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.

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 NINE MONTHS ENDED 30 SEPTEMBER 2020
AND
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 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 Securities and Future Ordinance (Chapter 571, Laws of Hong Kong).

For the nine months ended 30 September 2020

– Unaudited consolidated revenue for the Period amounted to approximately RMB5,503,842,013, representing an increase of approximately 26.3% as compared to approximately RMB4,356,487,321 for the corresponding period of 2019.

– Unaudited consolidated gross profit for the Period amounted to approximately RMB1,529,027,944, representing an increase of approximately 14.8% as compared to approximately RMB1,332,046,424 for the corresponding period of 2019.

– Unaudited consolidated net profit for the Period amounted to approximately RMB902,258,710, representing an increase of approximately 14.3% as compared to approximately RMB789,596,427 for the corresponding period of 2019.

For the three months ended 30 September 2020

– Unaudited consolidated revenue for the three months ended 30 September 2020 amounted to approximately RMB1,688,766,221, representing an increase of approximately 28.6% as compared to approximately RMB1,312,781,517 for the corresponding period of 2019.

– Unaudited consolidated gross profit for the three months ended 30 September 2020 amounted to approximately RMB498,932,537, representing an increase of approximately 28.6% as compared to approximately RMB388,053,519 for the corresponding period of 2019.

– Unaudited consolidated net profit for the three months ended 30 September 2020 amounted to approximately RMB263,639,080, representing an increase of approximately 11.2% as compared to approximately RMB237,126,737 for the corresponding period of 2019.

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

This announcement is made by Sany Heavy Equipment International Holdings Company Limited (the "Company" and 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 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 nine months ended 30 September 2020 (the "Period") and the three months ended 30 September 2020, respectively.

The information below was extracted from the unaudited management accounts of the Group for the Period and the three months ended 30 September 2020 together with the comparative figures for the corresponding period in 2019, respectively:

	(Unaudited) For the nine months ended 30 September 2020	**(Unaudited) For the nine months ended 30 September 2019**	**Growth rate**
	RMB'000	*RMB'000*	*(%)*
Revenue	5,503,842	4,356,487	26.3%
Gross profit	1,529,028	1,332,046	14.8%
Profit before tax	1,031,875	908,500	13.6%
Net profit	902,259	789,596	14.3%

	(Unaudited) For the three months ended 30 September 2020	**(Unaudited) For the three months ended 30 September 2019**	**Growth rate**
	RMB'000	*RMB'000*	*(%)*
Revenue	1,688,766	1,312,782	28.6%
Gross profit	498,933	388,054	28.6%
Profit before tax	277,922	268,217	3.6%
Net profit	263,639	237,127	11.2%

During the Period, the Company's revenue and profit increased significantly against those for the same period last year. The Board considered that such increase was primarily attributable to the following reasons:

(1) During the period from January to September 2020, the coal industry maintained a healthy development trend, and intelligent construction of coal mines has progressed into an accelerated period. The Group has enhanced the competitiveness of its products such as mining vehicles, integrated coal mining equipment and large port machinery through continuous R&D and innovation, resulting in a rapid increase in market share. Meanwhile, new products such as pure water hydraulic supports, electric wide-bodied vehicles and intelligent field bridges were highly recognized by customers, resulting in a continuous growth in sales revenue. In addition, the Group maintained a steady growth in overseas sales revenue of the logistics equipment.

(2) In the third quarter of 2020, the Group made more R&D efforts in intelligent, electrical, unmanned products and intelligent control systems. Meanwhile, the Group also expedited the establishment of domestic and overseas distribution channels, resulting in a profit growth less than the revenue growth due to a significant increase in R&D and selling expense.

(3) Due to the product structural change brought by the increase in the sales proportion of new products such as wide-bodied vehicles, the consolidated gross margin was affected. Following the implementation of digitalization strategy, as well as the building of intelligent factories in compliance with strict cost control measures, the consolidated gross margin in the third quarter of 2020 improved compared with that of the 2020 interim period.

During the Period, the Group's operating cash flow continued to improve, and the digital transformation achieved remarkable results. The Board and the management of the Group will continue to promote the development of advance digitalization, intelligence and internationalization strategies, and improve the quality of operation and management to achieve the sustainable and stable development of the Group.

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 for the three months ended 30 September 2020, respectively 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 securities of the Company.

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

Hong Kong, 22 October 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.