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METALLURGICAL CORPORATION OF CHINA LTD. *

中國冶金科工股份有限公司

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

(Stock Code: 1618)

2021 FIRST QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The following is the 2021 first quarterly report of Metallurgical Corporation of China Ltd.* and its subsidiaries. The financial reports therein are prepared in accordance with the Chinese Accounting Standards for Business Enterprises and are unaudited.

By order of the Board
Metallurgical Corporation of China Ltd.*
Zeng Gang
Joint Company Secretary

Beijing, the PRC
29 April 2021

As at the date of this announcement, the Board of the Company comprises two executive directors: Mr. Guo Wenqing and Mr. Zhang Mengxing; three independent non-executive directors: Mr. Zhou Jichang, Mr. Yu Hailong and Mr. Ng, Kar Ling Johnny; and one non-executive director: Mr. Yan Aizhong.

* *For identification purpose only*

DEFINITIONS

“the Company” or “MCC”	Metallurgical Corporation of China Ltd.*
“Controlling Shareholder” or “CMGC”	China Metallurgical Group Corporation
“China Minmetals”	China Minmetals Corporation*
“Board”	the board of directors of Metallurgical Corporation of China Ltd.*
“Supervisory Committee”	the supervisory committee of Metallurgical Corporation of China Ltd.*
“Reporting Period”	from 1 January 2021 to 31 March 2021

I. IMPORTANT NOTICE

- 1.1 The Board and the Supervisory Committee of the Company and its directors, supervisors and senior management warrant that there are no false representations, misleading statements or material omissions in this quarterly report, and they severally and jointly accept legal responsibility for the truthfulness, accuracy and completeness of its contents.
- 1.2 All directors of the Company attended the 27th meeting of the third session of the Board convened on 29 April 2021 and reviewed the quarterly report.
- 1.3 Guo Wenqing, the Chairman and legal representative of the Company, Zou Hongying, the Vice President and the Chief Accountant of the Company, and Fan Wanzhu, the Deputy Chief Accountant and the Head of the Financial Planning Department have declared that they warrant the truthfulness, accuracy and completeness of the financial report contained in this quarterly report.
- 1.4 The Company’s first quarterly report has not been audited.
- 1.5 Unless otherwise specified, all the amounts in this report are denominated in RMB.

II. GENERAL INFORMATION OF THE COMPANY

2.1 Major Financial Data

Unit: RMB'000

	At the end of the Reporting Period	At the end of the previous year	Increase/decrease at the end of the Reporting Period as compared with the end of the previous year (%)
Total assets	528,299,505	506,392,963	4.33
Net assets attributable to shareholders of the listed Company	99,998,768	97,891,638	2.15
	From the beginning of the year to the end of the Reporting Period	From the beginning of the previous year to the end of the reporting period of the previous year	Change as compared to the corresponding period of the previous year (%)
Net cash flow generated from operating activities	-12,987,113	-8,893,561	N/A
	From the beginning of the year to the end of the Reporting Period	From the beginning of the previous year to the end of the reporting period of the previous year	Change as compared to the corresponding period of the previous year (%)
Operating revenue	94,423,385	72,724,921	29.84
Net profit attributable to shareholders of the listed Company	2,137,039	1,892,109	12.94
Net profit attributable to shareholders of the listed Company after deducting non-recurring profits and losses	2,021,783	1,811,154	11.63
Weighted average return on net assets (%)	2.74	2.60	Increased by 0.14 percentage point
Basic earnings per share (<i>RMB/share</i>)	0.10	0.09	11.11
Diluted earnings per share (<i>RMB/share</i>)	N/A	N/A	N/A

Non-recurring profit and loss items and their amounts

Applicable Not applicable

Unit: RMB'000

Items	Amount for the Reporting Period
Profit or loss from disposal of non-current assets	8,100
Government subsidies recorded under current profit and loss (excluding those closely related to the normal business operations of the Company, in compliance with requirements of the national policies and granted continuously in a fixed amount or fixed quantity under the standard of the State)	122,990
Profit or loss from the change of fair value of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, and the disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investment except for those gain or loss relating to the hedging transactions under Company's normal operating business	42
Other non-operating income or expenses other than the above items	22,806
Impact on minority shareholders' interests (after tax)	-15,154
Impact on income tax	-23,528
Total	115,256

2.2 Total number of shareholders and the shareholding of the top 10 shareholders and top 10 holders of tradable shares (or shares not subject to selling restrictions) as at the end of the Reporting Period⁽¹⁾

Unit: share

Total number of shareholders 401,932

Shareholding of the top 10 shareholders

Name of shareholder (full name)	Number of shares held at the end of the period	Percentage (%)	Number of shares subject to selling restrictions	Pledged or frozen		Nature of shareholders
				Status of shares	Amount	
China Metallurgical Group Corporation (中國冶金科工集團有限公司)	10,190,955,300	49.18	0	Nil	0	State-owned legal person
HKSCC Nominees Limited (香港中央結算(代理人)有限公司) ⁽²⁾	2,841,838,051	13.71	0	Nil	0	Others
PetroChina Company Limited (中國石油天然氣集團有限公司)	1,227,760,000	5.92	0	Nil	0	State-owned legal person
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	589,038,427	2.84	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	323,138,490	1.56	0	Nil	0	Others
Dalian Tonghe Investment Co. Ltd -Tonghe Macro Hedging Phase I Private Equity Investment Fund (大連通和投資有限公司-通和宏觀對沖一期私募投資基金)	69,000,000	0.33	0	Nil	0	Others
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program (博時基金-農業銀行-博時中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others
EFund – Agricultural Bank – EFund China Securities and Financial Assets Management Program (易方達基金-農業銀行-易方達中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others

Name of shareholder (full name)	Number of shares held at the end of the period	Percentage (%)	Number of shares subject to selling restrictions	Pledged or frozen		Nature of shareholders
				Status of shares	Amount	
Da Cheng Fund – Agricultural Bank – DaCheng China Securities and Financial Assets Management Program (大成基金–農業銀行–大成中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others
Harvest Fund – Agricultural Bank – Harvest China Securities and Financial Assets Management Program (嘉實基金–農業銀行–嘉實中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program (廣發基金–農業銀行–廣發中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others
Zhong Ou Fund – Agricultural Bank – ZhongOu China Securities and Financial Assets Management Program (中歐基金–農業銀行–中歐中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others
China AMC Fund – Agricultural Bank – China AMC China Securities and Financial Assets Management Program (華夏基金–農業銀行–華夏中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others
Yinhua Fund – Agricultural Bank – Yinhua China Securities and Financial Assets Management Program (銀華基金–農業銀行–銀華中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Program (南方基金–農業銀行–南方中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others
ICBC Credit Suisse Fund – Agricultural Bank – ICBC Credit Suisse China Securities and Financial Assets Management Program (工銀瑞信基金–農業銀行–工銀瑞信中證金融資產管理計劃)	63,516,600	0.31	0	Nil	0	Others

**Shareholding of top ten shareholders
not subject to selling restrictions**

Name of shareholder	Number of tradable shares held not subject to selling restrictions	Class and number of shares	
		Class of shares	Number of shares
China Metallurgical Group Corporation (中國冶金科工集團有限公司)	10,190,955,300	RMB-denominated ordinary shares	10,190,955,300
HKSCC Nominees Limited (香港中央結算(代理人)有限公司) ⁽²⁾	2,841,838,051	Overseas-listed foreign shares	2,841,838,051
PetroChina Company Limited (中國石油天然氣集團有限公司)	1,227,760,000	RMB-denominated ordinary shares	1,227,760,000
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	589,038,427	RMB-denominated ordinary shares	589,038,427
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	323,138,490	RMB-denominated ordinary shares	323,138,490
Dalian Tonghe Investment Co. Ltd -Tonghe Macro Hedging Phase I Private Equity Investment Fund (大連通和投資有限公司—通和宏觀對沖一期私募投資基金)	69,000,000	RMB-denominated ordinary shares	69,000,000
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program (博時基金—農業銀行—博時中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600
EFund – Agricultural Bank – EFund China Securities and Financial Assets Management Program (易方達基金—農業銀行—易方達中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600
Da Cheng Fund – Agricultural Bank – DaCheng China Securities and Financial Assets Management Program (大成基金—農業銀行—大成中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600
Harvest Fund – Agricultural Bank – Harvest China Securities and Financial Assets Management Program (嘉實基金—農業銀行—嘉實中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600

Name of shareholder	Number of tradable shares held not subject to selling restrictions	Class and number of shares	
		Class of shares	Number of shares
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program (廣發基金－農業銀行－廣發中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Assets Management Program (中歐基金－農業銀行－中歐中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600
China AMC Fund – Agricultural Bank – China AMC China Securities and Financial Assets Management Program (華夏基金－農業銀行－華夏中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600
Yinhua Fund – Agricultural Bank – Yinhua China securities and Financial Assets Management Program (銀華基金－農業銀行－銀華中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Program (南方基金－農業銀行－南方中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600
ICBC Credit Suisse Fund – Agricultural Bank – ICBC Credit Suisse China Securities and Financial Assets Management Program (工銀瑞信基金－農業銀行－工銀瑞信中證金融資產管理計劃)	63,516,600	RMB-denominated ordinary shares	63,516,600

Explanations on the connections or parties acting in concert among the aforesaid shareholders	The Company is not aware of the existence of any connections or parties acting in concert among the aforesaid shareholders
Explanations on the shareholders of preferred shares whose voting rights have been restored and the number of shares held	Not applicable

Note(1) : Figures in the table were extracted from the Company's register of shareholders as at 31 March 2021.

Note(2) : The H shares held by HKSCC Nominees Limited are held on behalf of various beneficial owners.

2.3 Total number of holders of preference shares and the shareholding of the top ten holders of preference shares and top ten holders of preference shares not subject to selling restrictions as at the end of the Reporting Period

Applicable Not applicable

III. SIGNIFICANT EVENTS

3.1 Material changes in the Company's major accounting items and financial indicators and the reasons thereof

Applicable Not applicable

Unit: RMB'000

Accounting items	As at the end of the Reporting Period	As at the end of the previous year	Increase/decrease at the end of the Reporting Period as compared with the end of the previous year (%)	Reasons for changes
Financial assets held for trading	503,834	2,250,940	-77.62	Decrease in equity tools held for trading by the Company
Non-current assets due within one year	2,330,323	1,499,007	55.46	Increase in long-term receivables due within one year of the Company
Accounting items	From beginning of the year to the end of Reporting Period	From beginning of the previous year to the end of Reporting Period of the previous year	Change as compared to the corresponding period of the previous year (%)	Reasons for changes
Research and development expenses	1,699,799	1,081,732	57.14	Increase in R&D investment of the Company
Net cash flow from financing activities	5,519,334	20,200,092	-72.68	Decrease in cash inflow from the financing activities of the Company

3.2 Analysis of the progress of important events, their impacts and solutions

Applicable Not applicable

New contracts during the Reporting Period

In the first quarter of 2021, the Company accumulatively signed RMB280.57 billion new contracts, representing an increase of 60.7% as compared with the corresponding period of last year. Among them, the value of newly signed engineering contract was RMB272.55 billion.

3.3 Performance of undertakings by the Company and shareholders with more than 5% of shareholding during the Reporting Period

Applicable Not applicable

Undertaking background	Type of undertaking	Undertaking party	Undertaking party	Date and duration of undertaking	Whether there is a time limit for performance	Whether it is strictly performed in a timely manner	If not performed timely, specify the reasons in details	If not performed timely, specify further plans
Undertakings in relation to the initial public offering	Solution and avoidance to horizontal competition	CMGC	CMGC, the Controlling Shareholder of MCC, undertook to avoid being engaged in or taking part in any business which may compete horizontally with the principal business of MCC.	5 December 2008	No	Yes	-	-
Undertakings in relation to the strategic restructuring	Solution and avoidance to and prevention of horizontal competition	China Minmetals	<p>1. In respect of businesses carried out by China Minmetals and its controlled entities which overlap with those of MCC, China Minmetals will, according to its actual situations and the characteristics and development trend of the industry in which it operates, actively adopt various methods such as entrusted management, asset restructuring, equity swap and business adjustment to minimize the business overlap between the two parties.</p> <p>2. Upon the completion of the acquisition, China Minmetals and its controlled entities will, in no way whatsoever, directly or indirectly, engage in new businesses competing with MCC, and will not establish any additional controlled subsidiary which engages in the same or similar businesses that substantially competes with MCC. China Minmetals will supervise its controlled companies in this regard and adopt certain measures when necessary.</p> <p>3. Subject to the Paragraphs 1 and 2 above, upon the completion of the acquisition, if the products or services operated by any of the private subsidiaries or private affiliates controlled by China Minmetals are likely to compete with MCC's major products or services, China Minmetals agree that MCC shall be entitled to the preemptive right to acquire the assets in relation to these products or services or all of the equity interest in the subsidiaries held by China Minmetals. MCC shall have the sole discretion over the timing to require China Minmetals to sell the abovementioned competing businesses.</p>	17 February 2016	No	Yes	-	-

Undertaking background	Type of undertaking	Undertaking party	Undertaking party	Date and duration of undertaking	Whether there is a time limit for performance	Whether it is strictly performed in a timely manner	If not performed timely, specify the reasons in details	If not performed timely, specify further plans
			<p>4. China Minmetals will abstain from voting at the Board meeting or general meeting at which MCC considers whether any of China Minmetals' additional businesses constitutes horizontal competition with MCC and whether to exercise the above option and pre-emptive right.</p> <p>5. China Minmetals undertook that it will strictly comply with the relevant regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange, and the Articles of Associations and other rules and regulations of MCC, and exercise the shareholder's rights and perform the shareholder's obligations equally with other shareholders. It also undertook not to leverage its capacity of substantial shareholder for improper interest nor impair the legitimate interests of MCC or other shareholders.</p> <p>The commitments shall remain valid, immutable and irrevocable all the time for which China Minmetals has control or material influence over MCC. If there is any breach of the above commitments, China Minmetals shall indemnify MCC from all losses arising therefrom.</p>					
Undertakings in relation to the corporate bonds	Others	MCC	During the terms of Renewable Corporate Bonds (Third Tranche) for 2017 under the Public Issuance, Renewable Corporate Bonds (Fourth Tranche) for 2017 under the Public Issuance by Metallurgical Corporation of China Ltd.* (collectively, "2017 Renewable Corporate Bonds"), if the Company does not expect to pay the principal of and interest on such bonds on time or fails to pay the principal and interest on time at the maturity date of such bonds, at least the following measures will be taken: (1) no distribution of profits to the ordinary shareholders; (2) no reduction in registered capital.	25 October 2017 to 25 October 2022	Yes	Yes	-	-

Undertaking background	Type of undertaking	Undertaking party	Undertaking party	Date and duration of undertaking	Whether there is a time limit for performance	Whether it is strictly performed in a timely manner	If not performed timely, specify the reasons in details	If not performed timely, specify further plans
			During the terms of Corporate Bonds (First Tranche) for 2018 under the Public Issuance by Metallurgical Corporation of China Ltd.* ("2018 Corporate Bonds"), if the Company does not expect to pay the principal and interest for this tranche of bonds on time or fails to pay the principal and interest on time at the maturity date of this tranche of bonds, at least the following measures will be taken: (1) no distribution of profits to the ordinary shareholders; (2) no reduction in registered capital.	8 May 2018 to 8 May 2023	Yes	Yes	-	-
			The proceeds from, 2017 Corporate Bonds and 2018 Corporate Bonds are used only for production and operating activities in compliance with laws, regulations and policies of the PRC. Such proceeds will be used strictly for the purpose set out in the prospectus. Such proceeds will not be lent to and used by others and will not be used for non-production expenditures or real estate business. A practical and effective monitoring mechanism and separation mechanism will be established for use of proceeds.	The issuance date of 2017 Corporate Bonds and 2018 Corporate Bonds	Yes	Yes	-	-

3.4 Warnings and reasons for the forecast of any possible loss in accumulated net profit from the beginning of the year to the end of next Reporting Period or any material changes compared to the corresponding period of the previous year

Applicable Not applicable

Company name **Metallurgical Corporation of China Ltd.***
Legal representative of the Company **Guo Wenqing**
Date 29 April 2021

IV. APPENDIX

4.1 FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

31 March 2021

Prepared by: Metallurgical Corporation of China Ltd.*

Unit: RMB'000, unaudited

Items	31 March 2021	31 December 2020
Current Assets:		
Cash and bank balances	48,769,939	53,095,827
Settlement provisions	–	–
Placement to banks and other financial institutions	–	–
Financial assets held for trading	503,834	2,250,940
Derivative financial assets	66,611	46,412
Bills receivable	6,916,024	6,646,606
Accounts receivable	75,290,333	69,436,480
Receivable financing	13,379,372	11,759,582
Prepayments	37,136,587	34,369,714
Premium receivable	–	–
Reinsurance receivables	–	–
Provision for reinsurance contract receivables	–	–
Other receivables	61,873,868	64,225,288
Of which: Interest receivables	56,719	5,580
Dividends receivables	267,669	487,993
Buy back resale financial assets	–	–
Inventories	60,605,578	60,581,435
Contract assets	99,746,201	83,199,483
Assets held for sale	–	–
Non-current assets due within one year	2,330,323	1,499,007
Other current assets	2,776,494	2,142,781
Total Current Assets	409,395,164	389,253,555

Items	31 March 2021	31 December 2020
Non-current Assets:		
Issuance of loans and advances	–	–
Debt investment	–	–
Other debt investments	–	–
Long-term receivables	26,701,194	25,576,642
Long-term equity investments	25,555,854	25,676,955
Investments in other equity instruments	2,048,599	1,964,664
Other non-current financial assets	4,555,284	4,418,546
Investment properties	5,592,817	5,641,674
Fixed assets	24,244,470	24,684,160
Construction in progress	5,821,481	4,915,570
Productive biological assets	–	–
Oil and gas asset	–	–
Right-of-use assets	399,663	473,971
Intangible assets	17,567,497	17,491,859
Development expenditure	–	–
Goodwill	161,038	160,928
Long-term prepayments	363,056	295,584
Deferred tax assets	5,732,576	5,637,114
Other non-current assets	160,812	201,741
	<hr/>	<hr/>
Total Non-current Assets	118,904,341	117,139,408
	<hr/>	<hr/>
TOTAL ASSETS	528,299,505	506,392,963

Items	31 March 2021	31 December 2020
Current Liabilities:		
Short-term borrowings	33,412,852	29,252,171
Borrowing from the Central Bank	–	–
Borrowed funds	–	–
Financial liability held for trade	–	–
Derivative financial liabilities	12,206	–
Bills payable	35,092,081	30,472,634
Accounts payable	145,115,487	133,722,043
Receipts in advance	583,771	238,753
Contract liabilities	79,321,593	85,653,732
Financial assets sold for repurchase	–	–
Attract deposits and interbank deposits	–	–
Agent trading securities	–	–
Agent underwriting securities	–	–
Employee benefits payable	2,116,124	2,020,325
Taxes payable	3,652,532	3,984,563
Other payables	30,199,974	26,710,566
Of which: Interest receivables	317,214	12,868
Dividends payable	1,148,332	916,864
Fees and commissions payable	–	–
Reinsurance accounts payable	–	–
Liability held for sale	–	–
Non-current liabilities due within one year	12,366,509	12,238,104
Other current liabilities	5,592,964	7,498,360
Total Current Liabilities	<u>347,466,093</u>	<u>331,791,251</u>

Items	31 March 2021	31 December 2020
Non-current Liabilities:		
Provision of insurance contract	–	–
Long-term borrowings	28,793,216	25,631,067
Bonds payable	790,000	790,000
Including: Preferred shares	–	–
Perpetual bond	–	–
Lease liabilities	269,210	237,042
Long-term payables	1,035,343	1,047,205
Long-term employee benefits payable	4,261,922	4,103,656
Provision	801,215	777,275
Deferred income	1,576,224	1,584,325
Deferred tax liabilities	110,968	61,235
Other non-current liabilities	15,798	14,600
	<hr/>	<hr/>
Total Non-current Liabilities	37,653,896	34,246,405
	<hr/>	<hr/>
TOTAL LIABILITIES	385,119,989	366,037,656
	<hr/>	<hr/>

Items	31 March 2021	31 December 2020
Owners' equity (or Shareholders' equity):		
Paid-in capital (or Share capital)	20,723,619	20,723,619
Other equity instruments	20,500,000	20,500,000
Including: Preferred shares	–	–
Perpetual bond	20,500,000	20,500,000
Capital reserve	22,461,602	22,461,602
Less: Treasury stock	–	–
Other comprehensive income	-314,305	-284,396
Special reserve	12,550	12,550
Surplus reserve	2,016,768	2,016,768
General risk preparation	–	–
Retained earnings	34,598,534	32,461,495
Total owners' equity (or shareholders' equity) attributable to shareholders of the Company	99,998,768	97,891,638
Non-controlling interests	43,180,748	42,463,669
	<u>143,179,516</u>	<u>140,355,307</u>
TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	143,179,516	140,355,307
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	<u>528,299,505</u>	<u>506,392,963</u>

<i>Legal Representative:</i>	<i>Person in charge of Accounting:</i>	<i>Head of Accounting Department:</i>
Guo Wenqing	Zou Hongying	Fan Wanzhu

THE PARENT COMPANY'S BALANCE SHEET

31 March 2021

Prepared by: Metallurgical Corporation of China Ltd.*

Unit: RMB'000, unaudited

Items	31 March 2021	31 December 2020
Current Assets:		
Cash and bank balances	1,960,520	9,618,084
Financial assets held for trading	–	–
Derivative financial assets	58,470	38,524
Bills receivable	–	–
Accounts receivable	192,691	228,188
Receivable financing	–	–
Prepayments	2,052,242	1,797,943
Other receivables	45,919,547	43,536,273
Including: Interest receivables	5,248,350	4,846,876
Dividends receivables	2,471,857	2,503,938
Inventories	1,056	1,016
Contract assets	985,940	944,863
Assets held for sale	–	–
Non-current assets due within one year	2,037	2,037
Other current assets	1,481	1,481
Total Current Assets	<u>51,173,984</u>	<u>56,168,409</u>

Items	31 March 2021	31 December 2020
Non-current Assets:		
Debt investment	–	–
Other debt investment	–	–
Long-term receivables	2,068,639	2,082,190
Long-term equity investments	95,526,614	94,532,711
Investments in other equity instruments	454	454
Other non-current financial assets	–	–
Investment properties	–	–
Fixed assets	11,873	12,478
Construction in progress	–	–
Productive biological assets	–	–
Oil and gas assets	–	–
Right-of-use assets	16,262	21,360
Intangible assets	5,003	5,445
Development expenditure	–	–
Goodwill	–	–
Long-term prepayments	–	–
Deferred tax assets	–	–
Other non-current assets	–	–
	<hr/>	<hr/>
Total Non-current Assets	97,628,845	96,654,638
	<hr/>	<hr/>
TOTAL ASSETS	148,802,829	152,823,047

Items	31 March 2021	31 December 2020
Current Liabilities:		
Short-term borrowings	19,437,884	20,932,888
Financial liability held for trading	–	–
Derivative financial liabilities	12,206	–
Bills payable	–	–
Accounts payable	1,470,996	1,407,149
Receipts in advance	–	–
Contract liabilities	2,240,916	2,114,560
Employee benefits payable	15,191	15,407
Taxes payable	36,671	46,768
Other payables	13,963,843	18,485,432
Including: Interest payable	49,403	31,594
Dividends payable	296,796	401,733
Liability held for sale	–	–
Non-current liabilities due within one year	3,102,132	3,152,522
Other current liabilities	–	–
	<hr/>	<hr/>
Total Current Liabilities	<u>40,279,839</u>	<u>46,154,726</u>

Items	31 March 2021	31 December 2020
Non-current Liabilities:		
Long-term borrowings	2,000,000	2,000,000
Bonds payable	790,000	790,000
Including: Preferred shares	–	–
Perpetual bond	–	–
Lease liabilities	695	695
Long-term payable	20,444,530	20,444,550
Long-term employee benefits payable	59,595	61,513
Provisions	92,394	99,806
Deferred income	3,598	3,598
Deferred tax liabilities	–	–
Other non-current liabilities	–	–
	<hr/>	<hr/>
Total Non-current Liabilities	<u>23,390,812</u>	<u>23,400,162</u>
TOTAL LIABILITIES	<u>63,670,651</u>	<u>69,554,888</u>
Owners' equity (or Shareholders' equity):		
Paid-in capital (or Shareholders' equity)	20,723,619	20,723,619
Other equity instruments	20,500,000	20,500,000
Including: Preferred shares	–	–
Perpetual bond	20,500,000	20,500,000
Capital reserve	37,925,332	37,925,332
Less: Treasury stock	–	–
Other comprehensive income	-355	-355
Special reserve	12,550	12,550
Surplus reserve	2,016,768	2,016,768
Retained earnings	3,954,264	2,090,245
	<hr/>	<hr/>
TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	<u>85,132,178</u>	<u>83,268,159</u>
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	<u><u>148,802,829</u></u>	<u><u>152,823,047</u></u>

<i>Legal Representative:</i>	<i>Person in charge of Accounting:</i>	<i>Head of Accounting Department:</i>
Guo Wenqing	Zou Hongying	Fan Wanzhu

CONSOLIDATED INCOME STATEMENT

From January to March 2021

Prepared by: Metallurgical Corporation of China Ltd.*

Unit: RMB'000 unaudited

Items	First quarter of 2021	First quarter of 2020
I. Total operating revenue	94,423,385	72,724,921
Including: Operating costs	94,423,385	72,724,921
Interest income	-	-
Premiums earned	-	-
Fee and commission income	-	-
II. Total operating costs	89,682,121	68,993,392
Including: Operating costs	83,620,960	64,350,396
Interest expense	-	-
Handling fees and commission expenses	-	-
Surrender	-	-
Net claimed expenses	-	-
Net insurance liability reserve	-	-
Dividend payment policy	-	-
Reinsurance costs	-	-
Taxes and levies	676,310	491,149
Selling expenses	547,638	442,570
Administrative expenses	2,733,708	2,201,619
Research and development expenses	1,699,799	1,081,732
Financial expenses	403,706	425,926
Including: Interest expenses	736,273	787,379
Interest income	471,392	565,770
Add: Other income	41,759	40,771
Investment income (Losses are listed with "-")	-135,449	-78,194
Including: Income from investments in associates and joint ventures	62,365	16,655
Income from derecognition of financial assets at amortised cost	-147,998	-24,549
Exchange gains (losses are listed with "-")	-	-
Net exposure hedging gain (losses are listed with "-")	-	-
Gains from changes in fair values (losses are listed with "-")	10,887	6,595
Impairment losses of credit (losses are listed with "-")	-643,379	-528,776
Impairment losses of assets (losses are listed with "-")	-50,219	-47,276
Gains on disposal of assets (losses are listed with "-")	8,123	554

Items	First quarter of 2021	First quarter of 2020
III. Gains on disposal of assets (losses are listed with “-”)	3,972,986	3,125,203
Add: Non-operating income	99,909	51,991
Less: Non-operating expenses	18,737	16,273
IV. Total profit (losses are listed with “-”)	4,054,158	3,160,921
Less: Income tax expenses	1,016,090	782,412
V. Net profit (Net losses are listed with “-”)	3,038,068	2,378,509
(I) Net profit classified by operating continuity		
1. Net profit from continuing operations (Net losses are listed with “-”)	3,038,068	2,378,509
2. Net profit from discontinued operations (Net losses are listed with “-”)	-	-
(II) Net profit classified by ownership ascription		
1. Net profit attributable to shareholders of the Company (Net losses are listed with “-”)	2,137,039	1,892,109
2. Profit or loss attributable to non-controlling interests (Net losses are listed with “-”)	901,029	486,400
VI. Other comprehensive income, net of income tax	-23,360	228,132
(I) Other comprehensive income attributable to shareholders of the Company, net of income tax	-29,909	223,255
1. Items that will not be reclassified to profit or loss	-5,497	-19,547
(1) Re-measurement of defined benefit obligations	-	1,990
(2) Other comprehensive income that cannot be transferred to profit or loss under the equity method	-	-
(3) Changes in fair values of investments in other equity instruments	-5,497	-21,537
(4) Changes in fair value of the Company’s own credit risk	-	-

Items	First quarter of 2021	First quarter of 2020
2. Items that may be reclassified to profit or loss	-24,412	242,802
(1) Other comprehensive income that can be transferred to profit or loss under the equity method	-	-
(2) Changes in fair value of other debt investments	-	1,434
(3) The amount of financial assets reclassified into other comprehensive income	-	11,764
(4) Provision for credit impairment of other debt investments	-	-
(5) Cash flow hedge reserve	-	-
(6) Exchange differences on translating financial statements in foreign currencies	-30,975	229,604
(7) Changes in fair value of receivable financing	6,563	-
(8) Others	-	-
(II) Other comprehensive income attributable to non-controlling interests, net of income tax	6,549	4,877
VII. Total comprehensive income	3,014,708	2,606,641
(I) Total comprehensive income attributable to shareholders of the Company	2,107,130	2,115,364
(II) Total comprehensive income attributable to non-controlling interest	907,578	491,277
VIII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)	0.10	0.09
(II) Diluted earnings per share (<i>RMB/share</i>)	<u>Not Applicable</u>	<u>Not Applicable</u>

If a merger occurs between businesses under common control during this period, the pre-merger net profit realized by the target is recognized as RMB0, and the net profit realized by the target for the previous period is recognized as RMB0.

<i>Legal Representative:</i>	<i>Person in charge of Accounting:</i>	<i>Head of Accounting Department:</i>
Guo Wenqing	Zou Hongying	Fan Wanzhu

THE COMPANY'S INCOME STATEMENT

From January to March 2021

Prepared by: Metallurgical Corporation of China Ltd.*

Unit: RMB'000, unaudited

Items	First quarter of 2021	First quarter of 2020
I. Operating revenue	758,736	644,548
Less: Operating costs	728,496	637,712
Taxes and levies	443	2,425
Selling expenses	–	–
Administrative expenses	35,299	21,170
Research and development expenses	–	–
Financial expense	109,768	88,761
Including: Interest expense	515,084	432,561
Interest income	419,984	447,488
Add: Other income	–	–
Investment income (losses are listed with “-”)	1,971,600	–
Including: Gains from investments in associates and joint ventures	–	–
Gains from derecognition of financial assets at amortised cost	–	–
Net exposure hedge income (losses are listed with “-”)	–	–
Gains from changes in fair values (losses are listed with “-”)	7,740	–
Impairment losses of credit (losses are listed with “-”)	–	–
Impairment losses of assets (losses are listed with “-”)	–	–
Gains on disposal of assets (losses are listed with “-”)	–	–
II. Operating profit (losses are listed with “-”)	1,864,070	-105,520
Add: Non-operating income	2	–
Less: Non-operating expenses	54	–
III. Total profit (total losses are listed with “-”)	1,864,018	-105,520
Less: Income tax expenses	–	637

Items	First quarter of 2021	First quarter of 2020
IV. Net profit (net losses are listed with “-”)	1,864,018	-106,157
(I) Net profit from continuing operations (net losses are listed with “-”)	1,864,018	-106,157
(II) Net profit from discontinued operations (net losses are listed with “-”)	-	-
V. Other comprehensive income, net of income tax	-	-
(I) Items that will not be reclassified to profit or loss	-	-
1. Re-measurement of defined benefit obligations	-	-
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method	-	-
3. Changes in fair values of investments in other equity instruments	-	-
4. Changes in fair value of the company’s own credit risk	-	-
(II) Items that may be reclassified to profit or loss	-	-
1. Other comprehensive income that can be transferred to profit or loss under the equity method	-	-
2. Changes in fair value of other debt investments	-	-
3. The amount of financial assets reclassified into other comprehensive income	-	-
4. Provision for credit impairment of other debt investments	-	-
5. Cash flow hedge reserve	-	-
6. Exchange differences on translating financial statements in foreign currencies	-	-
7. Others	-	-
VI. Total comprehensive income	1,864,018	-106,157
VII. Earnings per share		
(I) Basic earnings per share (<i>RMB/share</i>)	Not Applicable	Not Applicable
(II) Diluted earnings per share (<i>RMB/share</i>)	<u>Not Applicable</u>	<u>Not Applicable</u>

<i>Legal Representative:</i>	<i>Person in charge of Accounting:</i>	<i>Head of Accounting Department:</i>
Guo Wenqing	Zou Hongying	Fan Wanzhu

CONSOLIDATED CASH FLOW STATEMENT

From January to March 2021

Prepared by: Metallurgical Corporation of China Ltd.*

Unit: RMB'000, unaudited

Items	First quarter of 2021	First quarter of 2020
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	97,453,507	61,528,934
Net increase in customer deposits and interbank deposits	–	–
Net increase in borrowings from the central bank	–	–
Net increase in funds borrowed from other financial institutions	–	–
Cash received from the original insurance contract premium	–	–
Net cash received from reinsurance business	–	–
Net increase in policyholder deposits and investment funds	–	–
Cash for interest, handling fee and commission	–	–
Net increase in borrowed funds	–	–
Net increase in repurchase funds	–	–
Net cash received from agent trading	–	–
Receipts of tax refunds	80,744	73,849
Other cash receipts relating to operating activities	2,595,257	2,872,443
Sub-total of cash inflows from operating activities	100,129,508	64,475,226
Cash payments for goods purchased and services received	95,485,026	63,178,126
Net increase in customer loans and advances	–	–
Net increase in deposits with central bank and interbank	–	–
Cash payment for original insurance contract compensation	–	–
Net increase in placement to banks and other financial institutions	–	–
Cash to pay interest, handling fee and commission	–	–
Cash payment for policy dividends	–	–
Cash payments to and on behalf of employees	6,753,096	5,281,555
Payments of various types of taxes	2,464,800	2,135,046
Other cash payments relating to operating activities	8,413,699	2,774,060
Sub-total of cash outflows from operating activities	113,116,621	73,368,787
Net Cash flows from operating activities	<u>-12,987,113</u>	<u>-8,893,561</u>

Items	First quarter of 2021	First quarter of 2020
II. Cash Flows from Investing Activities:		
Cash receipts from disposals and recovery of investments	2,334,234	43,353
Cash receipts from investment income	42,849	31,458
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	56,567	5,878
Net cash receipts from disposal of subsidiaries and other business units	-	-
Other cash receipts relating to investing activities	3,872,485	653,500
Sub-total of cash inflows from investing activities	6,306,135	734,189
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	579,333	395,396
Cash payments to acquire investments	1,360,066	1,040,553
Net increase in pledged loans	-	-
Obtain net cash paid by subsidiaries and other business units	-	-
Other cash payments relating to investing activities	1,148,272	834,037
Sub-total of cash outflows from investing activities	3,087,671	2,269,986
Net Cash flows from investing activities	<u>3,218,464</u>	<u>-1,535,797</u>
III. Cash Flows from Financing Activities:		
Cash receipts from capital contributions	30,945	6,918,936
Including: Cash receipts from capital contributions by non-controlling interests of subsidiaries	30,945	6,918,936
Cash receipts from borrowings	18,442,271	42,152,552
Receive other cash related to financing activities	229,317	-
Sub-total of cash inflows from financing activities	18,702,533	49,071,488
Cash repayments of borrowings	11,801,813	20,480,112
Cash payments for distribution of dividends or profits or settlement of interest expenses	1,381,386	1,088,652
Including: Payments for distribution of dividends or profits to non-controlling interests of subsidiaries	-	4,433
Other cash payments relating to financing activities	-	7,302,632
Sub-total of cash outflows from financing activities	13,183,199	28,871,396
Net cash flows from financing activities	<u>5,519,334</u>	<u>20,200,092</u>

Items	First quarter of 2021	First quarter of 2020
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	152,744	74,948
V. Net Increase in Cash and Cash Equivalents	-4,096,571	9,845,682
Add: Opening balance of cash and cash equivalents	42,165,302	31,814,900
VI. Closing Balance of Cash and Cash Equivalents	<u>38,068,731</u>	<u>41,660,582</u>

Legal Representative:
Guo Wenqing

*Person in charge of
Accounting:*
Zou Hongying

*Head of Accounting
Department:*
Fan Wanzhu

THE PARENT COMPANY'S CASH FLOW STATEMENT

From January to March 2021

Prepared by: Metallurgical Corporation of China Ltd.*

Unit: RMB'000, unaudited

Items	First quarter of 2021	First quarter of 2020
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	244,865	1,112,175
Receipts of tax refunds	–	–
Other cash receipts relating to operating activities	103,186	50,252
Sub-total of cash inflows from operating activities	348,051	1,162,427
Cash payments for goods purchased and services received	374,948	1,255,479
Cash payments to and on behalf of employees	26,645	25,177
Payments of various types of taxes	15,054	21,605
Other cash payments relating to operating activities	227,166	40,473
Sub-total of cash outflows from operating activities	643,813	1,342,734
Net cash flows from operating activities	-295,762	-180,307
II. Cash Flows from Investing Activities:		
Cash receipts from disposals and recovery of investments	–	–
Cash receipts from investment income	2,071,449	–
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	–	–
Net cash receipts from disposal of subsidiaries and other business units	–	–
Other cash receipts relating to investing activities	4,647,390	4,919,003
Sub-total of cash inflows from investing activities	6,718,839	4,919,003
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	–	225
Cash payments to acquire investments	1,061,670	–
Obtain net cash paid by subsidiaries and other business units	–	–
Other cash payments relating to investing activities	8,129,154	9,773,379
Sub-total of cash outflows from investing activities	9,190,824	9,773,604
Net cash flows from investing activities	-2,471,985	-4,854,601

Items	First quarter of 2021	First quarter of 2020
III. Cash Flows from Financing Activities:		
Cash receipts from capital contributions	–	–
Cash receipts from borrowings	5,219,239	24,263,859
Receive other cash related to financing activities	11,670	–
Sub-total of cash inflows from financing activities	5,230,909	24,263,859
Cash repayments of debts	9,478,100	14,251,157
Cash payments for distribution of dividends or profits or settlement of interest expenses	646,797	527,552
Other cash payments relating to financing activities	–	4,700,000
Sub-total of cash outflows from financing activities	10,124,897	19,478,709
Net cash flows from financing activities	-4,893,988	4,785,150
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	4,171	22,216
V. Net Increase in Cash and Cash Equivalents	-7,657,564	-227,542
Add: Opening balance of cash and cash equivalents	9,606,574	2,292,058
VI. Closing Balance of Cash and Cash Equivalents	<u>1,949,010</u>	<u>2,064,516</u>

<i>Legal Representative:</i>	<i>Person in charge of Accounting:</i>	<i>Head of Accounting Department:</i>
Guo Wenqing	Zou Hongying	Fan Wanzhu

4.2 Particulars of adjustment to the financials as of the beginning of the year, due to initial application of the new lease standard since 2021

Applicable Not applicable

4.3 Explanation of the retrospective adjustment to the comparative data for the previous period due to the initial application of the new lease standard since 2021

Applicable Not applicable

4.4 Audited report

Applicable Not applicable