CONCH

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 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 2020 and 30 September 2020 (i.e. the third quarter of 2020) (the "**Reporting Period**") will be published in newspapers circulating in the PRC on 28 October 2020. The full text of the Quarterly Report is set out below pursuant to Rule 13.10B 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

Items	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	196,664,949,022	178,777,181,536	10.01
Net assets attributable to equity shareholders of the Company	151,525,161,827	137,361,682,179	10.31
Items	From the beginning of 2020 to the end of the Reporting Period	From the beginning of 2019 to the end of the Reporting Period	Changes as compared with that of the corresponding period of 2019 (%)
Net cash flow generated from operating activities	23,511,398,653	26,015,474,400	-9.63
Items	From the beginning of 2020 to the end of the Reporting Period	From the beginning of 2019 to the end of the Reporting Period	Changes as compared with that of the corresponding period of 2019 (%)
Revenue	123,983,571,571	110,756,382,807	11.94
Net profit attributable to equity shareholders of the Company	24,719,025,756	23,815,647,804	3.79
Net profit attributable to equity shareholders of the Company after extraordinary items	23,412,991,922	23,192,754,593	0.95
Weighted average return on net assets (%)	17.11	19.82	Decreased by 2.71 percentage points
Basic earnings per share (RMB/share)	4.6646	4.4941	3.79
Diluted earnings per share (RMB/share)	4.6646	4.4941	3.79

Items	Amount for the Reporting Period	Amount for the period from the beginning of 2020 to the end of the Reporting Period
Gain/(Loss) from disposal of non-current assets	585,651,400	567,445,557
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	231,494,401	573,577,256

Gain/(Loss) on entrusted investment or asset management	141,148,333	529,883,746
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 and derivative financial liabilities, and other debt investments excluding effective hedging business associated with the Company's normal business	24,174,467	2,377,011
Gains or losses from external entrusted loans	476,727	1,276,840
Income from entrusted operations	5,642,627	17,057,012
Other non-operating income and expenses other than the abovementioned items	27,615,082	58,593,720
Effect on minority interests (after tax)	-6,647,363	-16,996,617
Effect on income tax	-246,069,944	-427,180,691
Total	763,485,730	1,306,033,834

2.2 Total number of shareholders of the Company (the **"Shareholders"**), the shareholdings 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						209,064
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	1,298,423,110	24.50	0	Unknown		Foreign legal person
Hong Kong Securities Clearing Company Limited	435,928,366	8.23	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	32,270,473	0.61	0	Unknown		Others
Abu Dhabi Investment Authority	18,210,220	0.34	0	Unknown		Others
Industrial & Commercial Bank of China - SSE 50 Trading Open-end Index Securities Investment Fund	17,326,557	0.33	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	1,298,423,110	Overseas listed foreign shares	1,298,423,110
Hong Kong Securities Clearing Company Limited	435,928,366	RMB-denominated ordinary shares	435,928,366
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	32,270,473	RMB-denominated ordinary shares	32,270,473
Abu Dhabi Investment Authority	18,210,220	RMB-denominated ordinary shares	18,210,220
Industrial & Commercial Bank of China - SSE 50 Trading Open-end Index Securities Investment Fund	17,326,557	RMB-denominated ordinary shares	17,326,557
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 guidance of the Company

The explanations and major reasons for the increases or decreases of over 30% for major accounting items and financial guidance 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 prepayments of the Group increased by 74.68% from that at the beginning of the year, and the closing balance of contract liabilities increased by 77.56% when compared with that at the beginning of the year, mainly due to the increase in product sales and trading business during the Reporting Period.

2. As at the end of the Reporting Period, the closing balance of other receivables of the Group decreased by 53.80% 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.

3. As at the end of the Reporting Period, the closing balance of the Group's short-term borrowings increased by 54.46% from that at the beginning of the year, mainly due to the increase in short-term borrowings of the Group during the Reporting Period.

4. As at the end of the Reporting Period, the closing balance of wages payables of the Group decreased by 42.27% 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.

5. As at the end of the Reporting Period, the closing balance of the Group's interest payables increased by 298.88% from that at the beginning of the year, mainly because the payment of the accrued interest on corporate bonds was not yet due during the Reporting Period.

6. As at the end of the Reporting Period, the closing balance of the Group's long-term payables decreased by 59.30% from that at the beginning of the year, mainly due to the reclassification of long-term payables to non-current liabilities due within one year according to the repayment period during the Reporting Period.

7. During the Reporting Period, the Group's operation costs increased by 41.38% from that of the corresponding period last year, mainly due to the increase in product sales and trading business during the Reporting Period.

8. During the Reporting Period, the Group's R&D expenses increased by 11.68 times from that of the corresponding period last year, mainly due to a period-on-period increase in the R&D expenditures of some new R&D projects of the Group.

9. During the Reporting Period, the Group's interest income increased by 63.77% from that of the corresponding period last year, mainly due to the period-on-period increase in interest income from the Group's deposits.

10. During the Reporting Period, the Group's assets disposal income increased by 37.27 times from that of the corresponding period last year, mainly due to the period-on-period

increase in income from the disposal of certain assets of the Group's subsidiaries during the Reporting Period.

11. During the Reporting Period, the Group's non-operating expenses decreased by 54.50% from that of the corresponding period last year, which was mainly due to the period-on-period decrease in the loss from scrapped assets of the Group during the Reporting Period.

12. From the beginning of the year to the end of the Reporting Period, the net cash outflow from the Group's investing activities increased by RMB9,861 million from that of the corresponding period last year, mainly due to the period-on-period increase in the Group's purchase of time deposits with maturities of over 3 months and wealth management products 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

30 September 2020

Prepared by: Anhui Conch Cement Company Limited Unit: RMB

Item	30 September 2020 (unaudited)	31 December 2019
Current Assets:		
Monetary capital	65,742,977,284	54,977,077,591
Balance with clearing companies		
Placements with other financial institutions		
Held-for-trading financial assets	18,282,933,150	16,782,737,071
Derivative financial assets		
Bills receivable	8,585,015,338	8,375,401,956
Accounts receivable	1,541,815,706	1,273,619,922
Receivables financing	3,213,534,695	3,350,585,849
Prepayments	4,703,140,003	2,692,415,606
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contract		
Other receivables	1,674,171,750	3,623,379,951
Including: Interests receivable	639,995,180	579,761,544
Dividend receivable		
Purchases of resold financial assets		
Inventories	7,124,478,798	5,571,522,957
Contract Assets		
Held-for-sale assets		9,810,993
Non-current assets due within one year	27,960,000	27,960,000
Other current assets	398,519,693	425,091,810
Total current assets	111,294,546,417	97,109,603,706
Non-current assets:		
Loans and advances granted		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	4,109,409,298	3,820,612,569
Other equity instrument investment	416,511,690	326,095,800

Other non-current financial assets		
Investment properties	83,900,938	85,734,294
Fixed assets	62,240,741,726	58,858,416,078
Construction in progress	5,301,457,587	6,237,843,095
Biological assets for production		
Oil and gas assets		
Right-of-use assets	44,518,583	54,245,329
Intangible assets	10,735,521,656	9,978,706,283
Development expenses		
Goodwill	576,041,746	514,398,098
Long-term deferred expenditures		
Deferred income tax assets	963,024,219	1,099,391,022
Other non-current assets	899,275,162	692,135,262
Total non-current assets	85,370,402,605	81,667,577,830
Total assets	196,664,949,022	178,777,181,536
Current liabilities:		
Short-term borrowings	4,543,735,599	2,941,698,150
Borrowings from central bank		
Capital borrowed		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Bills payable		
Accounts payable	7,257,408,863	7,303,645,233
Receipts in advance		
Contract liabilities	6,203,280,542	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	854,591,223	1,480,291,712
Tax payable	5,031,562,224	6,703,915,585
Other payables	5,174,630,890	4,064,198,334
Including: Interests payable	202,870,964	50,859,760
Dividend payable		
Handling charges and commissions payable		
Reinsurance account payable		
Held-for-sale liabilities		

Non-current liabilities due within one year	1,155,713,604	1,433,749,770
Other current liabilities		
Total current liabilities	30,220,922,945	27,421,189,421
Non-current liabilities:		
Provision for insurance contract		
Long-term borrowings	3,857,185,461	3,871,291,872
Bonds payable	3,498,291,250	3,498,053,867
Including: Preference shares		
Perpetual bonds		
Lease liability	26,665,756	34,832,884
Long-term payables	186,452,100	458,132,294
Long-term wages payable		
Accrued liabilities		
Deferred income	533,342,589	449,458,832
Deferred income tax liabilities	728,967,957	723,773,386
Other non-current liabilities		
Total non-current liabilities	8,830,905,113	9,035,543,135
Total liabilities	39,051,828,058	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	10,599,206,272	10,587,320,348
Less: Treasury shares		
Other comprehensive income	123,184,821	143,509,977
Special reserve		
Surplus reserve	2,649,651,290	2,649,651,290
General risk provisions		
Undistributed profits	132,853,816,865	118,681,897,985
Total equity attributable to owners (or shareholders) of the Company	151,525,161,827	137,361,682,179
Minority interests	6,087,959,137	4,958,766,801
Total owners' (or shareholders') equity	157,613,120,964	142,320,448,980
Total liabilities and owners' (or shareholders') equity	196,664,949,022	178,777,181,536

Legal representative: 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

30 September 2020

Prepared by: Anhui Conch Cement Company Limited Unit: RMB

Item	30 September 2020 (unaudited)	31 December 2019
Current Assets:		
Monetary capital	59,692,561,513	48,510,884,870
Held-for-trading financial assets	18,282,933,150	16,782,212,437
Derivative financial assets		
Bills receivable	628,598,898	67,271,482
Accounts receivable	69,285,731	65,613,827
Receivables financing	79,805,089	55,629,834
Prepayments	84,563,834	90,812,408
Other receivables	19,334,944,969	12,759,187,413
Including: Interests receivable	683,132,272	623,056,750
Dividends receivable	10,523,288,004	
Inventories	362,827,506	262,400,030
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	6,250,222	6,608,156
Total current assets	98,541,770,912	78,600,620,457
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	3,983,300,000	5,746,972,850
Long-term equity investment	45,841,047,163	44,090,018,628
Other equity instruments investment	416,511,690	326,095,800
Other non-current financial assets		
Investment properties	38,296,188	39,220,903
Fixed assets	1,029,642,367	960,199,843
Construction in progress	413,672,716	348,311,064
Biological assets for production		
Oil and gas assets		
Right-of-use assets	24,321	
Intangible assets	205,041,388	216,149,317
Development expenses		

Goodwill		
Long-term deferred expenditures		
Deferred income tax assets		
Other non-current assets		
Total non-current assets	51,927,535,833	51,726,968,405
Total assets	150,469,306,745	130,327,588,862
Current liabilities:		
Short-term borrowings	2,149,311,500	
Held-for-trading financial liabilities		
Derivative financial liabilities		
Bills payable		
Accounts payable	115,872,183	164,521,781
Receipts in advance		
Contract liabilities	89,217,926	57,568,885
Wages payable	66,509,280	158,912,585
Tax payable	72,632,430	194,833,414
Other payables	12,405,909,784	15,511,335,164
Including: Interests payable	166,738,455	26,609,741
Dividends payable		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	1,027,796	1,000,000
Other current liabilities		
Total current liabilities	14,900,480,899	16,088,171,829
Non-current liabilities:		
Long-term borrowings	98,000,000	98,500,000
Bonds payable	3,498,291,250	3,498,053,867
Including: Preference shares		
Perpetual bonds		
Lease liability		
Long-term payables		
Long-term wages payable		
Accrued liabilities		
Deferred income	6,060,320	6,469,752
Deferred income tax liabilities	105,680,221	141,552,532
Other non-current liabilities		
Total non-current liabilities	3,708,031,791	3,744,576,151
Total liabilities	18,608,512,690	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	16,808,687,838	16,803,992,606
Less: Treasury shares		
Other comprehensive income	271,170,915	174,569,774
Special reserve		
Surplus reserve	2,649,651,290	2,649,651,290
Undistributed profits	106,831,981,433	85,567,324,633
Total owners' (or shareholders') equity	131,860,794,055	110,494,840,882
Total liabilities and owners' (or shareholders') equity	150,469,306,745	130,327,588,862

Legal representative: 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 - September 2020

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

Item	2020 Third Quarter (July-September)	2019 Third Quarter (July-September)	The first three quarters of 2020 (January to September)	The first three quarters of 2019 (January to September)
I. Total operating income	49,976,676,495	39,112,557,005	123,983,571,571	110,756,382,807
Including: Operating income	49,976,676,495	39,112,557,005	123,983,571,571	110,756,382,807
Interest income				
Premium received				
Handling fee and commission income				
II. Total operation costs	39,840,830,987	28,793,624,210	93,988,287,082	81,403,431,537
Including: Operation cost	37,397,463,666	26,451,257,561	88,161,644,362	74,849,767,356
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	300,935,052	324,404,881	903,598,682	993,956,524
Selling expenses	1,101,281,604	1,154,032,774	2,892,932,674	3,137,157,395
Administrative expenses	1,183,791,684	1,174,806,494	2,956,346,160	3,339,818,897
R&D expenses	213,311,290	16,824,699	293,847,915	40,156,330
Financial expenses	-355,952,309	-327,702,199	-1,220,082,711	-957,424,965
Including: Interests expenses	103,493,832	128,466,612	320,097,016	363,275,437
Interests income	-626,525,842	-382,560,924	-1,688,105,377	-1,168,843,163
Add: Other gains	277,052,216	255,356,237	768,215,888	685,085,475
Income from investment (“-” refers to loss)	416,945,606	385,468,000	1,227,993,703	1,068,291,965
Including: Investment income from associates and joint venture companies	233,000,636	194,839,592	655,837,954	629,265,083
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)	24,174,467	1,565,092	2,901,645	-9,670,645
Credit impairment loss (“-” refers to loss)	-1,332,011	748,741	-105,159	-2,459,770
Asset impairment loss (“-” refers to loss)				
Gains on disposal of assets(“-” refers to loss)	553,660,662	14,467,500	557,118,511	18,358,390
III. Operating profits (“-” refers to loss)	11,406,346,448	10,976,538,365	32,551,409,077	31,112,556,685
Add: Non-operating profits	284,286,553	230,090,432	682,099,798	481,265,193
Less: Non-operating expenses	23,542,769	51,745,487	69,958,213	102,937,926
IV. Total profits (“-” refers to loss)	11,667,090,232	11,154,883,310	33,163,550,662	31,490,883,952
Less: Income tax expenses	2,689,732,320	2,380,757,665	7,567,942,593	7,098,279,360
V. Net profits (“-” refers to loss)	8,977,357,912	8,774,125,645	25,595,608,069	24,392,604,592
(I) Classified according to the continuity of the business				
1.Net profits of continuing operations (“-” refers to loss)	8,977,357,912	8,774,125,645	25,595,608,069	24,392,604,592
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)	8,649,780,515	8,555,945,431	24,719,025,756	23,815,647,804
2. Net profits attributable to minority interests ("-" refers to loss)	327,577,397	218,180,214	876,582,313	576,956,788
VI. Net amount of other comprehensive income after tax	-126,776,990	19,478,084	-32,408,226	42,094,213
Net amount of other comprehensive income after tax attributable to owners of the parent company	-106,049,406	27,272,470	-20,325,156	48,833,020
(I) Other comprehensive income not to be reclassified into profit or loss subsequently	-39,543,212	-1,089,942	72,602,938	8,447,051
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	-39,543,212	-1,089,942	72,602,938	8,447,051
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	-66,506,194	28,362,412	-92,928,094	40,385,969
1. Share of other comprehensive income which can be reclassified into profit or loss under equity method subsequently	3,599,760		24,005,960	3,150,360
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	-70,105,954	28,362,412	-116,934,054	37,235,609
7. Other				
Net amount of other comprehensive income after tax attributable to minority shareholders	-20,727,584	-7,794,386	-12,083,070	-6,738,807
VII. Total comprehensive income	8,850,580,922	8,793,603,729	25,563,199,843	24,434,698,805
Total comprehensive income attributable to owners of the Company	8,543,731,109	8,583,217,901	24,698,700,600	23,864,480,824
Total comprehensive income attributable to minority shareholders	306,849,813	210,385,828	864,499,243	570,217,981
VIII. Earnings per share:				
(1) Basic earnings per share (RMB/Share)	1.63	1.61	4.66	4.49
(2) Diluted earnings per share (RMB/Share)	1.63	1.61	4.66	4.49

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

Legal representative: 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 - September 2020

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

Item	**2020 Third Quarter (July-September)**	**2019 Third Quarter (July-September)**	**The first three quarters of 2020 (January to September)**	**The first three quarters of 2019 (January to September)**
I. Operating income	887,206,749	1,008,320,080	2,323,451,130	2,688,030,695
Less: Operating cost	541,841,524	552,438,055	1,306,546,172	1,457,716,802
Taxes and surcharges	12,211,225	13,269,460	36,396,524	38,588,851
Selling expenses	23,561,217	25,902,815	65,478,721	73,510,528
Administrative expenses	72,502,919	89,360,383	152,611,974	256,576,184
R&D expenses				
Financial expenses	-661,916,200	-517,373,833	-1,768,233,428	-1,431,618,232
Including: Interests expenses	51,228,544	45,792,781	143,528,939	137,354,273

Interests income	-712,149,788	-542,382,167	-1,889,980,900	-1,555,635,617
Add: Other gains	892,778	1,079,025	1,512,435	2,886,242
Income from investment ("-" refers to loss)	3,410,497,584	3,635,876,495	29,955,573,713	8,619,230,834
Including: Investment income from associates and joint venture companies	115,150,791	108,328,431	368,815,948	365,645,738
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)	24,174,467		2,901,645	
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)	4,334,570,893	4,481,678,720	32,490,638,960	10,915,373,638
Add: Non-operating profits	8,382,303	44,909,719	85,359,902	53,474,576
Less: Non-operating expenses	1,015,258	2,178,475	2,996,949	2,197,162
III. Total profits ("-" refers to total loss)	4,341,937,938	4,524,409,964	32,573,001,913	10,966,651,052
Less: Income tax expense	264,663,710	268,822,298	765,946,483	676,811,032
IV. Net profits ("-" refers to net loss)	4,077,274,228	4,255,587,666	31,807,055,430	10,289,840,020
1.Net profits of continuing operations ("-" refers to loss)	4,077,274,228	4,255,587,666	31,807,055,430	10,289,840,020
2.Net profits of discontinued operations ("-" refers to loss)				
V. Net amount of other comprehensive income after tax	-35,919,133	-1,089,942	96,601,141	11,597,411
(I) Other comprehensive income not to be reclassified into profit or loss subsequently	-39,543,212	-1,089,942	72,602,938	8,447,051

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	-39,543,212	-1,089,942	72,602,938	8,447,051
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	3,624,079		23,998,203	3,150,360
1. Share of other comprehensive income of the investees company which can be reclassified into profit or loss under equity method subsequently	3,624,079		23,998,203	3,150,360
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	4,041,355,095	4,254,497,725	31,903,656,571	10,301,437,431
VII. Earnings per share:				
(1) Basic earnings per share (RMB/Share)				
(2) Diluted earnings per share (RMB/Share)				

Legal representative: 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 - September 2020

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

Item	The first three quarters of 2020 (January - September)	The first three quarters of 2019 (January - September)
I. Cash flow from operating activities:		
Cash received from selling goods and providing services	143,816,633,662	140,933,287,616
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	48,260,923	47,289,266
Cash received relating to other operating activities	1,673,568,682	1,197,425,656
Sub-total of cash inflow from operating activities	145,538,463,267	142,178,002,538
Cash paid for purchasing goods and receiving services	99,011,856,853	91,911,988,330
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	5,658,963,864	5,338,556,125
Various taxes paid	16,233,310,167	16,424,696,559
Cash paid relating to other operating activities	1,122,933,730	2,487,287,124
Sub-total of cash outflow from operating activities	122,027,064,614	116,162,528,138
Net cash flow from operating activities	23,511,398,653	26,015,474,400

II. Cash flow from investing activities:		
Cash received from disposal of investments	38,005,663,932	37,578,648,823
Cash received from returns on investments	926,119,037	433,519,287
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	610,525,393	103,792,820
Net cash received from disposal of subsidiaries and other operating business units		
Cash received relating to other investing activities	1,372,059,451	762,123,382
Sub-total of cash inflow from investing activities	40,914,367,813	38,878,084,312
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	5,769,435,153	6,025,726,797
Cash paid for investment	54,363,272,000	42,500,000,000
Net increase in pledge loans		
Net cash received from subsidiaries and other operating business units	492,513,488	149,218,846
Cash paid relating to other investing activities	73,280,000	126,170,000
Sub-total of cash outflow investing activities	60,698,500,641	48,801,115,643
Net cash flow from investing activities	-19,784,132,828	-9,923,031,331
III. Cash flow generated from financing activities:		
Cash received from investment	287,000,000	505,479,499
Including: Cash received by subsidiaries from the investment of minority shareholders	287,000,000	505,479,499
Cash received from borrowings	3,821,240,450	3,892,483,891
Cash received related to other financing activities		
Sub-total of cash inflow from financing activities	4,108,240,450	4,397,963,390
Cash paid for repaying debts	2,944,591,938	3,328,443,932
Cash paid for distributing dividends and profits and interest repayment	11,118,742,486	9,319,285,512
Including: Dividends and profits paid by subsidiaries to minority shareholders	359,294,657	273,492,148
Cash paid related to other financing activities	14,962,970	13,176,207
Sub-total of cash outflow from financing activities	14,078,297,394	12,660,905,651
Net cash flow generated from financing activities	-9,970,056,944	-8,262,942,261
IV. Effect of foreign exchange rate changes to cash and cash equivalents	-48,908,282	10,701,009
V. Net increase in cash and cash equivalents	-6,291,699,401	7,840,201,817
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	15,722,445,386	17,697,873,600

Legal representative: 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 - September 2020

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

Item	The first three quarters of 2020 (January - September)	The first three quarters of 2019 (January - September)
I. Cash flow from operating activities:		
Cash received from selling goods and providing services	2,101,499,858	3,168,850,746
Refunds of taxes received	12,024,413	28,580,075
Cash received relating to other operating activities	5,906,945,202	20,627,200,209
Sub-total of cash inflow from operating activities	8,020,469,473	23,824,631,030
Cash paid for purchasing goods and receiving services	1,516,472,331	1,565,933,879
Cash paid to and for employees	301,670,346	244,951,459
Various taxes paid	1,147,772,196	1,107,625,933
Cash paid relating to other operating activities	5,685,027,755	7,199,295,680
Sub-total of cash outflow from operating activities	8,650,942,628	10,117,806,951
Net cash flow from operating activities	-630,473,155	13,706,824,079
II. Cash flow from investing activities:		
Cash received from disposal of investments	38,005,663,932	37,531,542,241
Cash received from returns on investments	19,392,662,781	8,214,451,939
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	7,901,427	59,552,963
Net cash received from disposal of subsidiaries and other operating business units		
Cash received relating to other investing activities	5,372,548,628	1,964,237,054
Sub-total of cash inflow from investing activities	62,778,776,768	47,769,784,197
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	193,992,658	239,491,907
Cash paid for investment	54,363,272,000	42,500,000,000
Net cash paid for acquisition of subsidiaries and other operating business units	1,689,561,491	993,748,689
Cash paid relating to other investing activities	3,315,470,400	2,301,422,111
Sub-total of cash outflow from investing activities	59,562,296,549	46,034,662,707
Net cash flow from investing activities	3,216,480,219	1,735,121,490

III. Cash flow generated from financing activities:		
Cash received from investment		
Cash received from borrowings	2,237,830,000	100,000,000
Cash received related to other financing activities		
Sub-total of cash inflow from financing activities	2,237,830,000	100,000,000
Cash paid for repaying debts	500,000	97,500,000
Cash paid for distributing dividends and profits and interest repayment	10,649,624,100	8,852,748,791
Cash paid related to other financing activities		
Sub-total of cash outflow from financing activities	10,650,124,100	8,950,248,791
Net cash flow generated from financing activities	-8,412,294,100	-8,850,248,791
IV. Effect of foreign exchange rate changes to cash and cash equivalents	8,089,083	-957,383
V. Net increase in cash and cash equivalents	-5,818,197,953	6,590,739,395
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	10,170,795,966	12,418,998,755

Legal representative: 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
Joint Company Secretary
Yu Shui

Wuhu City, Anhui Province, the PRC
27 October 2020

As at the date of this report, 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.