

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



安徽海螺水泥股份有限公司

Anhui Conch Cement Company Limited

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

(Stock code: 00914)

2018 THIRD QUARTERLY REPORT

and

SUPPLEMENTAL INFORMATION FOR CONNECTED TRANSACTIONS: SALE OF CEMENT PRODUCTS

2018 Third Quarterly Report

In accordance with the applicable rules of the Shanghai Stock Exchange of the People's Republic of China (the "**PRC**"), the quarterly report (the "**Quarterly Report**") of Anhui Conch Cement Company Limited (the "**Company**") and its subsidiaries (together with the Company, the "**Group**") for the period between 1 July 2018 and 30 September 2018 (i.e. the third quarter) (the "**Reporting Period**") will be published in newspapers circulating in the PRC on 25 October 2018. The full text of the Quarterly Report is set out below pursuant to Rule 13.10(B) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

§ 1 IMPORTANT NOTICE

- 1.1 The board of directors (the "**Board**"), the supervisory committee, the directors (the "**Directors**"), the supervisors and the senior management of the Company warrant that the information in this Quarterly Report, for which they jointly and severally accept legal liability, is truthful, accurate and complete, and does not contain any misrepresentation, misleading statements or material omission.
- 1.2 The financial report contained in this Quarterly Report has not been audited.
- 1.3 Mr Gao Dengbang, the Company's Chairman, Mr Wu Bin, the officer-in-charge of the accounting functions, and Ms Liu Yan, the head of the accounting department, declare and warrant that the financial report contained in this Quarterly Report is true, accurate and complete.
- 1.4 In this Quarterly Report, unless stated otherwise, the currency unit refers to Renminbi ("**RMB**"), the lawful currency of the PRC. Unless stated otherwise, all financial information was prepared under the generally accepted accounting principles of the PRC.

§2 MAJOR CORPORATE FINANCIAL INFORMATION AND CHANGES OF SHAREHOLDERS OF THE COMPANY

2.1 Major financial information

Unit: RMB

	As at the end of the Reporting Period	As at the end of 2017	Changes as at the end of the Reporting Period compared with that as at the end of 2017 (%)
Total assets	138,615,721,628	122,142,584,596	13.49
Net assets attributable to equity shareholders of the Company	103,640,855,089	89,406,295,319	15.92
	From the beginning of 2018 to the end of the Reporting Period	From the beginning of 2017 to the end of the reporting period for the third quarter of 2017	Changes as compared with that of the corresponding period of 2017 (%)
Net cash flow generated from operating activities	20,638,241,562	8,809,330,024	134.28
	From the beginning of 2018 to the end of the Reporting Period	From the beginning of 2017 to the end of the reporting period for the third quarter of 2017	Changes as compared with that of the corresponding period of 2017 (%)
Revenue	77,792,051,806	50,038,625,981	55.46
Net profit attributable to equity shareholders of the Company	20,716,125,528	9,808,653,716	111.20
Net profit attributable to equity shareholders of the Company after extraordinary items	20,281,434,051	8,142,096,976	149.09
Weighted average return on net assets (%)	21.46	12.26	Increased 9.2 pps
Basic earnings per share (RMB/share)	3.9092	1.8509	111.20
Diluted earnings per share (RMB/share)	3.9092	1.8509	111.20
Item	Amount for the Reporting Period (July to September)	Amount for the period from the beginning of 2018 to the end of the Reporting Period (January to September)	
Gain/(Loss) from disposal of non-current assets	-6,276,941	-7,963,397	
Government subsidy (excluding constant government subsidy closely associated with the enterprise's normal business, granted in fixed amount or quantity in accordance with the State's policy and based on certain standards) included in the current income statement	283,246,220	487,446,594	
Charges on share of funds received from non-financial enterprises included in the current income statement	428,720	1,353,469	
Gain/(Loss) on entrusted investment or asset management	37,545,954	97,227,661	
Gain/(Loss) on changes in the fair value of	-2,077,496	27,907,384	

financial assets and financial liabilities held for trading and investment gain from disposal of financial assets and financial liabilities held for trading and available-for-sale financial assets, excluding effective hedging business associated with the Company's normal business		
Income from entrusted operations	263,352	827,636
Other non-operating income and expenses other than the abovementioned items	5,520,392	-22,773,478
Effect on minority interests (after tax)	-4,892,145	-7,273,342
Effect on income tax	-76,253,333	-142,061,050
Total	237,504,723	434,691,477

2.2 Total number of shareholders of the Company (the “**Shareholders**”) and the shareholdings of the top 10 Shareholders and the top 10 floating Shareholders respectively as at the end of the Reporting Period

Total number of Shareholders			74,735			
Shareholding of the top 10 Shareholders						
Name of Shareholder (Full name)	Number of shares held at the end of the Reporting Period	Percentage (%)	Number of shares subject to trading restrictions	Pledge or moratorium		Nature of Shareholders
				Share status	Number of shares	
Anhui Conch Holdings Co., Ltd.	1,928,870,014	36.40	0		Nil	State-owned legal person
HKSCC Nominees Limited	1,298,368,633	24.50	0		Unknown	Foreign legal person
Hong Kong Securities Clearing Company Limited	397,211,724	7.50	0		Unknown	Foreign legal person
China Securities Finance Corporation Limited	158,449,591	2.99	0		Unknown	State-owned legal person
Anhui Conch Venture Investment Co., Ltd.	145,333,539	2.74	0		Nil	Domestic non-state-owned legal person
Central Huijin Asset Management Ltd.	70,249,600	1.33	0		Unknown	State-owned legal person
Bank Negara Malaysia	29,702,495	0.56	0		Unknown	Others
FIL Investment Management (Hong Kong) Limited – Customer Funds	20,980,706	0.40	0		Unknown	Others
The National Social Security Fund 106 Composition	20,725,548	0.39	0		Unknown	Others
Monetary Authority of Macao - Own fund	18,016,864	0.34	0		Unknown	Others
		Total number of shares not subject to trading restrictions	Class and number of shares			
			Class	Number		
Anhui Conch Holdings Co., Ltd.		1,928,870,014	RMB-denominated ordinary shares	1,928,870,014		
HKSCC Nominees Limited		1,298,368,633	Overseas listed foreign shares	1,298,368,633		
Hong Kong Securities Clearing Company Limited		397,211,724	RMB-denominated ordinary shares	397,211,724		

China Securities Finance Corporation Limited	158,449,591	RMB-denominated ordinary shares	158,449,591
Anhui Conch Venture Investment Co., Ltd.	145,333,539	RMB-denominated ordinary shares	145,333,539
Central Huijin Asset Management Ltd.	70,249,600	RMB-denominated ordinary shares	70,249,600
Bank Negara Malaysia	29,702,495	RMB-denominated ordinary shares	29,702,495
FIL Investment Management (Hong Kong) Limited – Customer Funds	20,980,706	RMB-denominated ordinary shares	20,980,706
The National Social Security Fund 106 Composition	20,725,548	RMB-denominated ordinary shares	20,725,548
Monetary Authority of Macao - Own fund	18,016,864	RMB-denominated ordinary shares	18,016,864
Explanation of the connected relationship or acting in concert relationship among the abovementioned Shareholders,	As far as the Board is aware, there was no connected relationship or acting in concert relationship among the abovementioned Shareholders..		
Explanations on preference shareholders with voting rights restored and the number of shares held	Not Applicable		

§3 MAJOR EVENTS

3.1 Significant changes and reasons for such changes in major items of the accounting statements and financial indicators of the Company

In 2017 and 2018, the Ministry of Finance promulgated “Accounting Standards for Business Enterprises No. 14 – Revenues (Revised)”, “Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instrument (Revised)”, “Accounting Standards for Business Enterprises No. 37 – Presentation and Reporting of Financial Instrument (Revised)” and “Notice on the Revision of the General Format of Financial Statements of Business Enterprises for 2018” (Caikuai [2018] No.15). The Group has applied the aforementioned enterprise accounting standards since 1 January 2018 and some items listed in the financial statements have been adjusted (collectively referred to “the implementation of 2018 newly revised accounting standards”).

The elaboration and major reasons for an increase or decrease of over 30% in major items of the accounting statements and financial indicators in the consolidated financial statements during the Reporting Period when compared with those at the end of the previous year or the corresponding period of the previous year are as follows:

1. As at the end of the Reporting Period, the closing balance of the Group’s held-for-trading financial assets increased from 0 at the beginning of the year to RMB30.214 million, while the closing balance of profit or loss from the change of fair value of financial assets decreased from RMB2,306,600 at the beginning of the year to 0, mainly due to the change in fair value of the forward financial products held by the Group during the Reporting Period and the effects of the implementation of 2018 newly revised accounting standards.

2. As at the end of the Reporting Period, the closing balance of the Group’s prepayments increased by 256.64% from that at the beginning of the year, while the closing balance of contract liabilities increased from 0 at the beginning of the year to RMB5,690 million, and the closing balance of receipt in advance decreased from RMB2,144 million at

the beginning of the year to 0, mainly due to the increase in the Group's sales volume, increase in proceeds received in advance and payment in advance for goods as a result of increased scale of sales and purchase, as well as the effects of the implementation of 2018 newly revised accounting standards during the Reporting Period.

3. As at the end of the Reporting Period, the closing balance of the Group's other receivables increased by 109.62% from that at the beginning of the year, mainly because the Group increased its purchase of wealth management products during the Reporting Period.

4. As at the end of the Reporting Period, the closing balance of the Group's inventories increased by 37.48% from that at the beginning of the year, mainly due to the increase in the products inventories when compared with that at the beginning of the year.

5. As at the end of the Reporting Period, the closing balance of the Group's investment properties increased by 41.57% from that at the beginning of the year, mainly because the Group rented out some of the idle properties and buildings during the Reporting Period.

6. As at the end of the Reporting Period, the closing balances of the Group's non-current liabilities due within one year and long-term borrowings decreased by 38.69% and 34.56% respectively as compared with those at the beginning of the year, mainly because the Group repaid matured corporate bonds and bank borrowings during the Reporting Period.

7. As at the end of the Reporting Period, the closing balance of the Group's other comprehensive income decreased by 43.25% from that at the beginning of the year, mainly due to the decrease in the fair value of the Group's other equity instruments investment held at the end of the Reporting Period when compared with that at the beginning of the year.

8. As at the end of the Reporting Period, the closing balance of the Group's minority interests increased by 34.51% from that at the beginning of the year, mainly due to the increase in the net profit attributable to minority interests of the Group's non-wholly owned subsidiaries during the Reporting Period.

9. During the Reporting Period, the Group's revenue and operating costs increased by 76.77% and 64.25% respectively from those of the same period last year, mainly due to the period-on-period increase in product sales volume and period-on-period increases in product selling price and costs of sales.

10. During the Reporting Period, the Group's taxes and surcharges increased by 65.55% when compared with that of the corresponding period last year, mainly due to the period-on-period increase in the Group's operating revenue.

11. During the Reporting Period, the research and development ("R&D") expenses of the Group increased by 80.27% when compared with that of the same period last year, mainly due to the period-on-period increase in the R&D expenses of the Group's subsidiaries on new products such as refractory materials.

12. During the Reporting Period, the Group reported a period-on-period decrease of 228.87% in financial expenses, mainly due to the period-on-period decrease in the Group's interest expenses and the period-on-period increase in interest income.

13. During the Reporting Period, the Group's other income increased by 64% when

compared with that of the same period last year, mainly due to the period-on-period increase in the income from tax refund received by the Group from products with integrated resource utilization.

14. During the Reporting Period, the Group's investment gains increased by 156.84% when compared with that in the corresponding period last year, mainly due to the Group's period-on-period increases in investment income from associates and joint venture companies and from wealth management.

15. During the Reporting Period, the Group's gains on disposal of assets increased by RMB1,233,800 from that in the corresponding period of last year, mainly due to period-on-period increase of the gain from disposal of certain land use rights.

16. During the Reporting Period, the Group's non-operating revenue increased by 127.03% from that in the corresponding period of last year, mainly due to the period-on-period increase in government subsidies.

17. During the Reporting Period, the Group's non-operating expenses decreased by 53.44% from that in the corresponding period of last year, mainly due to the period-on-period decrease in the Group's disposal of certain fixed assets.

18. During the Reporting Period, the Group's operating profit, total profits, net profit and net profit attributable to equity shareholders of the Company increased by 148.42%, 148.96%, 150.19% and 151.43% respectively from those of the same period last year. This was mainly due to the period-on-period increase in the Group's product sales volume and product selling prices during the Reporting Period.

19. During the Reporting Period, the Group's income tax expenses increased by 144.76% from that of the same period last year, mainly due to the period-on-period increases in revenue and total profits of the Group.

20. From the beginning of this year to the end of the Reporting Period, the Group's net cash inflow from operating activities increased by RMB11.829 billion from that of the same period last year, mainly due to a period-on-period increase in the Group's revenue as a result of the increase in the Group's product selling prices and sales volume during the Reporting Period.

21. From the beginning of this year to the end of the Reporting Period, the Group's net cash outflow from investing activities decreased by RMB2,962 million from that of the same period last year, mainly due to the period-on-period increase in the redemption by the Group of the time deposits with maturities of over 3 months during the Reporting Period.

22. From the beginning of this year to the end of the Reporting Period, the Group's net cash outflow from financing activities increased by RMB6,007 million from that of the same period last year, mainly due to the period-on-period increases in the Group's payment of cash dividend and the repayment of matured corporate bonds during the Reporting Period.

3.2 Progress of significant events and analysis of their effects and solutions

☐Applicable ☒Not applicable

3.3 Failure to fulfil undertakings within a specified period during the Reporting Period

☐Applicable ☒Not applicable

3.4 Warning of and explanation for the accumulated net profit from the beginning of the year to the end of the next reporting period forecast to be a probable loss or to have significant changes from that of the corresponding period of the previous year

☐Applicable ☒Not applicable

§ 4 Appendix

4.1 Balance Sheet

Consolidated Balance Sheet

30 September 2018

Prepared by: Anhui Conch Cement Company Limited

Unit: RMB

Type of audit: Unaudited

Item	The closing balance at the end of the Reporting Period	The closing balance at the beginning of the year
Current Assets:		
Monetary capital	31,233,060,930	24,759,779,144
Balance with clearing companies		
Placements with other financial institutions		
Held-for-trading financial assets	30,214,016	
Financial assets at fair value through profit/(losses)		2,306,632
Derivative financial assets		
Bills receivable and Accounts receivable	14,532,526,488	12,187,055,744
Including: Bills receivable	13,415,064,559	11,127,342,544
Accounts receivable	1,117,461,929	1,059,713,200
Prepayments	2,859,860,738	801,888,763
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contract		
Other receivables	6,479,084,480	3,090,931,963
Including: Interests receivable	466,708,877	158,913,131
Dividend receivable	13,834,269	
Purchases of resold financial assets		
Inventories	6,468,809,955	4,705,200,427
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	445,590,410	405,692,619
Total current assets	62,049,147,017	45,952,855,292
Non-current assets:		
Loans and advances granted		
Available-for-sale financial assets		461,408,780
Held-to-maturity investments		
Long-term receivables		
Long-term equity investment	3,039,967,973	2,790,763,160
Other equity instrument investment	361,134,116	
Investment properties	51,625,999	36,466,164
Fixed assets	59,595,256,895	59,667,633,436
Construction in progress	3,547,549,846	3,693,717,889

Biological assets for production		
Oil and gas assets		
Intangible assets	8,365,897,484	7,976,125,778
Development expenses		
Goodwill	514,398,098	493,647,906
Long-term deferred expenditures		
Deferred income tax assets	755,690,965	677,818,880
Other non-current assets	335,053,235	392,147,311
Total non-current assets	76,566,574,611	76,189,729,304
Total assets	138,615,721,628	122,142,584,596
Current liabilities:		
Short-term borrowings	1,060,036,062	934,810,900
Borrowings from central bank		
Deposit received and inter-bank deposit		
Capital borrowed		
Financial liabilities at fair value through profit/(losses)		
Derivative financial liabilities		
Bills payable and accounts payable	6,418,677,690	4,986,281,006
Receipts in advance		2,143,823,124
Funds from disposal of repurchased financial assets		
Contract liabilities	5,690,335,066	
Handling charges and commissions payable		
Wages payable	828,371,218	1,030,652,032
Tax payable	3,568,782,647	3,515,082,900
Other payables	3,697,556,898	3,818,387,814
Including: Interests payable	168,254,739	118,391,286
Dividend payable	-	258,065,295
Reinsurance account payable		
Deposits for insurance contract		
Customer deposit for trading in securities		
Customer deposits for securities underwriting		
Held-for-sale liabilities		
Non-current liabilities due within one year	2,872,310,000	4,685,265,140
Other current liabilities		
Total current liabilities	24,136,069,581	21,114,302,916
Non-current liabilities:		
Long-term borrowings	3,180,821,983	4,860,480,971
Bonds payable	3,498,676,119	3,498,461,258
Including: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term wages payable		
Accrued liabilities		
Deferred income	376,438,380	339,285,112
Deferred income tax liabilities	342,257,431	365,946,979
Other non-current liabilities		

Total non-current liabilities	7,398,193,913	9,064,174,320
Total liabilities	31,534,263,494	30,178,477,236
Owners' equity (or shareholders' equity)		
Paid in capital (or share capital)	5,299,302,579	5,299,302,579
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	10,579,847,493	10,576,324,900
Less: Treasury shares		
Other comprehensive income	165,248,885	291,174,141
Special reserve		
Surplus reserve	2,649,651,290	2,649,651,290
General risk provisions		
Undistributed profits	84,946,804,842	70,589,842,409
Total equity attributable to shareholders of the Company	103,640,855,089	89,406,295,319
Minority interests	3,440,603,045	2,557,812,041
Total owners' (or shareholders') equity	107,081,458,134	91,964,107,360
Total liabilities and owners' (or shareholders') equity	138,615,721,628	122,142,584,596

Officer-in-charge of the enterprise: Gao Dengbang

Officer-in-charge of the accounting functions: Wu Bin

Head of the accounting department: Liu Yan

Balance Sheet of the Company

30 September 2018

Prepared by: Anhui Conch Cement Company Limited Unit: RMB Type of audit: Unaudited

Item	The closing balance at the end of the Reporting Period	The closing balance at the beginning of the year
Current Assets:		
Monetary capital	26,132,372,642	21,642,617,174
Financial assets at fair value through profit/(losses)		
Derivative financial assets		
Bills receivable and Accounts receivables	506,412,655	357,210,939
Including: Bills receivable	453,966,154	303,493,066
Accounts receivable	52,446,501	53,717,873
Prepayments	149,750,137	94,610,170
Other receivables	27,243,479,788	27,486,899,729
Including: Interests receivable	483,829,930	170,097,254
Dividends receivable	588,455,239	
Inventories	224,979,354	206,400,308
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	6,689,582	28,282,432
Total current assets	54,263,684,158	49,816,020,752
Non-current assets:		

Available-for-sale financial assets		461,408,780
Held-to-maturity investments		
Long-term receivables	4,737,756,000	3,102,000,000
Long-term equity investment	42,104,035,805	40,733,078,830
Other equity instruments investment	361,134,116	
Investment properties	21,307,156	21,960,579
Fixed assets	986,533,213	920,114,802
Construction in progress	83,912,305	76,994,193
Biological assets for production		
Oil and gas assets		
Intangible assets	239,961,301	251,393,761
Development expenses		
Goodwill		
Long-term deferred expenditures		
Deferred income tax assets		
Other non-current assets		
Total non-current assets	48,534,639,896	45,566,950,945
Total assets	102,798,324,054	95,382,971,697
Current liabilities:		
Short-term borrowings		
Financial liabilities at fair value through profit/(losses)		
Derivative financial liabilities		
Bills payable and accounts payable	187,826,433	205,283,814
Receipts in advance		37,097,800
Contract liabilities	70,071,798	
Wages payable	58,155,644	91,698,358
Tax payable	121,380,607	293,184,581
Other payables	9,168,143,368	7,042,037,398
Including: Interests payable	160,471,144	105,718,801
Dividends payable		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	98,000,000	2,500,305,140
Other current liabilities		
Total current liabilities	9,703,577,850	10,169,607,091
Non-current liabilities:		
Long-term borrowings		97,500,000
Bonds payable	3,498,676,119	3,498,461,258
Including: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term wages payable		
Accrued liabilities		
Deferred income	6,527,032	5,245,298
Deferred income tax liabilities	76,559,438	101,628,104
Other non-current liabilities		
Total non-current liabilities	3,581,762,589	3,702,834,660
Total liabilities	13,285,340,439	13,872,441,751
Owners' equity (or shareholders')		

equity)		
Paid in capital (or share capital)	5,299,302,579	5,299,302,579
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	16,803,659,305	16,803,659,305
Less: Treasury shares		
Other comprehensive income	246,738,915	332,627,571
Special reserve		
Surplus reserve	2,649,651,290	2,649,651,290
Undistributed profits	64,513,631,526	56,425,289,201
Total owners' (or shareholders') equity	89,512,983,615	81,510,529,946
Total liabilities and owners' (or shareholders') equity	102,798,324,054	95,382,971,697

Officer-in-charge of the enterprise: Gao Dengbang

Officer-in-charge of the accounting functions: Wu Bin

Head of the accounting department: Liu Yan

4.2 Income Statement

Consolidated Income Statement

January - September 2018

Prepared by: Anhui Conch Cement Company Limited

Unit: RMB

Type of audit: Unaudited

Item	Amount during the Reporting Period (July-September)	Amount during the previous period (July-September)	Amount from the beginning of this year to the end of the Reporting Period (January to September)	Amount from the beginning of 2017 to the end of the reporting for the third quarter period of 2017 (January to September)
I. Total operating income	32,049,804,652	18,130,709,688	77,792,051,806	50,038,625,981
Including: Operating income	32,049,804,652	18,130,709,688	77,792,051,806	50,038,625,981
Interest income				
Premium received				
Handling fee and commission income				
II. Total operation costs	22,400,555,057	14,290,371,130	51,823,670,779	39,362,221,614
Including: Operation cost	20,084,350,548	12,227,570,460	45,596,066,139	33,808,178,807
Interest expenses				
Handling fee and commission expenses				
Payment on surrenders				
Net compensation expenses				
Net provision drawn for insurance contract				
Policy dividend expenses				
Reinsurance expenses				
Taxes and surcharges	337,215,346	203,687,921	1,025,818,333	664,072,826
Selling expenses	990,049,685	891,973,509	2,659,319,836	2,483,700,152
Administrative expenses	1,104,032,870	855,036,610	2,694,763,541	2,199,656,110
R&D expenses	17,130,720	9,502,915	45,474,335	28,615,322
Financial expenses	-132,224,112	102,599,715	-197,771,405	177,998,397
Including: Interests expenses	111,470,390	191,436,405	363,953,454	539,151,605
Interests income	-277,749,728	-219,578,567	-767,866,389	-496,086,315
Losses on assets impairment				
Add: Other gains	220,124,364	134,226,180	612,544,668	377,054,238
Income from investment (“-” refers to loss)	134,958,487	52,544,889	404,859,019	1,934,192,330
Including:	97,412,533	50,737,150	307,631,358	49,978,342

Investment income from associates and joint venture companies				
Gains from changes of fair value (“-” refers to loss)	-2,077,496	-275,946	27,907,384	-275,946
Gains on disposal of assets (“-” refers to loss)	1,233,824		1,233,824	3,260,099
Exchange gains (“-” refers to loss)				
III. Operating profits (“-” refers to loss)	10,003,488,774	4,026,833,681	27,014,925,922	12,990,635,088
Add: Non-operating profits	292,735,877	128,940,754	526,920,225	390,363,238
Less: Non-operating expenses	11,469,488	24,634,566	71,433,788	45,321,597
IV. Total profits (“-” refers to loss)	10,284,755,163	4,131,139,869	27,470,412,359	13,335,676,729
Less: Income tax expenses	2,291,410,701	936,199,324	6,167,185,834	3,083,209,413
V. Net profits (“-” refers to loss)	7,993,344,462	3,194,940,545	21,303,226,525	10,252,467,316
(I) Classified according to the continuity of the business				
1. Net profits of continuing operations (“-” refers to loss)	7,993,344,462	3,194,940,545	21,303,226,525	10,252,467,316
2. Net profits of discontinued operations (“-” refers to loss)				
(II) Classified according to the equity holdings				
1. Net profits attributable to owners of the Company	7,774,036,180	3,091,930,226	20,716,125,528	9,808,653,716
2. Net profits attributable to minority interests	219,308,282	103,010,319	587,100,997	443,813,600
VI. Net amount of other comprehensive income after tax	-58,876,498	32,204,179	-131,168,102	-259,854,568
Net amount of other comprehensive income after tax attributable to owners of the parent company	-51,583,880	34,297,530	-125,925,256	-255,309,787
(I) Other comprehensive income not to be reclassified into profit or loss subsequently	-29,973,405		-75,205,998	
1. Changes of net liabilities or net assets arising from the re-measurement of defined benefit plans				
2. Share of other comprehensive income of the investees which cannot				

be reclassified into profit or loss under equity method				
3. Changes in fair value of other equity instruments	-29,973,405		-75,205,998	
(II) Other comprehensive income to be reclassified into profit or loss subsequently	-21,610,475	34,297,530	-50,719,258	-255,309,787
1. Share of other comprehensive income of the investees which can be reclassified into profit or loss under equity method subsequently	-5,415,906	-6,702,567	-10,682,658	-8,685,791
2. Profit or loss from the change of fair value of available-for-sale financial assets		68,666,346		-211,152,513
3. Profit or loss from held-to-maturity investment reclassified as available-for-sale financial assets				
4. Effective portion of profit or loss from cash flows hedges				
5. Exchange differences from translation of financial statements	-16,194,569	-27,666,249	-40,036,600	-35,471,483
Net amount of other comprehensive income after tax attributable to minority shareholders	-7,292,618	-2,093,351	-5,242,846	-4,544,781
VII. Total comprehensive income	7,934,467,964	3,227,144,724	21,172,058,423	9,992,612,748
Total comprehensive income attributable to owners of the Company	7,722,452,300	3,126,227,756	20,590,200,272	9,553,343,929
Total comprehensive income attributable to minority shareholders	212,015,664	100,916,968	581,858,151	439,268,819
VIII. Earnings per share:				
(1) Basic earnings per share (RMB/Share)	1.47	0.58	3.91	1.85
(2) Diluted earnings per share (RMB/Share)	1.47	0.58	3.91	1.85

The net profit of the acquiree before the acquisition is RMB0 under the business combination under common control during the Reporting Period. The net profit of the acquiree for the previous period is RMB0.

Officer-in-charge of the enterprise: Gao Dengbang

Officer-in-charge of the accounting functions: Wu Bin

Head of the accounting department: Liu Yan

Income Statement of the Company

January - September 2018

Prepared by: Anhui Conch Cement Company Limited

Unit: RMB

Type of audit: Unaudited

Item	Amount during the Reporting Period (July-September)	Amount during the previous period (July-September)	Amount from the beginning of this year to the end of the Reporting Period (January to September)	Amount from the beginning of 2017 to the end of the reporting period for the third quarter of 2017 (January to September)
I. Operating income	797,398,213	697,487,142	2,121,461,650	2,180,663,002
Less: Operating cost	407,588,735	453,284,434	1,101,711,296	1,562,735,535
Taxes and surcharges	12,256,667	11,955,342	39,296,696	94,463,967
Selling expenses	29,755,012	26,098,346	71,716,042	78,382,180
Administrative expenses	99,121,750	56,633,878	204,352,762	157,734,463
R&D expenses	135,730		3,505,993	
Financial expenses	-314,161,562	-143,413,118	-759,345,009	-380,665,920
Including: Interests expenses	34,794,965	109,354,219	177,894,546	328,183,997
Interests income	-319,158,770	-268,183,976	-912,613,524	-734,353,324
Losses on assets impairment				
Add: Other gains	941,772	1,310,364	1,993,357	5,804,309
Income from investment (“-” refers to loss)	3,281,621,094	4,465,000,653	13,285,745,504	10,570,518,326
Including: Investment income from associates and joint venture companies	33,570,846	-11,427,926	126,715,610	-53,389,617
Gains from changes of fair value (“-” refers to loss)				
Gains on disposal of assets (“-” refers to loss)				
II. Operating profits (“-” refers to loss)	3,845,264,747	4,759,239,277	14,747,962,731	11,244,335,412
Add: Non-operating profits	102,012,545	800,344	149,061,020	10,084,939
Less: Non-operating expenses	1,944,915	1,550,776	41,437,715	5,154,968
III. Total profits (“-” refers to total loss)	3,945,332,377	4,758,488,845	14,855,586,036	11,249,265,383
Less: Income tax expense	176,404,997	69,538,320	408,080,616	607,950,456
IV. Net profits (“-” refers to net loss)	3,768,927,380	4,688,950,525	14,447,505,420	10,641,314,927
1. Net profits of continuing operations (“-” refers to loss)	3,768,927,380	4,688,950,525	14,447,505,420	10,641,314,927
2. Net profits of				

discontinued operations ("—" refers to loss)				
V. Net amount of other comprehensive income after tax	-35,389,311	61,963,779	-85,888,656	-219,838,304
(I) Other comprehensive income not to be reclassified into profit or loss subsequently	-29,973,405		-75,205,998	
1. Changes of net liabilities or net assets from the re-measurement of defined benefit plans				
2. Share of other comprehensive income of the investees which cannot be reclassified into profit or loss under equity method				
3. Changes in fair value of other equity instruments	-29,973,405		-75,205,998	
(II) Other comprehensive income to be reclassified into profit or loss subsequently	-5,415,906	61,963,779	-10,682,658	-219,838,304
1. Share of other comprehensive income of the investees company which can be reclassified into profit or loss under equity method subsequently	-5,415,906	-6,702,567	-10,682,658	-8,685,791
2. Profit or loss from the change of fair value of available-for-sale financial assets		68,666,346		-211,152,513
3. Profit or loss from held-to-maturity investment reclassified as available-for-sale financial assets				
4. Effective portion of profit or loss from cash flows hedges				
5. Exchange differences from translation of financial statements				
VI. Total comprehensive income	3,733,538,069	4,750,914,304	14,361,616,764	10,421,476,623
VII. Earnings per share:				
(1) Basic earnings per share (RMB/Share)				
(2) Diluted earnings per share (RMB/Share)				

Officer-in-charge of the enterprise: Gao Dengbang

Officer-in-charge of the accounting functions: Wu Bin

Head of the accounting department: Liu Yan

4.3 Cash Flow Statement

Consolidated Cash Flow Statement

January - September 2018

Prepared by: Anhui Conch Cement Company Limited Unit: RMB Type of audit: Unaudited

Item	Amount from the beginning of this year to the end of the Reporting Period (January - September)	Amount from the beginning of 2017 to the end of the reporting period for the third quarter of 2017 (January - September)
I. Cash flow from operating activities:		
Cash received from selling goods and providing services	99,473,954,265	63,069,809,560
Net increase in customer bank deposits and due to banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from original insurance contract premiums		
Net cash received from reinsurance business		
Net increase in policy holder deposits and investments funds		
Net increase in the disposal of financial assets at fair value through profit or loss		
Cash received from interest, fees and commissions		
Net increase in capital borrowed		
Net increase in income from repurchase business		
Refunds of taxes received	659,958,783	398,106,618
Cash received relating to other operating activities	514,467,118	429,508,857
Sub-total of cash inflow from operating activities	100,648,380,166	63,897,425,035
Cash paid for purchasing goods and receiving services	60,096,358,502	43,231,108,331
Net increase in customer loans and advances to customers		
Net increase in deposit in central bank and due to banks and other financial institutions		
Cash paid for original insurance contract claimed		
Cash paid for interest, fees and commissions		
Cash paid for policy holder dividend		
Cash paid to and for employees	4,365,570,672	3,615,601,481
Cash paid for taxes and surcharges	14,423,934,642	7,530,457,750
Cash paid relating to other operating	1,124,274,788	710,927,449

activities		
Sub-total of cash outflow from operating activities	80,010,138,604	55,088,095,011
Net cash flow from operating activities	20,638,241,562	8,809,330,024
II. Cash flow from investing activities:		
Cash received from disposal of investments	26,000,000,000	20,197,025,378
Cash received from returns on investments	149,848,216	46,597,620
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	20,852,031	22,066,201
Net cash received from disposal of subsidiaries and other operating business units		
Cash received relating to other investing activities	469,951,435	521,587,672
Sub-total of cash inflow from investing activities	26,640,651,682	20,787,276,871
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	2,613,036,870	2,279,611,241
Cash paid for investment	26,000,000,000	23,500,000,000
Net increase in pledge loans		
Net cash received from subsidiaries and other operating business units	532,912,483	400,349,442
Cash paid relating to other investing activities	50,399,347	125,230,385
Sub-total of cash outflow from investing activities	29,196,348,700	26,305,191,068
Net cash flow from investing activities	-2,555,697,018	-5,517,914,197
III. Cash flow generated from financing activities:		
Cash received from investment	346,598,097	154,818,208
Including: Cash received by subsidiaries from the investment of minority shareholders	346,598,097	154,818,208
Cash received from borrowings	674,748,099	1,723,589,003
Cash received from issuing bonds		
Cash received related to other financing activities		
Sub-total of cash inflow from financing activities	1,021,346,196	1,878,407,211
Cash paid for repaying debts	4,094,574,998	1,090,491,303
Cash paid for distributing dividends and profits and interest repayment	7,040,527,570	3,115,110,371
Including: Dividends and profits paid by subsidiaries to minority shareholders	351,342,306	134,638,700
Cash paid related to purchase of minority interests		1,807,502,732
Cash paid related to other financing activities	32,125,585	4,000,000
Sub-total of cash outflow from financing activities	11,167,228,153	6,017,104,406
Net cash flow generated from financing activities	-10,145,881,957	-4,138,697,195

IV. Effect of foreign exchange rate changes to cash and cash equivalents	20,992,890	-28,966,098
V. Net increase in cash and cash equivalents	7,957,655,477	-876,247,466
Add: Balance of cash and cash equivalents at beginning of period	10,428,931,906	5,799,566,696
VI. Balance of cash and cash equivalents at end of period	18,386,587,383	4,923,319,230

Officer-in-charge of the enterprise: Gao Dengbang

Officer-in-charge of the accounting functions: Wu Bin

Head of the accounting department: Liu Yan

Cash Flow Statement of the Company

January - September 2018

Prepared by: Anhui Conch Cement Company Limited Unit: RMB Type of audit: Unaudited

Item	Amount from the beginning of this year to the end of the Reporting Period (January - September)	Amount from the beginning of 2017 to the end of the reporting period for the third quarter of 2017 (January - September)
I. Cash flow from operating activities:		
Cash received from selling goods and providing services	3,306,560,785	2,474,592,963
Refunds of taxes received	49,407,472	5,804,309
Cash received relating to other operating activities	2,764,255,253	10,553,161
Sub-total of cash inflow from operating activities	6,120,223,510	2,490,950,433
Cash paid for purchasing goods and receiving services	1,301,991,514	1,504,306,445
Cash paid to and for employees	236,862,491	185,082,461
Cash paid for taxes and surcharges	914,178,176	749,753,771
Cash paid relating to other operating activities	1,441,129,116	2,673,607,641
Sub-total of cash outflow from operating activities	3,894,161,297	5,112,750,318
Net cash flow from operating activities	2,226,062,213	-2,621,799,885
II. Cash flow from investing activities:		
Cash received from disposal of investments	26,000,000,000	20,197,025,378
Cash received from returns on investments	12,569,705,149	8,527,080,837
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	55,196	1,803,828
Net cash received from disposal of subsidiaries and other operating business units		
Cash received relating to other investing activities	2,963,328,002	2,208,303,722
Sub-total of cash inflow from	41,533,088,347	30,934,213,765

investing activities		
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	146,669,538	58,966,278
Cash paid for investment	25,500,000,000	23,500,000,000
Net cash paid for acquisition of subsidiaries and other operating business units	793,321,828	2,279,579,097
Cash paid relating to other investing activities	2,372,597,171	1,249,163,858
Sub-total of cash outflow from investing activities	28,812,588,537	27,087,709,233
Net cash flow from investing activities	12,720,499,810	3,846,504,532
III. Cash flow generated from financing activities:		
Cash received from investment		
Cash received from borrowings		
Cash received from issuing bonds		
Cash received related to other financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for repaying debts	2,500,500,000	150,500,000
Cash paid for distributing dividends and profits and interest repayment	6,462,854,361	2,783,208,177
Cash paid related to other financing activities		
Sub-total of cash outflow from financing activities	8,963,354,361	2,933,708,177
Net cash flow generated from financing activities	-8,963,354,361	-2,933,708,177
IV. Effect of foreign exchange rate changes to cash and cash equivalents	12,628,971	-3,836,141
V. Net increase in cash and cash equivalents	5,995,836,633	-1,712,839,671
Add: Balance of cash and cash equivalents at beginning of period	7,527,298,040	3,210,345,002
VI. Balance of cash and cash equivalents at end of period	13,523,134,673	1,497,505,331

Officer-in-charge of the enterprise: Gao Dengbang

Officer-in-charge of the accounting functions: Wu Bin

Head of the accounting department: Liu Yan

Supplemental information for connected transactions: sale of cement products

Reference is made to the Company's announcement dated 28 September 2018 (the "Announcement") in relation to the connected transactions involving sale of cement products.

Unless otherwise stated, capitalized terms in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the aggregate transaction amount of the Sale and

Purchase of Cement Contract is estimated to be approximately not more than RMB1,600,000,000. As the price of cement is affected by multiple factors in the market and is subject to frequent fluctuations, the sales price of the cement products to be sold by the Company to Jiangsu Conch Building Materials will be determined with reference to the factory / freight on board prices and the prevailing market price.

The Company would like to further announce and supplement the basis for determination of the selling prices of cement products sold under the Contract as follows:-

1. *Seasonal factors*: the prices of cement are subject to frequent fluctuations, in particular, during peak season in the fourth quarter of each calendar year when construction projects in East China are typically accelerated before year-end, hence leading to a higher demand of cement products;
2. *Factory / freight on board prices*: these refer to the prices set by the Group and offered to its customers after completion of production at factory or when the products are loaded on board, and having taken into consideration factors including the then supply-demand relationship of the products in the region and costs of production;
3. *Historical prices*: the historical selling prices set by the Group and by other cement sellers for the same categories of or similar products in the East China region with reference to the Price List as defined below;
4. *Market conditions*: the then market conditions and factors including: demand of the cement products in the East China region and the prevailing market prices for the same categories of or similar products in the East China region offered by other cement manufacturers/sellers;
5. *Arm's length negotiation*: the selling prices to be offered under individual sub-contracts with Jiangsu Conch Building Materials will be approved by the sales department of the Group and to be negotiated and agreed with Jiangsu Conch Building Materials on arm's length basis.

The Group's pricing policies on selling of cement products are applicable to all of its transactions, whether with independent customers or connected persons.

The Company has formulated internal control measures which regulate the terms (including pricing) and implementation of connected transactions and continuing connected transactions. Under such internal control measures, the Group maintains a historical price list ("**Price List**") for its products, which Price List is prepared by the sales department of the Company with reference to the internal selling prices set by the Group and the prevailing market prices offered by other industry players in separate sales regions from time to time. The list will be updated by the sales department of the Company on a monthly basis. The internal control department of the Company will review the compliance of the internal control measures from time to time and will report any irregularities to the senior, including the review of the Price List and the review and monitoring of the compliance and implementation of sales management policies (including pricing policies) for the Group's transactions by the sales department and sales teams of the Group.

The transactions contemplated under the Sale and Purchase of Cement Contract constitute continuing connected transactions. The Company will comply with the relevant

requirements under Rules 14A.55 to 14A.59 of the Listing Rules regarding the annual reporting and review of such continuing connected transactions by its independent non-executive Directors and the auditors.

By order of the Board

Anhui Conch Cement Company Limited

Yu Shui

Joint Company Secretary

Wuhu City, Anhui Province, the PRC
24 October 2018

As at the date of this announcement, the Board comprises (i) Mr Gao Dengbang, Mr Wang Jianchao, Mr Wu Bin and Mr Ding Feng as executive Directors; (ii) Mr Yang Mian Zhi, Mr Tai Kwok Leung and Mr Leung Tat Kwong Simon as independent non-executive Directors.