SANY HEAVY EQUIPMENT INTERNATIONAL HOLDINGS COMPANY LIMITED
三一重裝國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 631)

INSIDE INFORMATION
UNAUDITED FINANCIAL DATA
FOR THE THREE MONTHS ENDED 31 MARCH 2020

SUMMARY

This announcement is made by Sany Heavy Equipment International Holdings Company Limited pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571, Laws of Hong Kong).

– Unaudited consolidated revenue for the Period amounted to approximately RMB1,552,955,000, representing an increase of approximately 1.4% as compared to approximately RMB1,531,159,000 for the corresponding period of 2019.

– Unaudited consolidated gross profit for the Period amounted to approximately RMB406,973,000, representing a decrease of approximately 13.1% as compared to approximately RMB468,382,000 for the corresponding period of 2019.

– Unaudited profit attributable to the equity shareholders of the Company for the Period amounted to approximately RMB256,846,000, representing a decrease of approximately 7.0% as compared to approximately RMB276,272,000 for the corresponding period of 2019.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Sany Heavy Equipment International Holdings Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571, Laws of Hong Kong). In order to update the shareholders and investors of the Group's information, the board (the "**Board**") of directors (the "**Directors**") of the Company hereby announces the unaudited financial data of the Group for the three months ended 31 March 2020 (the "**Period**").

The information below was extracted from the Group's unaudited management accounts for the Period together with comparative figures for the corresponding period of 2019:

	(Unaudited) For the three months ended 31 March 2020	**(Unaudited) For the three months ended 31 March 2019**	**Change Rate**
	RMB'000	*RMB'000*	*(%)*
Revenue	1,552,955	1,531,159	1.4%
Gross profit	406,973	468,382	–13.1%
Profit before tax	296,241	324,382	–8.7%
Net profit	256,846	276,272	–7.0%

During the Period, the Group recorded a slight increase in revenue but a slight decrease in profit against those for the same period last year. The Board considered that such change was primarily attributable to the following reasons:

(1) Affected by the novel coronavirus epidemic, work resumption of the whole industry was delayed, resulting in the delayed delivery of some orders from customers, which sets off part of the increase in the revenue from the mining equipment segment and a decrease in the revenue from the logistics equipment segment. As at the date of this announcement, each business segment of the Group has remained in normal production and operation. With the acceleration of the construction of the intelligent coal mine and intelligent terminal, the mining equipment segment and the logistics equipment segment continued to develop towards large-scale, automated, intelligent and unmanned industrial trend. The continuous increase in the demands of equipment upgrading and replacement will improve the sales accordingly. During the Period, the increase in the revenue of the new products such as widebody vehicles, with its excellent performance and continuous rapid growth, drove the increase in the revenue of mining vehicles by approximately 160% as compared to that of the corresponding period of 2019.

(2) Due to the increase in the sales of new products with relatively lower gross profit margin, which is common for newly launched products, such as widebody vehicles in the product portfolio of the Group, the structure of product sales has changed, leading to a decrease in the overall gross profit margin and a slight decrease in profit of the Group. As the Group further implements cost control measures and new products grow more mature gradually, the profitability of the new products will increase gradually.

To reduce the impact of the epidemic, the Group has continued to adopt the following measures: (a) exploring the marketing resources in the domestic market and strengthening the promotion effort to increase its market share; (b) accelerating the development of the intelligent products under the mining equipment segment and the logistics equipment segment, and accelerating the launch of new electric products; and (c) selling widebody vehicles and excavators collaboratively in order to seize the market rapidly.

Please be reminded that the information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the Period and the information currently available to the Group which has not been audited or reviewed by the auditors of the Company.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By the order of the Board
Sany Heavy Equipment International Holdings Company Limited
Liang Zaizhong
Chairman

Hong Kong, 15 April 2020

As at the date of this announcement, the executive Directors are Mr. Liang Zaizhong, Mr. Qi Jian, Mr. Fu Weizhong and Mr. Zhang Zhihong, the non-executive Directors are Mr. Tang Xiuguo and Mr. Xiang Wenbo, and the independent non-executive Directors are Mr. Ng Yuk Keung, Mr. Poon Chiu Kwok and Mr. Hu Jiquan.