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洛陽樂川鉬業集團股份有限公司
China Molybdenum Co., Ltd.*

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

(Stock Code: 03993)

2020 FIRST QUARTERLY FINANCIAL REPORT

The board of directors (the “**Board**”) of China Molybdenum Co., Ltd.* (the “**Company**” or “**CMOC**”) is pleased to announce the unaudited results of the Company and its subsidiaries (collectively the “**Group**”) prepared in accordance with the Accounting Standards for Business Enterprises of the People’s Republic of China for the first quarter ended 31 March 2020. This announcement is made pursuant to Rules 13.09(2) 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 (Cap. 571 of the Laws of Hong Kong).

* *For identification purposes only*

** *This report was prepared in both Chinese and English versions. Where there is discrepancy between the Chinese and English versions, the Chinese version shall prevail.*

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Abstract:

- During the reporting period, the Company recorded RMB22.38 billion of revenue, up by 400% on a year-on-year basis, RMB1.476 billion of EBITDA, up by 6% on a year-on-year basis, and net profit attributable to the shareholders of the company of RMB448 million, up by 39% on a year-on-year basis. The Company also reported RMB5.888 billion of operating cash flow, representing a significant improvement as compared with that of the same period of 2019, and RMB500 million of capital expenditure which is in line with the same period of 2019.
- During the reporting period, the Company was subject to limited impact of the COVID-19 outbreak and has maintained stable operations and production across all business segments. Operations in China achieved molybdenum production of 3,520 tonnes and tungsten production of 2,355 tonnes; copper and cobalt production in the DRC added up to 42,694 tonnes and 3,244 tonnes; Brazil operations produced 2,396 tonnes of niobium and 287.6 thousand tonnes of phosphate; NPM in Australia (based on 80% of equity interests) produced 7,097 tonnes of copper and 5,532 ounces of gold; IXM achieved concentrates sales of 523 thousand tonnes and refined metal sales of 625 thousand tonnes.
- IXM realized a total revenue of RMB19.7 billion and EBITDA of RMB244 million in Q1, bolstered by the countercyclical nature of the metal trading business.
- The Company continued its efforts on cost control across all business segments. Total production cost of mining operations was down by RMB494 million, including over USD50 million savings in production cost of the copper and cobalt business in the DRC and 15% cut in Brazil niobium C1 cost on a year-on-year basis.
- The Company keeps focusing on the management of its balance sheet and liquidity. By the end of the reporting period, the Company recorded an ending balance of cash and cash equivalents of RMB20.5 billion, net interest-bearing debt ratio of 25.7%, and held sufficient unused bank credit and other liquidity reserves.

I. IMPORTANT NOTICE

- 1.1 The Board, the supervisory committee, the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents set out in this quarterly report, and that it contains no false representation, misleading statement nor material omission, and assume several and joint legal responsibilities.
- 1.2 All the directors of the Company attended the board meeting to consider the quarterly report.
- 1.3 Li Chaochun, the person in charge of the Company, Wu Yiming, the person in charge of accounting affairs and Rong Yinjie, the person responsible for the accounting department, warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.
- 1.4 The first quarterly financial report of the Company is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Key Financial Data

Unit: Yuan Currency: RMB

Items	As at the end of the reporting period	As at the end of last year	Increase/decrease as at the end of the reporting period as compared with the end of last year (%)
Total assets	124,784,824,420.60	116,862,226,476.73	6.78
Net assets attributable to the shareholders of the listed company	40,808,881,814.88	40,802,774,133.85	0.01

	From the beginning of the year to the end of the reporting period	From the beginning of last year to the end of the reporting period of last year	Increase/decrease as compared with the same period of last year (%)
Net cash flow from operating activities	5,887,743,222.10	476,366,543.57	1,135.97
Operating revenue	22,382,525,359.85	4,478,113,985.73	399.82
Net profit attributable to the shareholders of the listed company	448,129,593.18	321,846,690.39	39.24
Net profit after deduction of non-recurring profits or losses attributable to the shareholders of the listed company	209,663,660.36	148,359,925.11	41.32
Weighted average rate of return on net assets (%)	1.10	0.79	increased by 0.31 percentage points
Basic earnings per share (<i>RMB Yuan/Share</i>)	0.021	0.015	40.00
Diluted EPS (<i>RMB Yuan/Share</i>)	N/A	N/A	N/A

Items and amounts for non-recurring profits or losses

Unit: Yuan Currency: RMB

Items	Amount for the period	Notes
Profits or losses from disposal of non-current assets	-20,142.33	
Government grants included in profit and loss for the period, except for those closely relevant to the Company's normal business and in compliance with national policies and regulations and granted continuously according to certain standardized amounts or quotas.	2,402,412.10	Including subsidies for low-grade scheelite project of RMB1,751 thousand.
Profit and loss of changes in fair value arising from holding of financial assets held for trading, derivative financial assets, financial liabilities held for trading, and derivative financial liabilities and investment gains from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other credit investments, except for effective hedging activities associated with normal business operations of the Company	2,324,851,596.01	Including gains from the changes in fair value of derivative financial instruments of RMB2,506 million, and the losses from the changes in fair value of non-current financials assets of RMB319 million.
Other non-operating income or expenses other than the above items	-2,643,132.42	
Other losses in changes of fair value	1,088,537.61	
Gains or losses on changes in fair value of assets and liabilities including trading inventories measured at fair value of IXM B.V.'s metal trading business	-1,960,539,351.77	
Effects of Non-controlling interests	-13,270.07	
Income tax effects	-126,660,716.31	
Total	<u><u>238,465,932.82</u></u>	

2.2 Table showing total number of shareholders, shareholdings of top 10 shareholders and top 10 holders of tradable shares (or shareholders not subject to trading moratorium) as of the end of the reporting period

Total number of shareholders (shareholder) 338,095

Unit: 0'000 Shares

The top 10 shareholders

Name of shareholders (full name)	Number of shares held as at the end of the period (A shares/H shares)	Percentage of shareholding (%)	Number of shares held with selling restrictions	Subject to pledge or moratorium		Nature of shareholders
				Status of shares	Number	
Cathay Fortune Corporation (鴻商產業控股集團有限公司)	533,322.00 (A shares & H shares)	24.69	0	Nil	0	Domestic non-state owned legal person
Luoyang Mining Group Co., Ltd. (洛陽礦業集團有限公司)	532,978.04 (A shares)	24.68	0	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司)	358,823.78 (H shares)	16.61	0	Unknown	0	Foreign legal person
Jianxin Fund – Industrial and Commercial Bank of China – Shaanxi Province International Trust – Shan Guotou • Jinyu No. 6 Directional Investment Collection Fund Trust Plan (建信基金-工商銀行-陝西省國際信託-陝國投•金玉6號定向投資集合資金信託計劃)	77,748.69 (A shares)	3.60	0	Nil	0	Unknown
China Structural Reform Fund Corporation Limited (中國國有企業結構調整基金股份有限公司)	62,343.11 (A shares)	2.89	0	Nil	0	State-owned legal person

Name of shareholders (full name)	Number of shares held as at the end of the period (A shares/H shares)	Percentage of shareholding (%)	Number of shares held with selling restrictions	Subject to pledge or moratorium		Nature of shareholders
				Status of shares	Number	
Ningbo Shanshan Venture Capital Co., Ltd. 寧波杉杉創業投資有限公司	47,120.42 (A shares)	2.18	0	Pledge	41,875.81	Domestic non-state owned legal person
Minsheng Bank Fund – Bank of Ningbo –Jiaxing Minliu Investment Partnership (Limited Partnership) * 民生加銀基金-寧波銀行-嘉興民琉投資合夥企業 (有限合夥)	46,672.77 (A shares)	2.16	0	Nil	0	Unknown
Hong Kong Securities Clearing Company Ltd. 香港中央結算有限公司	22,286.79 (A shares)	1.03	0	Nil	0	Foreign legal person
National Social Security Fund Package No. 108 全國社保基金一零八組合	22,000.01 (A shares)	1.02	0	Nil	0	State-owned legal person
China Construction Bank Corporation – Boshi Theme Industry Hybrid Securities Investment Fund 中國建設銀行股份有限公司-博時主題行業混合型證券投資基金(LOF)	12,500.00 (A shares)	0.58	0	Nil	0	Unknown

Top 10 shareholders not subject to trading moratorium

Name of shareholders (full name)	Number of tradable shares not subject to trading moratorium	Types and quantity of shares Types	Quantity
Cathay Fortune Corporation (鴻 商產業控股集團有限公司)	533,322.00	RMB-denominated ordinary shares (A shares) and overseas listed foreign- invested shares (H shares)	533,322.00
Luoyang Mining Group Co., Ltd. (洛陽礦業集團有限公司)	532,978.04	RMB-denominated ordinary shares (A shares)	532,978.04
HKSCC NOMINEES LIMITED (香港中央結算(代理人)有 限公司)	358,823.78	Overseas listed foreign- invested shares (H shares)	358,823.78
Jianxin Fund – Industrial and Commercial Bank of China – Shaanxi Province International Trust – Shan Guotou • Jinyu No. 6 Directional Investment Collection Fund Trust Plan (建信基金–工商銀行–陝 西省國際信託–陝國投• 金玉6號定向投資集合資 金信託計劃)	77,748.69	RMB-denominated ordinary shares (A shares)	77,748.69
China Structural Reform Fund Corporation Limited (中國國 有企業結構調整基金股份 有限公司)	62,343.11	RMB-denominated ordinary shares (A shares)	62,343.11
Ningbo Shanshan Venture Capital Co., Ltd. (寧波杉杉創業投 資有限公司)	47,120.42	RMB-denominated ordinary shares (A shares)	47,120.42

Name of shareholders (full name)	Number of tradable shares not subject to trading moratorium	Types and quantity of shares	
		Types	Quantity
Minsheng Bank Fund – Bank of Ningbo – Jiaxing Minliu Investment Partnership (Limited Partnership) * (民生加銀基金–寧波銀行–嘉興民琉投資合夥企業(有限合夥))	46,672.77	RMB-denominated ordinary shares (A shares)	46,672.77
Hong Kong Securities Clearing Company Ltd. (香港中央結算有限公司)	22,286.79	RMB-denominated ordinary shares (A shares)	22,286.79
National Social Security Fund Package No. 108 (全國社保基金一零八組合)	22,000.01	RMB-denominated ordinary shares (A shares)	22,000.01
China Construction Bank Corporation – Boshi Theme Industry Hybrid Securities Investment Fund (中國建設銀行股份有限公司–博時主題行業混合型證券投資基金(LOF))	12,500.00	RMB-denominated ordinary shares (A shares)	12,500.00

Explanation of the aforesaid shareholders' related relations or concerted action

A wholly-owned subsidiary in Hong Kong of Cathay Fortune Corporation(鴻商產業控股集團有限公司) holds 303 million H shares of the Company, which were registered under HKSCC NOMINEES LIMITED(香港中央結算(代理人)有限公司). Cathay Fortune Corporation, which holds a total of 5,333.22 million shares of the Company, accounting for 24.69% of the shareholding, is the controlling shareholder of the Company.

III. SIGNIFICANT EVENTS

3.1 Particulars of and reasons for material changes in major accounting items and financial indicators of the Company

3.1.1 Items in Balance Sheet

Unit: Yuan Currency: RMB

Items	31 March 2020	31 December 2019	Increase/ decrease (%)	Notes
Cash and bank balances	20,469,998,559.73	15,647,900,059.61	30.82%	The increase in cash and bank balances was mainly due to the increase of the collections from operating activities during the period.
Held-for-trading financial assets	11,807,416,530.12	7,719,450,290.97	52.96%	The increase in held-for-trading financial assets was mainly due to the increase of structural deposits by taking advantage of spare funds during the period.
Derivative financial assets	3,137,335,758.91	2,178,322,223.39	44.03%	The increase in derivative financial assets was mainly due to the increase of basic mineral trading business.
Accounts receivable	783,118,584.15	1,510,508,440.50	-48.16%	The decrease in accounts receivable was mainly due to the receipt of accounts receivables.
Prepayments	1,457,168,785.78	1,065,494,520.83	36.76%	The increase in prepayment was mainly due to the increase of prepayment for purchase of goods.
Other receivables	1,587,658,705.19	1,119,039,260.19	41.88%	The increase in other receivables was mainly due to the increase of deductible tax of niobium – phosphorus business and tax refund receivables of copper–cobalt business.
Other current assets	1,953,317,880.39	3,830,180,430.37	-49.00%	The decrease in other current assets was mainly due to the decrease of margin deposit of the derivatives of mineral trade business.

Items	31 March 2020	31 December 2019	Increase/ decrease (%)	Notes
Deferred tax assets	1,334,464,837.01	645,508,458.12	106.73%	The increase of deferred tax assets was mainly due to the exchange rate fluctuation of Brazilian real against US dollar.
Held-for-trading financial liabilities	5,832,264,080.10	3,157,951,924.72	84.69%	The increase of held-for-trading financial liabilities was mainly due to the increase of gold lease business and account payables of metal trade business which is designated as held-for-trading financial liabilities.
Accounts payable	904,250,224.02	1,944,506,406.62	-53.50%	The decrease in accounts payables was mainly due to the decrease of payables of metal trading business.
Contract liabilities	1,134,762,024.14	416,194,761.78	172.65%	The increase in contract liabilities was mainly due to the increase of advances from customers of basic metal trading business.
Other payables	955,543,864.97	1,584,737,923.47	-39.70%	The decrease in other payables was mainly due to the payment of contingent consideration arising from the acquisition of copper-cobalt business in Congo (DRC).
Non-current liabilities due within one year	5,525,687,105.36	3,749,103,660.62	47.39%	The increase in non-current liabilities due within one year was mainly due to the reclassification of medium-term notes due within one year from bonds payable.
Other current liabilities	3,186,318,564.97	1,167,803,612.80	172.85%	The increase in other current liabilities was mainly due to the issue of super short-term commercial paper.
Bonds payable	3,125,530,000.00	5,092,860,000.00	-38.63%	The decrease in bonds payable was mainly due to the reclassification of medium-term notes due within one year to current liabilities.

3.1.2 Items in Income Statement

Unit: Yuan Currency: RMB

Items	January to March 2020	January to March 2019	Increase/ decrease	Notes
Operating income	22,382,525,359.85	4,478,113,985.73	399.82%	Note 1
Operating costs	23,537,038,499.92	3,801,616,595.01	519.13%	Note 1
Administrative expenses	333,822,373.26	228,603,216.76	46.03%	Note 1
Research and development expenses	19,256,324.50	48,963,393.58	-60.67%	The decrease in R&D expenses as compared to the same period of last year was mainly due to the slow down of the R&D investment caused by the outbreak of COVID-19 during the period.
Financial expenses	367,271,181.67	241,668,932.57	51.97%	Note 1
Gains from changes in fair value	2,194,008,739.08	97,868,316.97	2,141.80%	Note 1
Losses from assets impairment	-25,248,192.70	-3,133,863.22	-705.66%	The increase of losses from assets impairment as compared to the same period of last year was mainly due to the decline in value of inventories.
Income tax expenses	-283,734,727.27	-149,418,555.58	-89.89%	The decrease in income tax expenses as compared to the same period of last year was mainly due to the exchange rate fluctuation of Brazilian real against US dollar.

Note 1 : The metal trading business was consolidated during the reporting period as compared to the same period last year, since the completion of the merger and acquisition of IXM B.V. on 24 July 2019.

3.1.3 Items in Cash Flow Statement

Unit: Yuan Currency: RMB

Items	January to March 2020	January to March 2019	Increase/ decrease (%)	Notes
Net cash flow from operating activities	5,887,743,222.10	476,366,543.57	1,135.97%	The increase in the net cash flow from operating activities was mainly due to the increase of the metal trading business in the reporting period as compared to the same period of last year since the completion of merger and acquisition of IXM B.V. on 24 July 2019.
Net cash flow from investing activities	-7,074,523,037.94	-5,623,188,207.66	-25.81%	The decrease in the net cash flow from investing activities was mainly due to the increased purchase of structured deposits as compared to the same period of last year.
Net cash flow from financing activities	5,529,037,102.64	3,985,535,663.85	38.73%	The increase in the net cash flow from financing activities was mainly due to the increase of gold lease business as compared to the same period of last year.

3.1.4 Output of Major Products

Principal products	Unit	Production volume	Sales volume	Production volume increase/decrease for the reporting period as compared with the same period of last year	Sales volume increase/decrease for the reporting period as compared with the same period of last year
Mineral exploration and processing:					
Molybdenum	Tonnes	3,520	3,469	-3.27%	-14.20%
Tungsten	Tonnes	2,355	1,782	-9.22%	-40.88%
Niobium	Tonnes	2,396	2,307	37.81%	45.54%
Phosphate (HA+LA)	Tonnes	287,624	205,704	8.14%	-12.86%
Copper (TFM)	Tonnes	42,694	39,136	5.36%	-3.16%
Cobalt	Tonnes	3,244	5,334	-32.39%	49.29%
Copper (80% equity interest of NPM)	Tonnes	7,097	4,838	1.81%	-36.10%
Gold	Ounces	5,532	3,699	9.75%	-34.34%
				Purchase volume increase/decrease for the reporting period as compared with the same period of last year	Sales volume increase/decrease for the reporting period as compared with the same period of last year
	Unit	Purchase volume	Sales volume		
Mineral trading:					
Mineral metals (<i>Note 2</i>)	Tonnes	684,507	523,204	N/A	N/A
Refined metals (<i>Note 3</i>)	Tonnes	648,817	624,517	N/A	N/A

Note 2: The primary products of metal minerals, mainly are the concentrates.

Note 3: The smelting and processing products of metal minerals.

IV. APPENDIX

4.1 Financial statements

CONSOLIDATED BALANCE SHEET

31 March 2020

Unit: Yuan Currency: RMB Unaudited

Items	31 March 2020	31 December 2019
Current assets:		
Cash and bank balances	20,469,998,559.73	15,647,900,059.61
Held-for-trading financial assets	11,807,416,530.12	7,719,450,290.97
Derivative financial assets	3,137,335,758.91	2,178,322,223.39
Accounts receivable	783,118,584.15	1,510,508,440.50
Financing receivables	515,645,645.89	375,935,645.39
Prepayments	1,457,168,785.78	1,065,494,520.83
Other receivables	1,587,658,705.19	1,119,039,260.19
Including: Interest receivables	291,233,770.88	198,921,505.19
Receivable dividends	1,786,149.67	2,235,286.10
Inventories	19,023,078,505.77	20,730,673,736.79
Other current assets	1,953,317,880.39	3,830,180,430.37
Total current assets	60,734,738,955.93	54,177,504,608.04
Non-current assets:		
Debt investment	170,000,000.00	0.00
Long-term equity investments	1,035,672,934.25	1,033,168,028.11
Other investments in equity instruments	85,347,957.51	85,344,307.06
Other non-current financial assets	4,039,113,674.32	4,356,783,464.12
Non-current derivative financial assets	0.00	7,620,425.07
Fixed assets	24,212,804,084.27	24,439,595,450.35
Construction in progress	2,757,424,707.61	2,386,791,478.58
Right-of-use assets	346,653,254.51	346,815,801.39
Intangible assets	20,442,896,467.54	20,446,930,377.08
Long-term inventories	5,792,287,009.44	5,660,505,828.69
Goodwill	660,264,217.87	659,468,043.85
Long-term prepaid expenses	133,107,054.97	136,987,188.97
Deferred tax assets	1,334,464,837.01	645,508,458.12
Other non-current assets	3,040,049,265.37	2,479,203,017.30
Total non-current assets	64,050,085,464.67	62,684,721,868.69
Total assets	124,784,824,420.60	116,862,226,476.73

Items	31 March 2020	31 December 2019
Current liabilities:		
Short-term borrowings	20,346,021,682.42	18,589,025,832.49
Held-for-trading financial liabilities	5,832,264,080.10	3,157,951,924.72
Derivative financial liabilities	2,360,709,939.23	2,640,928,053.07
Notes payable	818,584,943.09	233,224,073.53
Accounts payable	904,250,224.02	1,944,506,406.62
Contract liabilities	1,134,762,024.14	416,194,761.78
Employee benefits payable	616,255,295.80	692,638,178.24
Taxes payable	379,333,521.95	399,251,199.18
Other payables	955,543,864.97	1,584,737,923.47
Including: Interests payable	177,790,355.79	246,838,776.68
Dividends payable	27,885,796.67	27,885,796.67
Non-current liabilities due within one year	5,525,687,105.36	3,749,103,660.62
Other current liabilities	3,186,318,564.97	1,167,803,612.80
Total current liabilities	42,059,731,246.05	34,575,365,626.52
Non-current liabilities:		
Long-term borrowings	18,419,649,668.51	16,278,909,765.88
Bonds payable	3,125,530,000.00	5,092,860,000.00
Non-current derivative financial liabilities	452,209,550.42	202,416,693.40
Lease liabilities	240,889,333.03	273,971,191.18
Long-term employee benefits payable	312,376,584.29	254,249,008.22
Provisions	2,463,356,353.43	2,495,171,563.70
Deferred income	66,790,174.41	68,005,249.90
Deferred tax liabilities	7,780,471,326.47	7,887,539,765.83
Other non-current liabilities	264,575,057.90	238,141,518.84
Total non-current liabilities	33,125,848,048.46	32,791,264,756.95
Total liabilities	75,185,579,294.51	67,366,630,383.47

Items	31 March 2020	31 December 2019
Shareholders' equity (or equity interest):		
Paid-in capital (or share capital)	4,319,848,116.60	4,319,848,116.60
Capital reserve	27,582,794,983.23	27,582,794,983.23
Other comprehensive income	-910,957,369.63	-468,588,363.13
Special reserve	649,241.08	302,145.46
Surplus reserve	1,286,827,000.91	1,286,827,000.91
Retained profits	8,529,719,842.69	8,081,590,250.78
Total equity (or equity interest) attributable to the shareholders of the parent company	40,808,881,814.88	40,802,774,133.85
Non-controlling interests	8,790,363,311.21	8,692,821,959.41
Total shareholders' equity (or equity interest)	49,599,245,126.09	49,495,596,093.26
Total liabilities and shareholders' equity (or equity interest)	124,784,824,420.60	116,862,226,476.73

BALANCE SHEET OF THE COMPANY

31 March 2020

Unit: Yuan Currency: RMB Unaudited

Items	31 March 2020	31 December 2019
Current assets:		
Cash and bank balances	7,865,923,307.01	3,979,403,901.95
Held-for-trading financial assets	3,539,704,124.05	1,014,194,897.26
Accounts receivable	94,901,521.28	69,757,554.20
Financing receivables	64,249,673.07	59,095,591.76
Prepayments	58,068,124.13	7,220,814.76
Other receivables	3,217,110,152.59	5,013,326,170.63
Including: Interests receivable	388,612,249.82	400,713,610.41
Receivable dividends	44,006,084.08	44,006,084.08
Inventories	143,979,213.90	140,962,874.49
Other current assets	98,778,338.92	112,132,176.28
Total current assets	15,082,714,454.95	10,396,093,981.33
Non-current assets:		
Long-term equity investments	29,919,515,913.01	29,912,001,876.46
Other non-current financial assets	727,259,548.20	725,946,157.42
Fixed assets	1,325,793,959.15	1,343,692,135.81
Construction in progress	221,926,838.66	185,186,824.85
Intangible assets	309,847,827.77	321,189,810.81
Long-term prepaid expenses	142,301,815.89	146,894,703.40
Deferred tax assets	63,708,331.72	33,651,881.47
Other non-current assets	8,028,346.01	8,028,346.01
Total non-current assets	32,718,382,580.41	32,676,591,735.23
Total assets	47,801,097,035.36	43,072,685,716.56

Items	31 March 2020	31 December 2019
Current liabilities:		
Short-term borrowings	1,432,553,000.00	1,178,000,000.00
Held-for-trading financial liabilities	2,260,365,005.49	645,164,164.50
Notes payable	490,828,778.50	7,350,262.77
Accounts payable	126,440,307.27	236,918,656.25
Contract liabilities	431,022,307.44	254,996,864.98
Employee benefits payable	90,726,804.67	114,106,952.06
Taxes payable	17,783,125.35	22,913,488.49
Other payables	906,688,676.93	912,657,905.56
Including: Interests payable	40,584,792.85	83,541,782.42
Non-current liabilities due within one year	2,000,000,000.00	0.00
Other current liabilities	3,190,455,968.98	1,150,711,291.46
Total current liabilities	10,946,863,974.63	4,522,819,586.07
Non-current liabilities:		
Bonds payable	1,000,000,000.00	3,000,000,000.00
Non-current derivative financial liabilities	403,041,332.20	202,416,693.40
Provisions	47,570,371.67	47,570,371.67
Deferred income	18,691,599.65	18,787,996.10
Other non-current liabilities	204,093,366.89	204,093,366.89
Total non-current liabilities	1,673,396,670.41	3,472,868,428.06
Total liabilities	12,620,260,645.04	7,995,688,014.13
Shareholders' equity (or equity interest):		
Paid-in capital (or share capital)	4,319,848,116.60	4,319,848,116.60
Capital reserve	27,636,530,888.88	27,636,530,888.88
Special reserve	287,625.98	100,628.26
Surplus reserve	1,286,827,000.91	1,286,827,000.91
Retained profits	1,937,342,757.95	1,833,691,067.78
Total shareholders' equity (or equity interest)	35,180,836,390.32	35,076,997,702.43
Total liabilities and shareholders' equity (or equity interest)	47,801,097,035.36	43,072,685,716.56

CONSOLIDATED INCOME STATEMENT

January to March 2020

Unit: Yuan Currency: RMB Unaudited

Items	January to March 2020	January to March 2019
I. Total operating income	22,382,525,359.85	4,478,113,985.73
Including: Operating income	22,382,525,359.85	4,478,113,985.73
II. Total operating costs	24,546,358,007.86	4,582,665,640.66
Including: Operating costs	23,537,038,499.92	3,801,616,595.01
Taxes and levies	265,580,021.71	241,991,602.55
Selling expenses	23,389,606.80	19,821,900.19
Administrative expenses	333,822,373.26	228,603,216.76
Research and development expenses	19,256,324.50	48,963,393.58
Financial expenses	367,271,181.67	241,668,932.57
Including: Interest expenses	459,960,310.22	372,655,114.13
Interest income	209,528,094.38	251,157,019.55
Add: Other income	2,092,412.10	2,402,257.08
Investment income (losses are indicated by “-”)	132,138,573.86	116,308,972.84
Including: Income from investments in associates and joint ventures	1,413,710.28	49,567,468.42
Gains from changes in fair value (losses are indicated by “-”)	2,194,008,739.08	97,868,316.97
Losses from credit impairment (losses are indicated by “-”)	-151,760.94	2,053,043.71
Losses from assets impairment (losses are indicated by “-”)	-25,248,192.70	-3,133,863.22
Gains from disposal of assets (losses are indicated by “-”)	-20,142.33	-555,049.75

Items	January to March 2020	January to March 2019
III. Operating profit (loss is indicated by “-”)	138,986,981.06	110,392,022.70
Add: Non-operating income	1,595,265.77	-290,348.85
Less: Non-operating expenses	3,928,398.21	3,945,033.60
IV. Total profit (loss is indicated by “-”)	136,653,848.62	106,156,640.25
Less: Income tax expenses	-283,734,727.27	-149,418,555.58
V. Net profit (loss is indicated by “-”)	420,388,575.89	255,575,195.83
(I) Classified by business continuity		
1. Net profit from continuing operations (loss is indicated by “-”)	420,388,575.89	255,575,195.83
(II) Classified by ownership:		
1. Net profit attributable to owners of the parent company (loss is indicated by “-”)	448,129,593.18	321,846,690.39
2. Net profit attributable to non-controlling interests (loss is indicated by “-”)	-27,741,017.29	-66,271,494.56
VI. Other comprehensive income, net of tax	-317,138,622.02	-663,791,319.48
(I) Other comprehensive income attributable to owners of the parent company, net of tax	-442,369,002.15	-508,443,546.59
1. Other comprehensive income that will not be reclassified to profit or loss	-16,511,875.24	0.00
(1) Remeasurement of changes in defined benefit plans	-16,511,875.24	0.00

Items	January to March 2020	January to March 2019
2. Other comprehensive income that may be reclassified subsequently to profit or loss	-425,857,126.91	-508,443,546.59
(1) Cash flow hedges reserve	-671,281,398.41	-76,975,729.28
(2) Foreign exchange difference from translation of financial statements	245,424,271.50	-431,467,817.31
(II) Other comprehensive income attributable to non-controlling interests, net of tax	125,230,380.13	-155,347,772.89
VII. Total comprehensive income	103,249,953.87	-408,216,123.65
Total comprehensive income attributable to shareholders of the parent company	5,760,591.03	-186,596,856.20
Total comprehensive income attributable to non-controlling interests	97,489,362.84	-221,619,267.45
VIII. Earnings per share:		
(I) Basic earnings per share <i>(RMB Yuan/Share)</i>	0.021	0.015
(II) Diluted earnings per share <i>(RMB Yuan/Share)</i>	N/A	N/A

INCOME STATEMENT OF THE COMPANY

January to March 2020

Unit: Yuan Currency: RMB Unaudited

Items	January to March 2020	January to March 2019
I. Operating revenue	821,183,302.84	821,078,129.92
Less: Operating costs	390,755,955.05	330,311,645.89
Taxes and levies	59,811,794.79	67,509,583.90
Selling expenses	8,135.31	6,544.26
Administrative expenses	55,305,584.12	51,916,224.64
Research and development expenses	12,941,851.40	28,901,723.71
Financial expenses	25,179,587.37	-46,109,863.46
Including: Interest expenses	93,557,254.77	46,739,235.68
Interest income	96,069,268.50	168,804,892.89
Add: Other income	167,034.09	96,396.45
Investment income (losses are indicated by "-")	20,723,165.82	13,123,298.33
Including: Income from investments in associates and joint ventures	7,514,036.54	-1,424,580.44
Gains from changes in fair value (losses are indicated by "-")	-180,813,653.96	-104,798,315.45
Losses from credit impairment(losses are indicated by "-")	0.00	5,866,075.47
Gains from disposal of assets (losses are indicated by "-")	63,764.40	0.00
II. Operating profit (losses are indicated by "-")	117,320,705.15	302,829,725.78
Add: Non-operating income	7,020.00	-440,450.00
Less: Non-operating expenses	3,268,607.48	3,414,211.30
III. Total profit (loss is indicated by "-")	114,059,117.67	298,975,064.48
Less: Income tax expenses	10,407,427.51	38,392,726.01
IV. Net profit (loss is indicated by "-")	103,651,690.16	260,582,338.47
(I) Net profit from continuing operations (loss is indicated by "-")	103,651,690.16	260,582,338.47
V. Total comprehensive income	103,651,690.16	260,582,338.47

CONSOLIDATED CASH FLOW STATEMENT

January to March 2020

Unit: Yuan Currency: RMB Unaudited

Items	January to March 2020	January to March 2019
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services	24,498,608,659.33	6,056,125,500.02
Other cash receipts relating to operating activities	598,249,549.54	321,987,123.85
Sub-total of cash inflows from operating activities	25,096,858,208.87	6,378,112,623.87
Cash payments for goods purchased and services received	17,655,416,027.66	3,424,986,774.13
Cash payments to and on behalf of employees	607,560,131.35	697,160,465.60
Payments of various types of taxes	867,144,356.46	1,703,689,756.48
Other cash payments relating to operating activities	78,994,471.30	75,909,084.09
Sub-total of cash outflows from operating activities	19,209,114,986.77	5,901,746,080.30
Net cash flow from operating activities	5,887,743,222.10	476,366,543.57
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	1,169,238,799.41	4,444,079.40
Cash receipts from investment income	8,196,218.33	20,796,004.25
Other cash receipts relating to investing activities	120,440,394.28	21,707,967.51
Sub-total of cash inflows from investing activities	1,297,875,412.02	46,948,051.16
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	499,954,942.91	497,077,560.99
Cash payments to acquire investments	7,573,866,198.26	5,052,479,136.02
Cash payments for acquisitions of subsidiaries and other business units	0.00	116,086,820.75
Other cash payments relating to investing activities	298,577,308.79	4,492,741.06
Sub-total of cash outflows from investing activities	8,372,398,449.96	5,670,136,258.82
Net cash flow from investing activities	-7,074,523,037.94	-5,623,188,207.66

Items	January to March 2020	January to March 2019
III. Cash flows from financing activities:		
Cash receipts from borrowings	12,766,185,812.09	6,813,437,490.14
Other cash receipts relating to financing activities	<u>3,130,760,096.62</u>	<u>1,736,373,576.47</u>
Sub-total of cash inflows from financing activities	<u>15,896,945,908.71</u>	<u>8,549,811,066.61</u>
Cash repayments of borrowings	8,464,426,828.10	2,366,996,039.68
Cash payments for distribution of dividends, profits or settlement of interests	469,550,355.08	442,460,503.12
Other cash payments relating to financing activities	<u>1,433,931,622.89</u>	<u>1,754,818,859.96</u>
Sub-total of cash outflows from financing activities	<u>10,367,908,806.07</u>	<u>4,564,275,402.76</u>
Net cash flow from financing activities	<u>5,529,037,102.64</u>	<u>3,985,535,663.85</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents	76,889,344.12	-189,628,758.70
V. Net increase (decrease) in cash and cash equivalents	4,419,146,630.92	-1,350,914,758.94
Add: Opening balance of cash and cash equivalents	12,392,247,511.85	23,240,703,274.03
VI. Closing balance of cash and cash equivalents	<u>16,811,394,142.77</u>	<u>21,889,788,515.09</u>

CASH FLOW STATEMENT OF PARENT COMPANY

January to March 2020

Unit: Yuan Currency: RMB Unaudited

Items	January to March 2020	January to March 2019
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services	4,227,187,662.38	2,379,942,235.39
Other cash receipts relating to operating activities	<u>1,469,597,240.29</u>	<u>231,804,676.77</u>
Sub-total of cash inflows from operating activities	<u>5,696,784,902.67</u>	<u>2,611,746,912.16</u>
Cash payments for goods purchased and services received	122,791,064.34	362,196,167.62
Cash payments to and on behalf of employees	127,084,558.13	150,097,384.52
Payments of various types of taxes	185,342,436.20	285,194,036.02
Other cash payments relating to operating activities	<u>2,066,505,218.53</u>	<u>1,395,725,678.91</u>
Sub-total of cash outflows from operating activities	<u>2,501,723,277.20</u>	<u>2,193,213,267.07</u>
Net cash flow from operating activities	<u>3,195,061,625.47</u>	<u>418,533,645.09</u>
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	1,000,000,000.00	1,041,446,666.67
Cash receipts from investment income	8,196,218.33	12,679,059.28
Other cash receipts relating to investing activities	<u>2,175,220,707.34</u>	<u>1,000.00</u>
Sub-total of cash inflows from investing activities	<u>3,183,416,925.67</u>	<u>1,054,126,725.95</u>
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	71,932,671.50	31,777,207.34
Cash payments to acquire investments	3,730,033,763.63	7,696,637,383.57
Other cash payments relating to investing activities	<u>2,614,390,197.68</u>	<u>1,041,000,000.00</u>
Sub-total of cash outflows from investing activities	<u>6,416,356,632.81</u>	<u>8,769,414,590.91</u>
Net cash flow from investing activities	<u>-3,232,939,707.14</u>	<u>-7,715,287,864.96</u>

Items	January to March 2020	January to March 2019
III. Cash flows from financing activities:		
Cash receipts from borrowings	4,930,378,000.00	4,140,444,444.44
Other cash receipts relating to financing activities	3,155,436,749.63	2,021,085,825.41
Sub-total of cash inflows from financing activities	8,085,814,749.63	6,161,530,269.85
Cash repayments of borrowings	2,678,000,000.00	1,096,000,000.00
Cash payments for distribution of dividends, profits or settlement of interests	103,993,624.94	101,363,220.83
Other cash payments relating to financing activities	1,589,250,356.98	2,357,150,438.06
Sub-total of cash outflows from financing activities	4,371,243,981.92	3,554,513,658.89
Net cash flow from financing activities	3,714,570,767.71	2,607,016,610.96
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-207,044.61	-5,311,479.09
V. Net increase (decrease) in cash and cash equivalents	3,676,485,641.43	-4,695,049,088.00
Add: Opening balance of cash and cash equivalents	3,233,637,947.06	12,329,538,991.95
VI. Closing balance of cash and cash equivalents	6,910,123,588.49	7,634,489,903.95

Luoyang City, Henan Province, the People's Republic of China, 29 April 2020

As at the date of this announcement, the Company's executive directors are Mr. Li Chaochun and Mr. Li Faben; the Company's non-executive directors are Mr. Guo Yimin, Mr. Yuan Honglin and Mr. Cheng Yunlei; and the Company's independent non-executive directors are Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua.