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)

# 2020 FIRST 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 January 2020 and 31 March 2020 (i.e. the first quarter of 2020) (the "**Reporting Period**") will be published in newspapers circulating in the PRC on 28 April 2020. 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 contained in this Quarterly Report, for which they jointly and severally accept responsibility, 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 of the Company, and Ms Liu Yan, the head of the accounting department of the Company, 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 is 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 BASIC INFORMATION OF THE COMPANY

2.1 Major financial information

Unit: RMB

| | As at the end of the Reporting Period | As at the end of 2019 | Changes as at the end of the Reporting Period compared with that as at the end of 2019 (%) |
|---|---|---|---|
| Total assets | 179,662,465,142 | 178,777,181,536 | 0.50 |
| Net assets attributable to equity shareholders of the Company | 142,287,521,434 | 137,361,682,179 | 3.59 |
| | From the beginning of 2020 to the end of the Reporting Period | From the beginning of 2019 to 31 March 2019 | Changes as compared with that of the corresponding period of 2019 (%) |
| Net cash flow generated from operating activities | 2,308,410,481 | 5,012,392,822 | -53.95 |
| | From the beginning of 2020 to the end of the Reporting Period | From the beginning of 2019 to 31 March 2019 | Changes as compared with that of the corresponding period of 2019 (%) |
| Revenue | 23,207,077,687 | 30,500,532,480 | -23.91 |
| Net profit attributable to equity shareholders of the Company | 4,913,271,547 | 6,081,260,571 | -19.21 |
| Net profit attributable to equity shareholders of the Company after extraordinary items | 4,577,501,617 | 5,928,409,126 | -22.79 |
| Weighted average return on net assets (%) | 3.51 | 5.25 | Decreased by 1.74 percentage points |
| Basic earnings per share (RMB/share) | 0.92715 | 1.14756 | -19.21 |
| Diluted earnings per share (RMB/share) | 0.92715 | 1.14756 | -19.21 |

| Extraordinary Items | Amount for the Reporting Period | Explanation |
|---|---|---|
| Gain/(Loss) from disposal of non-current assets | -9,783,121 | |
| Government subsidy (excluding continuing 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 | 174,122,238 | |
| Gain/(Loss) on entrusted investment or asset management | 18,986,300 | |

| | | |
|---|---|---|
| Gain/(Loss) on changes in the fair value of financial assets held for trading, derivative financial assets, financial liabilities held for trading and derivative financial liabilities; and investment gain from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investments excluding effective hedging business associated with the Company's normal business | 184,160,566 | |
| Gains or losses from external entrusted loans | 424,060 | |
| Income from entrusted operations | 5,444,485 | |
| Other non-operating income and expenses other than the abovementioned items | 12,810,272 | |
| Effect on minority interests (after tax) | -5,761,528 | |
| Effect on income tax | -44,633,342 | |
| **Total** | 335,769,930 | |

2.2 Total number of shareholders of the Company (the "**Shareholders**") and the shareholding of the top 10 Shareholders and the top 10 floating Shareholders (or Shareholders without restrictions on trading) respectively as at the end of the Reporting Period

| Total number of Shareholders | | | | | | 144,496 |
|---|---|---|---|---|---|---|
| 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 | 1,298,420,112 | 24.50 | 0 | Unknown | | Foreign legal person |
| Hong Kong Securities Clearing Company Limited | 423,537,858 | 7.99 | 0 | Unknown | | Foreign legal person |
| China Securities Finance Corporation Limited | 158,706,413 | 2.99 | 0 | Unknown | | State-owned legal person |
| Central Huijin Asset Management Ltd. | 70,249,600 | 1.33 | 0 | Unknown | | State-owned legal person |
| Anhui Conch Venture Investment Co., Ltd. | 40,550,000 | 0.77 | 0 | Nil | | Domestic non-state-owned legal person |
| Hillhouse Capital Management Co., Ltd. – HCM China Fund | 37,322,610 | 0.70 | 0 | Unknown | | Others |
| Bank Negara Malaysia | 30,840,492 | 0.58 | 0 | Unknown | | Others |
| He Xiangjian | 17,639,253 | 0.33 | 0 | Unknown | | Domestic natural person |

| | | | | | | |
|---|---|---|---|---|---|---|
| Industrial & Commercial Bank of China – SSE 50 Trading Open-end Index Securities Investment Fund | 16,140,397 | 0.30 | 0 | Unknown | | Others |

| Shareholding of the top 10 Shareholders without restrictions on trading | | | |
|---|---|---|---|
| Name of Shareholder (Full name) | Total number of shares not subject to trading restrictions | Class and number of shares | |
| | | Class | Number of shares |
| Anhui Conch Holdings Co., Ltd. | 1,928,870,014 | RMB-denominated ordinary shares | 1,928,870,014 |
| HKSCC Nominees Limited | 1,298,420,112 | Overseas listed foreign shares | 1,298,420,112 |
| Hong Kong Securities Clearing Company Limited | 423,537,858 | RMB-denominated ordinary shares | 423,537,858 |
| China Securities Finance Corporation Limited | 158,706,413 | RMB-denominated ordinary shares | 158,706,413 |
| Central Huijin Asset Management Ltd. | 70,249,600 | RMB-denominated ordinary shares | 70,249,600 |
| Anhui Conch Venture Investment Co., Ltd. | 40,550,000 | RMB-denominated ordinary shares | 40,550,000 |
| Hillhouse Capital Management Co., Ltd. – HCM China Fund | 37,322,610 | RMB-denominated ordinary shares | 37,322,610 |
| Bank Negara Malaysia | 30,840,492 | RMB-denominated ordinary shares | 30,840,492 |
| He Xiangjian | 17,639,253 | RMB-denominated ordinary shares | 17,639,253 |
| Industrial & Commercial Bank of China – SSE 50 Trading Open-end Index Securities Investment Fund | 16,140,397 | RMB-denominated ordinary shares | 16,140,397 |
| 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. | | |
| Shareholders of preference shares with restored voting rights and the number of shares held | Not Applicable | | |

## §3 MAJOR EVENTS

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

The explanations and major reasons for the increases or decreases of over 30% for major accounting items and financial indicators in the consolidated financial statements during the Reporting Period as compared with those at the end of last year or the same period of last year are as follows:

1. As at the end of the Reporting Period, the closing balance of other receivables of the Group decreased by 55.77% from that at the beginning of the year, which was mainly due to the recovery of matured bank wealth management products subscribed by the Group in the previous year.

2. As at the end of the Reporting Period, the closing inventory balance of the Group increased

by 34.94% from that at the beginning of the year, which was mainly due to the decrease of products' sales volume and the increase of product inventory during the Reporting Period as compared with those at the beginning of the year as a result of the COVID-19 epidemic.

3. As at the end of the Reporting Period, the closing balance of wages payables of the Group decreased by 81.54% from that at the beginning of the year, mainly due to the payment of the year-end bonus accrued for the previous year during the Reporting Period.

4. As at the end of the Reporting Period, the closing balance of tax payables of the Group decreased by 37.63% from that at the beginning of the year, mainly due to the increase in tax payment during the Reporting Period.

5. During the Reporting Period, the Group's financial expenses increased by 188.98% from that of the corresponding period last year, mainly due to a period-on-period increase in exchange loss, and such increase was a result of the following: during the Reporting Period, affected by the COVID-19 epidemic, the local currencies of the countries where the overseas subsidiaries were located experienced more depreciation than the Renminbi.

6. During the Reporting Period, the Group's interest income increased by 32.94% from that of the corresponding period last year, which was mainly due to a period-on-period increase in interest income from the Group's bank deposits during the Reporting Period.

7. During the Reporting Period, the Group's investment income decreased by 40.51% from that of the corresponding period last year and gains from changes in fair value increased by 25.56 times from that of the same period last year, mainly due to a period-on-period decrease in the principal and interest guaranteed type of bank wealth management products held by the Group, and a period-on-period increase in the non-principal and interest guaranteed type of bank wealth management products during the Reporting Period.

8. During the Reporting Period, the Group's non-operating income increased by 82.17% from that of the corresponding period last year, which was mainly due to a period-on-period increase in government subsidies obtained during the Reporting Period.

9. During the Reporting Period, net profits attributable to minority interests of the Group decreased by 72.23% from that of the corresponding period last year, which was mainly due to the period-on-period decrease in profits of some non-wholly-owned subsidiaries during the Reporting Period.

10. During the Reporting Period, the Group's net cash inflow from operating activities decreased by RMB2,704 million from that of the same period last year, mainly due to period-on-period decreases in products' sales volume and operating income as a result of the COVID-19 epidemic.

11. During the Reporting Period, the Group's net cash outflow from investing activities increased by RMB7,977 million from that of the same period last year, which was mainly due to a period-on-period increase in bank time deposits subscribed by the Group during the Reporting Period.

12. During the Reporting Period, the Group's net cash outflow from financing activities increased by RMB1,186 million from that of the same period last year, mainly due to a period-on-period decrease in the Group's new bank borrowings 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 forecasted accumulated net profit from the beginning of the year to the end of the next reporting period forecast being a probable loss or having significant changes from that of the corresponding period of the previous year

☐Applicable ✓Not applicable

## § 4 Appendix

4.1 Financial Statements

# Consolidated Balance Sheet

31 March 2020

Prepared by: Anhui Conch Cement Company Limited Unit: RMB

| Item | 31 March 2020 (Unaudited) | 31 December 2019 (audited) |
|---|---|---|
| **Current Assets:** | | |
| Monetary capital | 57,539,562,399 | 54,977,077,591 |
| Balance with clearing companies | | |
| Placements with other financial institutions | | |
| Held-for-trading financial assets | 16,966,897,637 | 16,782,737,071 |
| Derivative financial assets | | |
| Bills receivable | 6,790,927,504 | 8,375,401,956 |
| Accounts receivable | 1,158,266,110 | 1,273,619,922 |
| Receivables financing | 2,380,250,311 | 3,350,585,849 |
| Prepayments | 3,081,036,536 | 2,692,415,606 |
| Premiums receivable | | |
| Reinsurance accounts receivable | | |
| Deposits receivable from reinsurance contract | | |
| Other receivables | 1,602,735,698 | 3,623,379,951 |
| Including: Interests receivable | 580,403,844 | 579,761,544 |
| Dividend receivable | | |
| Purchases of resold financial assets | | |
| Inventories | 7,518,484,133 | 5,571,522,957 |
| Contract Assets | | |
| Held-for-sale assets | 9,810,993 | 9,810,993 |
| Non-current assets due within one year | 27,960,000 | 27,960,000 |
| Other current assets | 523,872,564 | 425,091,810 |
| Total current assets | 97,599,803,885 | 97,109,603,706 |
| **Non-current assets:** | | |
| Loans and advances granted | | |
| Debt investments | | |
| Other debt investments | | |
| Long-term receivables | | |
| Long-term equity investment | 3,973,649,534 | 3,820,612,569 |
| Other equity instrument investment | 385,315,982 | 326,095,800 |
| Other non-current financial assets | | |
| Investment properties | 85,909,980 | 85,734,294 |
| Fixed assets | 59,395,087,398 | 58,858,416,078 |
| Construction in progress | 6,131,929,646 | 6,237,843,095 |
| Biological assets for production | | |
| Oil and gas assets | | |
| Right-of-use assets | 47,975,112 | 54,245,329 |
| Intangible assets | 9,892,608,650 | 9,978,706,283 |
| Development expenses | | |
| Goodwill | 514,398,098 | 514,398,098 |

| | | |
|---|---|---|
| Long-term deferred expenditures | | |
| Deferred income tax assets | 961,215,620 | 1,099,391,022 |
| Other non-current assets | 674,571,237 | 692,135,262 |
| Total non-current assets | 82,062,661,257 | 81,667,577,830 |
| Total assets | 179,662,465,142 | 178,777,181,536 |
| **Current liabilities:** | | |
| Short-term borrowings | 2,579,516,492 | 2,941,698,150 |
| Borrowings from central bank | | |
| Capital borrowed | | |
| Held-for-trading financial liabilities | | |
| Derivative financial liabilities | | |
| Bills payable | | |
| Accounts payable | 6,800,587,942 | 7,303,645,233 |
| Receipts in advance | | |
| Contract liabilities | 3,923,776,380 | 3,493,690,637 |
| Funds from disposal of repurchased financial assets | | |
| Deposit received and inter-bank deposit | | |
| Customer deposit for trading in securities | | |
| Customer deposits for securities underwriting | | |
| Wages payable | 273,324,201 | 1,480,291,712 |
| Tax payable | 4,181,425,119 | 6,703,915,585 |
| Other payables | 4,082,251,291 | 4,064,198,334 |
| Including: Interests payable | 55,529,698 | 50,859,760 |
| Dividend payable | | |
| Handling charges and commissions payable | | |
| Reinsurance account payable | | |
| Held-for-sale liabilities | | |
| Non-current liabilities due within one year | 1,544,278,408 | 1,433,749,770 |
| Other current liabilities | | |
| Total current liabilities | 23,385,159,833 | 27,421,189,421 |
| **Non-current liabilities:** | | |
| Provision for insurance contract | | |
| Long-term borrowings | 3,755,342,417 | 3,871,291,872 |
| Bonds payable | 3,498,132,994 | 3,498,053,867 |
| Including: Preference shares | | |
| Perpetual bonds | | |
| Lease liability | 29,103,225 | 34,832,884 |
| Long-term payables | 459,552,294 | 458,132,294 |
| Long-term wages payable | | |
| Accrued liabilities | | |
| Deferred income | 479,796,823 | 449,458,832 |
| Deferred income tax liabilities | 768,337,223 | 723,773,386 |
| Other non-current liabilities | | |
| Total non-current liabilities | 8,990,264,976 | 9,035,543,135 |
| Total liabilities | 32,375,424,809 | 36,456,732,556 |
| **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 | 10,587,320,348 | 10,587,320,348 |
| Less: Treasury shares | | |
| Other comprehensive income | 156,077,685 | 143,509,977 |
| Special reserve | | |
| Surplus reserve | 2,649,651,290 | 2,649,651,290 |
| General risk provisions | | |
| Undistributed profits | 123,595,169,532 | 118,681,897,985 |
| Total equity attributable to owners (or shareholders) of the Company | 142,287,521,434 | 137,361,682,179 |
| Minority interests | 4,999,518,899 | 4,958,766,801 |
| Total owners' (or shareholders') equity | 147,287,040,333 | 142,320,448,980 |
| Total liabilities and owners' (or shareholders') equity | 179,662,465,142 | 178,777,181,536 |

Officer-in-charge of the enterprise: Mr Gao Dengbang

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

Officer-in-charge of the accounting department: Ms Liu Yan

# Balance Sheet of the Company

31 March 2020

Prepared by: Anhui Conch Cement Company Limited Unit: RMB

| Item | 31 March 2020 (Unaudited) | 31 December 2019 (audited) |
|---|---|---|
| **Current Assets:** | | |
| Monetary capital | 51,264,177,975 | 48,510,884,870 |
| Held-for-trading financial assets | 16,966,897,637 | 16,782,212,437 |
| Derivative financial assets | | |
| Bills receivable | 50,579,109 | 67,271,482 |
| Accounts receivable | 109,361,635 | 65,613,827 |
| Receivables financing | 41,040,557 | 55,629,834 |
| Prepayments | 171,130,125 | 90,812,408 |
| Other receivables | 24,757,048,797 | 12,759,187,413 |
| Including: Interests receivable | 611,885,450 | 623,056,750 |
| Dividends receivable | 21,670,780,996 | |
| Inventories | 283,474,645 | 262,400,030 |
| Contract assets | | |
| Held-for-sale assets | | |
| Non-current assets due within one year | | |
| Other current assets | 7,973,584 | 6,608,156 |
| Total current assets | 93,651,684,064 | 78,600,620,457 |
| **Non-current assets:** | | |
| Debt investments | | |
| Other debt investments | | |
| Long-term receivables | 4,429,500,000 | 5,746,972,850 |
| Long-term equity investment | 45,074,022,326 | 44,090,018,628 |
| Other equity instruments investment | 385,315,982 | 326,095,800 |

| | | |
|---|---|---|
| Other non-current financial assets | | |
| Investment properties | 39,431,253 | 39,220,903 |
| Fixed assets | 940,605,075 | 960,199,843 |
| Construction in progress | 292,579,550 | 348,311,064 |
| Biological assets for production | | |
| Oil and gas assets | | |
| Right-of-use assets | | |
| Intangible assets | 212,228,424 | 216,149,317 |
| Development expenses | | |
| Goodwill | | |
| Long-term deferred expenditures | | |
| Deferred income tax assets | | |
| Other non-current assets | | |
| Total non-current assets | 51,373,682,610 | 51,726,968,405 |
| Total assets | 145,025,366,674 | 130,327,588,862 |
| **Current liabilities:** | | |
| Short-term borrowings | | |
| Held-for-trading financial liabilities | | |
| Derivative financial liabilities | | |
| Bills payable | | |
| Accounts payable | 157,867,142 | 164,521,781 |
| Receipts in advance | | |
| Contract liabilities | 49,783,346 | 57,568,885 |
| Wages payable | 46,986,969 | 158,912,585 |
| Tax payable | 86,627,007 | 194,833,414 |
| Other payables | 4,278,649,211 | 15,511,335,164 |
| Including: Interests payable | 71,234,088 | 26,609,741 |
| Dividends payable | | |
| Liabilities classified as held-for-sale | | |
| Non-current liabilities due within one year | 1,000,000 | 1,000,000 |
| Other current liabilities | | |
| Total current liabilities | 4,620,913,675 | 16,088,171,829 |
| **Non-current liabilities:** | | |
| Long-term borrowings | 98,000,000 | 98,500,000 |
| Bonds payable | 3,498,132,994 | 3,498,053,867 |
| Including: Preference shares | | |
| Perpetual bonds | | |
| Lease liability | | |
| Long-term payables | | |
| Long-term wages payable | | |
| Accrued liabilities | | |
| Deferred income | 6,336,513 | 6,469,752 |
| Deferred income tax liabilities | 156,357,577 | 141,552,532 |
| Other non-current liabilities | | |
| Total non-current liabilities | 3,758,827,084 | 3,744,576,151 |
| Total liabilities | 8,379,740,759 | 19,832,747,980 |
| **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 | 16,803,992,606 | 16,803,992,606 |
| Less: Treasury shares | | |
| Other comprehensive income | 218,984,910 | 174,569,774 |
| Special reserve | | |
| Surplus reserve | 2,649,651,290 | 2,649,651,290 |
| Undistributed profits | 111,673,694,530 | 85,567,324,633 |
| Total owners' (or shareholders') equity | 136,645,625,915 | 110,494,840,882 |
| Total liabilities and owners' (or shareholders') equity | 145,025,366,674 | 130,327,588,862 |

Officer-in-charge of the enterprise: Mr Gao Dengbang

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

Officer-in-charge of the accounting department: Ms Liu Yan

# Consolidated Income Statement

January - March 2020

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

| Item | 2020 First Quarter | 2019 First Quarter |
|---|---|---|
| I. Total operating income | 23,207,077,687 | 30,500,532,480 |
| Including: Operating income | 23,207,077,687 | 30,500,532,480 |
| Interest income | | |
| Premium received | | |
| Handling fee and commission income | | |
| II. Total operation costs | 17,312,943,424 | 23,047,194,505 |
| Including: Operation cost | 15,099,848,032 | 21,096,640,357 |
| Interest expenses | | |
| Handling fee and commission expenses | | |
| Payment on surrenders | | |
| Net compensation expenses | | |
| Net provision drawn for insurance liability | | |
| Policy dividend expenses | | |
| Reinsurance expenses | | |
| Taxes and surcharges | 235,685,540 | 314,671,182 |
| Selling expenses | 776,604,962 | 893,204,798 |
| Administrative expenses | 950,697,392 | 993,821,377 |
| R&D expenses | 12,745,422 | 15,623,484 |
| Financial expenses | 237,362,076 | -266,766,693 |
| Including: Interests expenses | 107,348,624 | 116,187,966 |
| Interests income | -494,196,463 | -371,732,986 |
| Add: Other gains | 238,927,241 | 210,396,489 |
| Income from investment ("-" refers to loss) | 160,784,111 | 270,280,384 |
| Including: Investment income from associates and joint venture companies | 141,797,811 | 163,370,324 |

| | | |
|---|---|---|
| De-recognition gains on financial assets measured at amortised cost | | |
| Exchange gains (“-” refers to loss) | | |
| Net open hedge income (“-” refers to loss) | | |
| Gains from changes of fair value (“-” refers to loss) | 184,160,566 | -7,497,863 |
| Credit impairment loss (“-” refers to loss) | | |
| Asset impairment loss (“-” refers to loss) | | |
| Gains on disposal of assets(“-” refers to loss) | 2,802,074 | 3,890,890 |
| III. Operating profits (“-” refers to loss) | 6,480,808,255 | 7,930,407,875 |
| Add: Non-operating profits | 201,275,851 | 110,489,622 |
| Less: Non-operating expenses | 13,959,463 | 14,226,548 |
| IV. Total profits (“-” refers to loss) | 6,668,124,643 | 8,026,670,949 |
| Less: Income tax expenses | 1,720,799,000 | 1,822,797,567 |
| V. Net profits (“-” refers to loss) | 4,947,325,643 | 6,203,873,382 |
| (I) Classified according to the continuity of the business | | |
| 1.Net profits of continuing operations (“-” refers to loss) | 4,947,325,643 | 6,203,873,382 |
| 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 (“-” refers to loss) | 4,913,271,547 | 6,081,260,571 |
| 2. Net profits attributable to minority interests (“-” refers to loss) | 34,054,096 | 122,612,811 |
| VI. Net amount of other comprehensive income after tax | 15,265,710 | 41,915,179 |
| (I) Net amount of other comprehensive income after tax attributable to owners of the parent company | 12,567,708 | 44,350,395 |
| 1. Other comprehensive income not to be reclassified into profit or loss subsequently | 44,415,136 | 51,499,760 |
| (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 investments instruments | 44,415,136 | 51,499,760 |
| (4) Changes in the fair value of the company's own credit risk | | |
| 2. Other comprehensive income to be reclassified into profit or loss subsequently | -31,847,428 | -7,149,365 |
| (1) Share of other comprehensive income which can be reclassified into profit or loss under equity method subsequently | | |
| (2) Changes in fair value of other debt investments | | |

| | | |
|---|---|---|
| (3) The amount of financial assets reclassified into other comprehensive income | | |
| (4) Other debt investment credit impairment provisions | | |
| (5) Cash flow hedge reserve | | |
| (6) Foreign currency financial statement translation difference | -31,847,428 | -7,149,365 |
| (7) Other | | |
| (II) Net amount of other comprehensive income after tax attributable to minority shareholders | 2,698,002 | -2,435,216 |
| VII. Total comprehensive income | 4,962,591,353 | 6,245,788,561 |
| (1) Total comprehensive income attributable to owners of the Company | 4,925,839,255 | 6,125,610,966 |
| (2) Total comprehensive income attributable to minority shareholders | 36,752,098 | 120,177,595 |
| VIII. Earnings per share: | | |
| (1) Basic earnings per share (RMB/Share) | 0.93 | 1.15 |
| (2) Diluted earnings per share (RMB/Share) | 0.93 | 1.15 |

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

Officer-in-charge of the enterprise: Mr Gao Dengbang
Officer-in-charge of the accounting functions: Mr Wu Bin
Officer-in-charge of the accounting department: Ms Liu Yan

# Income Statement of the Company

January – March 2020

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

| Item | 2020 First Quarter | 2019 First Quarter |
|---|---|---|
| I. Operating income | 558,774,627 | 590,978,649 |
| Less: Operating cost | 323,170,475 | 315,533,476 |
| Taxes and surcharges | 9,841,299 | 7,475,031 |
| Selling expenses | 16,978,133 | 20,611,674 |
| Administrative expenses | 38,955,810 | 72,959,981 |
| R&D expenses | 69,194 | 2,672,885 |
| Financial expenses | -506,920,634 | -497,276,733 |
| Including: Interests expenses | 45,778,637 | 45,769,327 |
| Interests income | -562,557,286 | -560,499,792 |
| Add: Other gains | | |
| Income from investment ("-" refers to loss) | 25,419,634,332 | 4,370,985,971 |
| Including: Investment income from associates and joint venture companies | 127,022,032 | 111,424,211 |
| De-recognition gains on financial assets measured at amortised cost | | |

| | | |
|---|---|---|
| Net open hedge income ("-" refers to loss) | | |
| Gains from changes of fair value ("-" refers to loss) | 184,685,200 | |
| Credit impairment loss ("-" refers to loss) | | |
| Asset impairment loss ("-" refers to loss) | | |
| Gains on disposal of assets("-" refers to loss) | | |
| II. Operating profits ("-" refers to loss) | 26,280,999,882 | 5,039,988,306 |
| Add: Non-operating profits | 69,624,817 | 6,062,611 |
| Less: Non-operating expenses | 817,252 | 833,850 |
| III. Total profits ("-" refers to total loss) | 26,349,807,447 | 5,045,217,067 |
| Less: Income tax expense | 243,437,550 | 195,239,033 |
| IV. Net profits ("-" refers to net loss) | 26,106,369,897 | 4,849,978,034 |
| (1) Net profits of continuing operations ("-" refers to loss) | 26,106,369,897 | 4,849,978,034 |
| (2) Net profits of discontinued operations ("-" refers to loss) | | |
| V. Net amount of other comprehensive income after tax | 44,415,136 | 51,499,760 |
| (I) Other comprehensive income not to be reclassified into profit or loss | 44,415,136 | 51,499,760 |
| 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 investments | 44,415,136 | 51,499,760 |
| 4. Changes in the fair value of the company's own credit risk | | |
| (II) Other comprehensive income to be reclassified into profit or loss subsequently | | |
| 1. Share of other comprehensive income of the investees company which can be reclassified into profit or loss under equity method subsequently | | |
| 2. Changes in fair value of other debt investments | | |
| 3. The amount of financial assets reclassified into other comprehensive income | | |
| 4. Other debt investment credit impairment provisions | | |
| 5. Cash flow hedge reserve | | |

| | | |
|---|---|---|
| 6. Foreign currency financial statement translation difference | | |
| 7. Other | | |
| VI. Total comprehensive income | 26,150,785,033 | 4,901,477,794 |
| VII. Earnings per share: | | |
| (1) Basic earnings per share (RMB/Share) | | |
| (2) Diluted earnings per share (RMB/Share) | | |

Officer-in-charge of the enterprise: Mr Gao Dengbang

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

Officer-in-charge of the accounting department: Ms Liu Yan

# Consolidated Cash Flow Statement

January – March 2020

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

| Item | 2020 First Quarter | 2019 First Quarter |
|---|---|---|
| **I. Cash flow from operating activities:** | | |
| Cash received from selling goods and providing services | 30,346,043,821 | 39,745,656,871 |
| 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 | | |
| Cash received from interest, fees and commissions | | |
| Net increase in capital borrowed | | |
| Net increase in income from repurchase business | | |
| Net cash received from trading securities | | |
| Refunds of taxes received | 29,407,251 | 2,545,331 |
| Cash received relating to other operating activities | 490,887,191 | 373,197,204 |
| Sub-total of cash inflow from operating activities | 30,866,338,263 | 40,121,399,406 |
| Cash paid for purchasing goods and receiving services | 19,442,374,619 | 26,228,644,559 |
| 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 | | |
| Net increase in placements with other financial institutions | | |
| Cash paid for interest, fees and commissions | | |
| Cash paid for policy holder dividend | | |
| Cash paid to and for employees | 3,004,022,602 | 2,382,250,604 |
| Various taxes paid | 5,915,594,607 | 6,349,790,347 |
| Cash paid relating to other operating activities | 195,935,954 | 148,321,074 |
| Sub-total of cash outflow from operating activities | 28,557,927,782 | 35,109,006,584 |
| Net cash flow from operating activities | 2,308,410,481 | 5,012,392,822 |
| **II. Cash flow from investing activities:** | | |
| Cash received from disposal of investments | 12,500,000,000 | 16,000,000,000 |
| Cash received from returns on investments | 90,000,000 | 122,644,662 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 123,068,894 | 82,467,801 |
| Net cash received from disposal of subsidiaries and other operating business units | | |
| Cash received relating to other investing activities | 21,339,011 | 65,286,144 |
| Sub-total of cash inflow from investing activities | 12,734,407,905 | 16,270,398,607 |
| Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets | 1,525,018,151 | 1,991,364,487 |
| Cash paid for investment | 14,000,000,000 | 9,000,000,000 |
| Net increase in pledge loans | | |
| Net cash received from subsidiaries and other operating business units | 12,000,000 | 24,400,931 |
| Cash paid relating to other investing activities | | 80,000,000 |
| Sub-total of cash outflow investing activities | 15,537,018,151 | 11,095,765,418 |
| Net cash flow from investing activities | -2,802,610,246 | 5,174,633,189 |
| **III. Cash flow generated from financing activities:** | | |
| Cash received from investment | 4,000,000 | 29,977,450 |
| Including: Cash received by subsidiaries from the investment of minority shareholders | 4,000,000 | 29,977,450 |
| Cash received from borrowings | | 1,486,221,011 |
| Cash received related to other financing activities | | |
| Sub-total of cash inflow from financing activities | 4,000,000 | 1,516,198,461 |
| Cash paid for repaying debts | 365,499,498 | 720,500,000 |
| Cash paid for distributing dividends and profits and interest repayment | 102,599,559 | 74,031,738 |
| Including: Dividends and profits paid by subsidiaries to minority shareholders | | |

| | | |
|---|---|---|
| Cash paid related to other financing activities | | 12,730 |
| Sub-total of cash outflow from financing activities | 468,099,057 | 794,544,468 |
| Net cash flow generated from financing activities | -464,099,057 | 721,653,993 |
| **IV. Effect of foreign exchange rate changes to cash and cash equivalents** | 1,793,879 | -4,141,257 |
| **V. Net increase in cash and cash equivalents** | -956,504,943 | 10,904,538,747 |
| Add: Balance of cash and cash equivalents at beginning of period | 22,014,144,787 | 9,857,671,783 |
| **VI. Balance of cash and cash equivalents at end of period** | 21,057,639,844 | 20,762,210,530 |

Officer-in-charge of the enterprise: Mr Gao Dengbang

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

Officer-in-charge of the accounting department: Ms Liu Yan

# Cash Flow Statement of the Company

January - March 2020

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

| Item | 2020 First Quarter | 2019 First Quarter |
|---|---|---|
| **I. Cash flow from operating activities:** | | |
| Cash received from selling goods and providing services | 572,786,659 | 731,936,471 |
| Refunds of taxes received | | |
| Cash received relating to other operating activities | 135,943,543 | 98,135,853 |
| Sub-total of cash inflow from operating activities | 708,730,202 | 830,072,324 |
| Cash paid for purchasing goods and receiving services | 434,731,191 | 417,262,053 |
| Cash paid to and for employees | 166,156,900 | 146,706,228 |
| Various taxes paid | 510,639,030 | 204,028,475 |
| Cash paid relating to other operating activities | 1,942,512,467 | 1,617,531,690 |
| Sub-total of cash outflow from operating activities | 3,054,039,588 | 2,385,528,446 |
| Net cash flow from operating activities | -2,345,309,386 | -1,555,456,122 |
| **II. Cash flow from investing activities:** | | |
| Cash received from disposal of investments | 12,500,000,000 | 16,000,000,000 |
| Cash received from returns on investments | 3,692,598,427 | 4,275,296,363 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 36,467,395 | 51,299,106 |
| Net cash received from disposal of subsidiaries and other operating business units | | |
| Cash received relating to other investing activities | 706,513,434 | 450,390,805 |
| Sub-total of cash inflow from | 16,935,579,256 | 20,776,986,274 |

| | | |
|---|---|---|
| investing activities | | |
| Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets | 20,390,676 | 180,750,433 |
| Cash paid for investment | 14,000,000,000 | 9,000,000,000 |
| Net cash paid for acquisition of subsidiaries and other operating business units | 993,788,936 | 115,954,845 |
| Cash paid relating to other investing activities | 323,606,150 | 516,186,699 |
| Sub-total of cash outflow from investing activities | 15,337,785,762 | 9,812,891,977 |
| Net cash flow from investing activities | 1,597,793,494 | 10,964,094,297 |
| **III. Cash flow generated from financing activities:** | | |
| Cash received from investment | | |
| Cash received from borrowings | | 100,000,000 |
| Cash received related to other financing activities | | |
| Subtotal of cash inflow from financing activities | | 100,000,000 |
| Cash paid for repaying debts | 500,000 | 97,500,000 |
| Cash paid for distributing dividends and profits and interest repayment | 11,075,163 | 1,077,359 |
| Cash paid related to other financing activities | | |
| Sub-total of cash outflow from financing activities | 11,575,163 | 98,577,359 |
| Net cash flow generated from financing activities | -11,575,163 | 1,422,641 |
| **IV. Effect of foreign exchange rate changes to cash and cash equivalents** | 12,384,160 | -374,371 |
| **V. Net increase in cash and cash equivalents** | -746,706,895 | 9,409,686,445 |
| Add: Balance of cash and cash equivalents at the beginning of period | 15,988,993,919 | 5,828,259,360 |
| **VI. Balance of cash and cash equivalents at the end of period** | 15,242,287,024 | 15,237,945,805 |

Officer-in-charge of the enterprise: Mr Gao Dengbang

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

Officer-in-charge of the accounting department: Ms Liu Yan

4.2 Relevant information about the financial statements at the beginning of the year for the initial application of new revenue standards and new lease standards adjustments since 2020.

□Applicable √Not applicable

4.3 Explanation to retroactively adjusted comparative information with respect to initial application of new revenue standards and new lease standards since 2020

□Applicable √Not applicable

4.4 Audit Report

□Applicable √Not applicable

By order of the Board
**Anhui Conch Cement Company Limited**
**Yu Shui**
*Joint Company Secretary*

Wuhu City, Anhui Province, the PRC
27 April 2020

*As at the date of this announcement, the Board comprises (i) Mr Gao Dengbang, Mr Wang Jianchao, Mr Wu Bin and Mr Li Qunfeng as executive Directors; (ii) Mr Ding Feng as non-executive Director; (iii) Mr Yang Mianzhi, Mr Leung Tat Kwong Simon and Ms Zhang Yunyan as independent non-executive Directors.*