB
Liabilities and shareholders' equity	31 December 2023	31 December 2022
Shareholders' equity:		
Share capital	8,918,602,267.00	8,918,602,267.00
Capital reserves	19,313,089,864.55	19,313,089,864.55
Other Comprehensive Income	1,585,194.71	(2,664,805.29)
Special reserves	_	_
Surplus reserves	577,012,986.42	577,012,986.42
Unappropriated profit	(9,165,758,405.37)	(7,650,854,769.13)
Total shareholders' equity	19,644,531,907.31	21,155,185,543.55
Total liabilities and shareholders' equity	37,065,704,726.71	39,094,446,785.81

INCOME STATEMENT OF THE PARENT COMPANY

		Unit: RMB
	2023	2022
Revenue	39,321,812,509.51	36,619,144,893.87
Less: Cost of sales	39,999,098,446.33	36,669,817,001.21
Taxes and surcharges	162,027,678.90	135,387,209.21
Distribution and selling expenses	75,803,809.64	74,204,262.56
General and administrative expenses	324,396,285.15	402,541,220.85
Research and development costs	29,432,637.79	21,736,831.31
Finance expenses	242,279,714.83	352,739,893.72
Including: Interest expenses	268,419,752.20	291,139,887.16
Interest income	47,274,596.05	58,721,783.30
Add: Other income	19,700,208.44	54,955,686.52
Investment income	7,380,890.39	32,670,179.29
Including: Share of profits and losses of		
joint ventures and associates	6,611,137.98	8,586,343.64
Impairment losses on assets	_	9,529,661.39
Impairment losses on credit	(301,117,341.53)	(243,548,875.27)
Gain/(Loss) on disposal of items of		
property, plant and equipment	12,625,015.26	1,675,134.36
Operating profit/(loss)	(1,772,637,290.57)	(1,181,999,738.70)
Add: Non-operating income	4,362,034.15	2,447,963.21
Less: Non-operating expenses	(3,561,249.87)	28,593,755.95
Less. Ivon-operating expenses	(3,301,243.07)	20,393,733.93
Total profit/(loss)	(1,764,714,006.55)	(1,208,145,531.44)
Less: Income tax expenses/(credit)	(253,810,331.43)	(170,457,155.77)
1		
Net Profit/(Loss)	(1,510,903,675.12)	(1,037,688,375.67)
Including: Net profit/(loss) from continuing operations	(1,510,903,675.12)	(1,037,688,375.67)
Other comprehensive income/(loss) after tax	250,038.88	(2,664,805.29)
Items that will not be reclassified to profit or loss Remeasurements of the net defined benefit liability Changes in fair value of equity investments	-	1,585,194.71
at fair value through other comprehensive income	250,038.88	(4,250,000.00)
Total comprehensive income	(1,510,653,636.24)	(1,040,353,180.96)
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STATEMENT OF CHANGES IN EQUITY OF THE PARENT COMPANY For the year ended 31 December 2023

Unit: RMB

	Total shareholders' equity	21,155,185,543.55	(1,510,653,636.24)		58,746,722.97 (58,746,722.97)	19,644,531,907.31
	Unappropriated losses	(7,650,854,769.13)	(1,510,903,675.12)	(3,999,961.12)		(9,165,758,405.37)
	Surplus reserves	577,012,986.42	1	1		577,012,986.42
	Special reserves		1	ı	58,746,722.97 (58,746,722.97)	
	Other comprehensive income	(2,664,805.29)	250,038,88	3,999,961.12	1 1	1,585,194.71
	Capital reserves	19,313,089,864.55	1	1		19,313,089,864.55
	Share capital	8,918,602,267.00	1	ı	1 1	8,918,602,267.00
2023		 Closing balances of the preceding year and opening balances of the current year 	II. Changes in the current year(I) Total comprehensive income(II) Transfer within equity	1. Transfer of other comprehensive income to retained earnings	(III) Special reserve 1. Amount established during the year (IV) Amount utilized during the year	III. Closing balance for the year

STATEMENT OF CHANGES IN EQUITY OF THE PARENT COMPANY (CONTINUED)

For the year ended 31 December 2023

Unit: RMB

	Total shareholders' equity	22,208,903,930.72	(1,040,353,180.96) 50,374,773.41 (63,739,979.62)	21,155,185,543.55
	Unappropriated losses	(6,613,166,393.46)	(1,037,688,375.67)	(7,650,854,769.13)
	Surplus reserves	577,012,986.42	1 1 1	577,012,986.42
	Special reserves	13,365,206.21	50,374,773.41 (63.739,979.62)	
	Other comprehensive income		(2,664,805.29)	(2,664,805.29)
	Capital reserves	19,313,089,864.55	1 1 1	19,313,089,864.55
	Share capital	8,918,602,267.00	1 1 1	8,918,602,267.00
2022		 Closing balances of the preceding year and opening balances of the current year 	 II. Changes in the current year (I) Total comprehensive income (II) Special reserve 1. Amount established during the year 2. Amount utilized during the year 	III. Closing balance for the year
			4.0	

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

For the year ended 31 December 2023

Unit: RMB

2023	2022
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# I. Cash flows from operating activities:

Cash received from sale of goods and rendering of services	50,775,383,942.34	39,072,101,834.79
Other cash received relating to operating activities	220,531,463.17	196,846,659.11
Sub-total of cash inflows from operating activities	50,995,915,405.51	39,268,948,493.90
Cash paid for purchase of goods and services	48,202,142,768.76	35,915,449,260.45
Cash paid to and on behalf of employees	1,300,255,047.39	1,468,655,818.80
Cash paid for all types of taxes	340,425,243.05	378,661,745.24
Other cash paid relating to operating activities	142,839,053.36	241,432,300.08
Sub-total of cash outflows from operating activities	49,985,662,112.56	38,004,199,124.57
Net cash flows from operating activities	1,010,253,292.95	1,264,749,369.33

# STATEMENT OF CASH FLOWS OF THE PARENT COMPANY (CONTINUED)

			Unit: RMB
		2023	2022
II.	Cash flows from investing activities:		
	Cash received from disposal of investments	_	600,000,000.00
	Cash received from return on investments	7,496,137.74	28,606,919.90
	Proceeds from disposal of items of property, plant and equipment	6,737,712.05	1,675,134.34
	Net cash receipts from disposal of subsidiaries and other business units	1,073,144.51	
	Sub-total of cash inflows from investing activities	15,306,994.30	630,282,054.24
	Cash paid for acquisition of property plant and equipment, intangible assets and other long-term	006 950 450 70	9 601 464 799 47
	assets Cash paid for investments	806,358,450.78	2,681,464,733.47 48,900,000.00
	cush para for investments		10,000,000.00
	Sub-total of cash outflows from investing activities	806,358,450.78	2,730,364,733.47
	Net cash flows from investing activities	(791,051,456.48)	(2,100,082,679.23)

# STATEMENT OF CASH FLOWS OF THE PARENT COMPANY (CONTINUED)

		Unit: RMB	
		2023	2022
III.	Cash flows from financing activities:		
	Cash received from borrowings	2,450,118,019.46	3,908,109,238.28
	Sub-total of cash inflows from financing activities	2,450,118,019.46	3,908,109,238.28
	Cash repayments of borrowings Cash paid for distribution of dividends or profits,	2,562,355,799.63	4,028,011,234.83
	and for interest expenses	247,796,655.21	293,448,792.15
	Other cash paid relating to financing activities	1,967,097,860.10	646,371,992.48
	Sub-total of cash outflows from financing activities	4,777,250,314.94	4,967,832,019.46
	Net cash flows from financing activities	(2,327,132,295.48)	(1,059,722,781.18)
IV.	Effect of changes in exchange rate on cash and cash equivalents		
V.	Net increase /(decrease) in cash and cash equivalents Add: Cash and cash equivalents at the beginning of	(2,107,930,459.01)	(1,895,056,091.08)
	the year	3,937,058,324.50	5,832,114,415.58
VI.	Cash and cash equivalents at the end of the year	1,829,127,865.49	3,937,058,324.50

The annual report for the Company for the year ended 31 December 2023 will be published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.cqgt.cn) respectively on or before 25 April 2024.

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

Secretary to the Board

Chongqing, the PRC, 29 March 2024

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. Lin Changchun (Non-executive Director), Mr. Zhou Ping (Non-executive Director), Mr. Sheng Xuejun (Independent Non-executive Director) and Mr. Guo Jiebin (Independent Non-executive Director).