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CMOC

洛陽欒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 THIRD 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 third quarter ended 30 September 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 purpose 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.

CONTENTS

I. IMPORTANT NOTICE	3
II. BASIC INFORMATION OF THE COMPANY	3
III. SIGNIFICANT EVENTS	9
IV. APPENDIX	14

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 Yuan Honglin, 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 third 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	124,132,222,057.66	116,862,226,476.73	6.22
Net assets attributable to the shareholders of the listed company	40,371,135,377.99	40,802,774,133.85	-1.06

Items	From the beginning of the year to the end of the reporting period (January-September)	From the beginning of last year to the end of the reporting period of last year (January-September)	Increase/decrease as compared with the same period last year (%)
Net cash flow from operating activities	9,660,164,870.15	1,402,583,365.31	588.74
Operating revenue	80,306,361,455.73	33,409,050,982.82	140.37
Net profit attributable to the shareholders of the listed company	1,609,504,257.69	1,244,135,605.10	29.37
Net profit after deduction of non-recurring profits or losses attributable to the shareholders of the listed company	753,710,259.00	869,588,538.19	-13.33
Weighted average rate of return on net assets (%)	3.95	3.04	increased by 0.91 percentage points
Basic earnings per share (<i>RMB Yuan/Share</i>)	0.075	0.058	29.31
Diluted earnings per share (<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 (July-September)	From the beginning of the year to the end of the reporting period (January-September)	Notes
Profits or losses from disposal of non-current assets	-803,411.86	5,186,197.60	
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	3,637,204.95	16,600,653.87	Including subsidies for low-grade scheelite project of RMB5 million.
Profit and loss arising from changes in fair value and disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other non-current financial assets, except for those effectively hedged associated with normal business operations of the Company	-2,366,412,704.31	-843,862,963.53	Including changes in fair value of derivative financial instruments of IXM B.V. amounting to RMB953 million. (including losses of RMB2,410 million from July to September)
Other losses in changes of fair value	1,025,538.32	3,201,746.51	
Donation expenditure	-20,585,991.02	-22,031,325.21	
Gains or losses in changes of fair value of assets and liabilities including trading inventories measured at fair value of IXM B.V.'s metal trading business	2,909,225,201.96	1,625,474,357.50	
Other non-operating income or expenses other than the above items	16,221,849.44	17,644,277.99	
Effects of Non-controlling interests (after tax)	-193,508.24	-1,450,265.63	
Income tax effects	-186,376,078.95	55,031,319.59	
Total	355,738,100.29	855,793,998.69	

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) 323,046

Shareholding of the top 10 shareholders

Unit: 0'000 Shares

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)	358,924.08 (H shares)	16.62	0	Unknown	0	Unknown
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)	62,149.50 (A shares)	2.88	0	Nil	0	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

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	43,076.62 (A shares)	1.99	0	Pledge	36,640.21	Domestic non-state owned legal person
Hong Kong Securities Clearing Company Ltd. 香港中央結算有限公司	25,191.35 (A shares)	1.17	0	Nil	0	Unknown
National Social Security Fund Package No. 108 全國社保基金一零八組 合	20,000.00 (A shares)	0.93	0	Nil	0	State-owned legal person
Abu Dhabi Investment Authority 阿布 達比投資局	7,126.29 (A shares)	0.33	0	Nil	0	Unknown

Shareholding of the 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)	358,924.08	Overseas listed foreign- invested shares (H shares)	358,924.08

Name of shareholders (full name)	Number of tradable shares not subject to trading moratorium	Types and quantity of shares Types	Quantity
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)	62,149.50	RMB-denominated ordinary shares (A shares)	62,149.50
Minsheng Bank Fund – Bank of Ningbo – Jiaxing Minliu Investment Partnership(Limited Partnership)* 民生加銀基金–寧波銀行–嘉興民琿投資合夥企業(有限合夥)	46,672.77	RMB-denominated ordinary shares (A shares)	46,672.77
Ningbo Shanshan Venture Capital Co., Ltd. 寧波杉杉創業投資有限公司	43,076.62	RMB-denominated ordinary shares (A shares)	43,076.62
Hong Kong Securities Clearing Company Ltd. 香港中央結算有限公司	25,191.35	RMB-denominated ordinary shares (A shares)	25,191.35
National Social Security Fund Package No. 108 全國社保基金一零八組合	20,000.00	RMB-denominated ordinary shares (A shares)	20,000.00
Abu Dhabi Investment Authority 阿布拉達比投資局	7,126.29	RMB-denominated ordinary shares (A shares)	7,126.29

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) held 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). Therefore, 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 largest 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	30 September 2020	31 December 2019	Increase/ decrease	Notes
Cash and bank balances	20,975,178,028.61	15,647,900,059.61	34.04%	The increase in cash and bank balances was mainly due to the increase of the collections from operating activities during the period.
Derivative financial assets	1,388,442,170.77	2,178,322,223.39	-36.26%	The decrease in balance was mainly due to the decrease of derivative financial assets of the basic mineral trading business.
Accounts receivable	919,745,073.31	1,510,508,440.50	-39.11%	The decrease in accounts receivable was mainly due to the collection of accounts receivables.
Prepayments	1,524,808,013.94	1,065,494,520.83	43.11%	The increase in prepayment was mainly due to the increase of prepayment for purchase of goods.
Other receivables	1,896,427,877.58	1,119,039,260.19	69.47%	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.
Long-term equity investments	1,397,831,622.50	1,033,168,028.11	35.30%	The increase in long-term investment was mainly due to the capital injection to PT.HUAWUE NICKEL COBALT.
Construction in progress	3,824,595,921.81	2,386,791,478.58	60.24%	The increase in construction-in-progress was mainly due to the investment during the period.

Items	30 September 2020	31 December 2019	Increase/ decrease	Notes
Deferred tax assets	1,148,932,421.40	645,508,458.12	77.99%	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	4,838,841,078.82	3,157,951,924.72	53.23%	The increase of held-for-trading financial liabilities was mainly due to the increase of account payables of metal trade business which is designated as held-for-trading financial liabilities.
Derivative financial liabilities	3,521,502,984.63	2,640,928,053.07	33.34%	The increase in balance was mainly due to the increase of derivative financial liabilities of the basic mineral trading business.
Notes payable	1,531,278,572.20	233,224,073.53	556.57%	The increase in balance was mainly due to the increase of payables via note payables
Accounts payable	1,193,808,117.10	1,944,506,406.62	-38.61%	The decrease in accounts payables was mainly due to the decrease of payables of metal trading business.
Taxes payable	1,007,118,117.38	399,251,199.18	152.25%	The increase in tax payables was mainly due to the increase of enterprise income tax.
Other current liabilities	2,175,109,410.88	1,167,803,612.80	86.26%	The increase in other current liabilities was mainly due to the issue of super short-term commercial paper.
Other non-current liabilities	3,878,275,399.99	238,141,518.84	1,528.56%	The increase in non-current liabilities was mainly due to the advance payments received from gold streaming business.
Other comprehensive income	-1,580,967,460.05	-468,588,363.13	-237.39%	The difference was mainly due to the fluctuation of foreign exchange rates, having an impact on exchange difference on translation of financial statements in foreign currencies and cash flow hedge reserves.

3.1.2 Items in Income Statement

Unit: Yuan Currency: RMB

Items	January to September 2020	January to September 2019	Increase/ decrease	Notes
Operating income	80,306,361,455.73	33,409,050,982.82	140.37%	<i>Note 1</i>
Operating costs	75,226,588,451.36	29,910,362,495.41	151.51%	<i>Note 1</i>
Research and development expenses	105,363,308.25	227,394,798.72	-53.67%	The decrease in R&D expenses was mainly due to the slow down of the R&D investment caused by the outbreak of COVID-19 during the period.
Gains from changes in fair value	-990,458,497.50	417,517,784.90	-337.23%	<i>Note 1</i>
Income tax expenses	-229,657,705.32	242,508,674.81	-194.70%	The decrease in income tax expenses was mainly due to the exchange rate fluctuation of Brazilian real against US dollar and the tax benefit from the restriction of Brazil business during the period.

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 24th July 2019.

3.1.3 Items in Cash Flow Statement

Unit: Yuan Currency: RMB

Items	January to September 2020	January to September 2019	Increase/ decrease	Notes
Net cash flow from operating activities	9,660,164,870.15	1,402,583,365.31	588.74%	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 last year since the completion of merger and acquisition of IXM B.V. on 24th July 2019, the increase of operating cash inflow from mining section and advanced payments received from gold streaming business.
Net cash flow from investing activities	-2,624,981,531.16	-10,503,146,731.95	75.01%	The Company acquired subsidiary in the same reporting period last year, while there is no such business during the period.
Net cash flow from financing activities	65,281,382.46	-1,508,802,709.38	104.33%	The increase in the net cash flow from financing activities was mainly due to the increase of the metal trading business in the reporting period as compared to the same period last year since the completion of merger and acquisition of IXM B.V. on 24th July 2019, and the increase of gold lease business as compared to the same period last year, and the decrease of dividend distribution during the period.

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 last year (%)	Sales volume increase/decrease for the reporting period as compared with the same period last year (%)
Metal exploration and processing ^(Note 2)					
Molybdenum	Tonnes	10,133	10,505	-7.01	-11.46
Tungsten	Tonnes	6,676	6,312	-17.93	-22.60
Niobium	Tonnes	7,234	7,564	12.65	40.36
Phosphate(HA+LA)	Tonnes	824,214	838,309	2.03	-2.78
Copper (TFM)	Tonnes	141,966	143,913	8.27	7.15
Cobalt	Tonnes	10,507	12,794	-16.68	15.02
Copper (calculated based on 80% NPM equity interest)	Tonnes	19,955	19,175	-5.68	-0.61
Gold	Ounces	15,146	15,686	3.12	14.17
				Purchase volume increase/decrease for the reporting period as compared with the same period last year (%)	Sales volume increase/decrease for the reporting period as compared with the same period last year (%)
	Unit	Purchase volume	Sales volume		
Mineral trading ^(Note 3)					
Mineral metals	Tonnes	1,780,654	1,558,654	247.84	265.73
Refined metals	Tonnes	1,762,990	1,824,014	208.12	203.03

Note 2: Data relating to production volume, sales volume and inventory in the mining and processing stage of the mines is provided by each mine.

Note 3: 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 24th July 2019. Therefore, the purchase and sales volume has considerably increased compared to the same period of last year.

Note 4: The primary products of metal minerals, mainly are the concentrates.

Note 5: The smelting and processing products of metal minerals.

3.2 Analysis and explanations of the progress of significant events and their impacts and solutions

At the fifteenth extraordinary meeting of the fifth session of Board, the Proposal on Repurchase of A Shares of the Company through Centralized Price Bidding was considered and approved. The Announcement of the A-Shares Repurchase Plan through Centralized Price Bidding and the Repurchase Report of A-Share of the Company through Centralized Price Bidding were disclosed on October 9, 2020 and October 14, 2020 respectively. For more details, please refer to the relevant announcement of the Company. As of the disclosure date of this report, the repurchase plan has not been implemented. The Company will continue implementing the plan within the repurchasing period in accordance with market conditions, and timely fulfill the obligation of information disclosure in accordance with relevant laws, regulations and normative documents.

IV. APPENDIX

4.1 Financial statements

CONSOLIDATED BALANCE SHEET

30 September 2020

Unit: Yuan Currency: RMB Unaudited

Items	30 September 2020	31 December 2019
Current assets:		
Cash and bank balances	20,975,178,028.61	15,647,900,059.61
Held-for-trading financial assets	9,209,945,983.76	7,719,450,290.97
Derivative financial assets	1,388,442,170.77	2,178,322,223.39
Accounts receivable	919,745,073.31	1,510,508,440.50
Financing receivables	453,731,987.93	375,935,645.39
Prepayments	1,524,808,013.94	1,065,494,520.83
Other receivables	1,896,427,877.58	1,119,039,260.19
Including: Interests receivable	289,392,006.75	198,921,505.19
Dividends receivable	45,829,065.85	2,235,286.10
Inventories	21,167,288,206.34	20,730,673,736.79
Other current assets	4,552,101,946.33	3,830,180,430.37
Total current assets	62,087,669,288.57	54,177,504,608.04

Items	30 September 2020	31 December 2019
Non-current assets:		
Debt investments	170,000,000.00	0.00
Long-term equity investments	1,397,831,622.50	1,033,168,028.11
Other investments in equity instruments	85,339,741.44	85,344,307.06
Other non-current financial assets	4,447,643,201.71	4,356,783,464.12
Non-current derivative financial assets	0.00	7,620,425.07
Fixed assets	23,083,245,750.99	24,439,595,450.35
Construction in progress	3,824,595,921.81	2,386,791,478.58
Right-of-use assets	288,876,397.27	346,815,801.39
Intangible assets	18,887,255,543.68	20,446,930,377.08
Long-term inventories	5,920,400,489.86	5,660,505,828.69
Goodwill	551,266,885.10	659,468,043.85
Long-term prepaid expenses	134,637,102.36	136,987,188.97
Deferred tax assets	1,148,932,421.40	645,508,458.12
Other non-current assets	2,104,527,690.97	2,479,203,017.30
	<u>62,044,552,769.09</u>	<u>62,684,721,868.69</u>
Total non-current assets		
	<u>124,132,222,057.66</u>	<u>116,862,226,476.73</u>
Total assets		
Current liabilities:		
Short-term borrowings	20,313,597,396.69	18,589,025,832.49
Held-for-trading financial liabilities	4,838,841,078.82	3,157,951,924.72
Derivative financial liabilities	3,521,502,984.63	2,640,928,053.07
Notes payable	1,531,278,572.20	233,224,073.53
Accounts payable	1,193,808,117.10	1,944,506,406.62
Contract liabilities	507,865,216.72	416,194,761.78
Employee benefits payable	621,677,483.74	692,638,178.24
Taxes payable	1,007,118,117.38	399,251,199.18
Other payables	1,321,255,876.55	1,584,737,923.47
Including: Interests payable	208,257,805.65	246,838,776.68
Dividends payable	27,885,796.67	27,885,796.67
Non-current liabilities due within one year	4,845,265,325.96	3,749,103,660.62
Other current liabilities	2,175,109,410.88	1,167,803,612.80
	<u>41,877,319,580.67</u>	<u>34,575,365,626.52</u>
Total current liabilities		

Items	30 September 2020	31 December 2019
Non-current liabilities:		
Long-term borrowings	15,692,195,513.14	16,278,909,765.88
Bonds payable	3,702,525,000.00	5,092,860,000.00
Non-current derivative financial liabilities	469,643,285.82	202,416,693.40
Lease liabilities	171,836,657.34	273,971,191.18
Long-term employee benefits payable	318,181,754.48	254,249,008.22
Provisions	2,505,027,902.74	2,495,171,563.70
Deferred income	62,462,408.20	68,005,249.90
Deferred tax liabilities	6,495,722,303.35	7,887,539,765.83
Other non-current liabilities	3,878,275,399.99	238,141,518.84
	<u>33,295,870,225.06</u>	<u>32,791,264,756.95</u>
Total non-current liabilities	33,295,870,225.06	32,791,264,756.95
	<u>75,173,189,805.73</u>	<u>67,366,630,383.47</u>
Total liabilities	75,173,189,805.73	67,366,630,383.47
Shareholders' equity (or equity interest):		
Paid-in capital (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	-1,580,967,460.05	-468,588,363.13
Special reserve	480,473.36	302,145.46
Surplus reserve	1,286,827,000.91	1,286,827,000.91
Retained profits	8,762,152,263.94	8,081,590,250.78
Total equity attributable to the shareholders of the parent company	40,371,135,377.99	40,802,774,133.85
Minority interests	8,587,896,873.94	8,692,821,959.41
	<u>48,959,032,251.93</u>	<u>49,495,596,093.26</u>
Total shareholders' equity (or equity interest)	48,959,032,251.93	49,495,596,093.26
Total liabilities and shareholders' equity (or equity interest)	124,132,222,057.66	116,862,226,476.73

BALANCE SHEET OF THE COMPANY

30 September 2020

Unit: Yuan Currency: RMB Unaudited

Items	30 September 2020	31 December 2019
Current assets:		
Cash and bank balances	6,699,711,514.44	3,979,403,901.95
Held-for-trading financial assets	830,858,051.90	1,014,194,897.26
Derivative financial assets	5,891,594.57	0.00
Accounts receivable	396,835,438.13	69,757,554.20
Financing receivables	1,307,982.71	59,095,591.76
Prepayments	138,308,228.88	7,220,814.76
Other receivables	3,679,409,349.27	5,013,326,170.63
Including: Interests receivable	392,105,530.13	400,713,610.41
Dividends receivable	88,006,084.08	44,006,084.08
Inventories	173,687,235.24	140,962,874.49
Other current assets	89,493,663.60	112,132,176.28
Total current assets	12,015,503,058.74	10,396,093,981.33
Non-current assets:		
Long-term equity investments	31,940,008,134.06	29,912,001,876.46
Other non-current financial assets	729,810,696.29	725,946,156.42
Fixed assets	1,401,772,652.22	1,343,692,135.81
Construction in progress	389,785,989.47	185,186,824.85
Intangible assets	287,884,619.35	321,189,810.81
Long-term prepaid expenses	140,260,402.96	146,894,703.40
Deferred tax assets	73,066,348.04	33,651,881.47
Other non-current assets	8,028,346.01	8,028,346.01
Total non-current assets	34,970,617,188.40	32,676,591,735.23
Total assets	46,986,120,247.14	43,072,685,716.56

Items	30 September 2020	31 December 2019
Current liabilities:		
Short-term borrowings	1,704,303,000.00	1,178,000,000.00
Held-for-trading financial liabilities	778,645,178.51	645,164,164.50
Notes payable	388,988,313.85	7,350,262.77
Accounts payable	130,424,981.08	236,918,656.25
Contract liabilities	320,971,947.56	254,996,864.98
Employee benefits payable	69,841,295.58	114,106,952.06
Taxes payable	-16,775,402.89	22,913,488.49
Other payables	2,214,133,766.11	912,657,905.56
Including: Interests payable	114,798,720.51	83,541,782.42
Non-current liabilities due within one year	2,000,000,000.00	0.00
Other current liabilities	2,204,498,232.89	1,150,711,291.46
Total current liabilities	<u>9,795,031,312.69</u>	<u>4,522,819,586.07</u>
Non-current liabilities:		
Bonds payable	2,000,000,000.00	3,000,000,000.00
Non-current derivative financial liabilities	421,455,193.38	202,416,693.40
Provisions	47,570,371.67	47,570,371.67
Deferred income	18,498,806.75	18,787,996.10
Other non-current liabilities	131,367,942.86	204,093,366.89
Total non-current liabilities	<u>2,618,892,314.66</u>	<u>3,472,868,428.06</u>
Total liabilities	<u>12,413,923,627.35</u>	<u>7,995,688,014.13</u>
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	227,370.11	100,628.26
Surplus reserve	1,286,827,000.91	1,286,827,000.91
Retained profits	1,328,763,243.29	1,833,691,067.78
Total shareholders' equity (or equity interest)	<u>34,572,196,619.79</u>	<u>35,076,997,702.43</u>
Total liabilities and shareholders' equity (or equity interest)	<u>46,986,120,247.14</u>	<u>43,072,685,716.56</u>

CONSOLIDATED INCOME STATEMENT

January to September 2020

Unit: Yuan Currency: RMB Unaudited

Items	July to September 2020	July to September 2019	January to September 2020	January to September 2019
I. Total operating income	33,562,504,029.47	23,430,381,675.08	80,306,361,455.73	33,409,050,982.82
Including: Operating income	<u>33,562,504,029.47</u>	<u>23,430,381,675.08</u>	<u>80,306,361,455.73</u>	<u>33,409,050,982.82</u>
II. Total operating costs	30,081,244,485.46	23,101,874,853.78	78,032,523,010.85	32,518,650,395.84
Including: Operating costs	29,184,354,317.05	22,133,207,105.59	75,226,588,451.36	29,910,362,495.41
Taxes and levies	195,908,453.56	216,782,092.96	669,432,344.80	703,082,413.83
Selling expenses	13,406,451.43	20,474,185.85	55,803,565.00	61,548,591.55
Administrative expenses	320,091,281.56	291,494,882.84	972,487,642.18	773,270,418.76
Research and development expenses	60,087,249.65	104,722,542.44	105,363,308.25	227,394,798.72
Financial expenses	307,396,732.21	335,194,044.10	1,002,847,699.26	842,991,677.57
Including: Interest expenses	425,690,361.00	472,450,305.84	1,349,727,775.16	1,256,046,244.84
Interest income	155,361,659.62	215,946,153.18	526,308,587.58	747,021,357.94
Add: Other income	3,637,128.42	3,114,866.18	16,550,577.34	13,248,933.41
Investment income (losses are indicated by “-”)	39,045,489.83	-24,970,511.78	165,583,997.69	133,996,635.86
Including: Income from investments in associates and joint ventures	11,722,887.24	-33,265,287.15	15,786,717.23	131,444,030.94
Gains from changes in fair value (losses are indicated by “-”)	-2,392,709,768.59	280,565,222.89	-990,458,497.50	417,517,784.90
Losses from credit impairment (losses are indicated by “-”)	6,819,868.32	9,125,611.84	6,128,000.07	-8,311,650.78
Losses from assets impairment (losses are indicated by “-”)	-5,431,842.60	-6,385,376.30	5,504,181.28	-18,284,803.99
Gains from disposal of assets (losses are indicated by “-”)	-803,411.86	-613,316.84	5,186,197.60	-11,289,365.68

Items	July to September 2020	July to September 2019	January to September 2020	January to September 2019
III. Operating profit (losses are indicated by "-")	1,131,817,007.53	589,343,317.29	1,482,332,901.36	1,417,278,120.70
Add: Non-operating income	16,137,486.86	9,377,152.50	21,620,927.26	11,905,555.25
Less: Non-operating expenses	<u>20,501,551.88</u>	<u>1,976,910.75</u>	<u>25,957,897.94</u>	<u>8,528,313.06</u>
IV. Total profit (losses are indicated by "-")	1,127,452,942.51	596,743,559.04	1,477,995,930.68	1,420,655,362.89
Less: Income tax expenses	<u>421,948,235.37</u>	<u>192,087,475.58</u>	<u>-229,657,705.32</u>	<u>242,508,674.81</u>
V. Net profit (losses are indicated by "-")	705,504,707.14	404,656,083.46	1,707,653,636.00	1,178,146,688.08
(I) Classified by business continuity				
1. Net profit from continuing operations (losses are indicated by "-")	705,504,707.14	404,656,083.46	1,707,653,636.00	1,178,146,688.08
(II) Classified by ownership:				
1. Net profit attributable to owners of the parent company (losses are indicated by "-")	601,683,557.51	436,144,796.29	1,609,504,257.69	1,244,135,605.10
2. Net profit attributable to non-controlling interests (losses are indicated by "-")	<u>103,821,149.63</u>	<u>-31,488,712.83</u>	<u>98,149,378.31</u>	<u>-65,988,917.02</u>

Items	July to September 2020	July to September 2019	January to September 2020	January to September 2019
VI. Other comprehensive income, net of tax	-1,284,088,092.06	641,675,219.76	-1,315,457,893.94	646,889,275.99
(I) Other comprehensive income attributable to owners of the parent company, net of tax	-962,432,432.77	404,285,996.02	-1,112,553,995.34	395,702,861.41
1. Other comprehensive income that will not be reclassified to profit or loss	-4,538,569.81	0.00	-21,165,172.01	0.00
(1) Remeasurement of changes in defined benefit plans	632,700.98	0.00	-15,993,901.22	0.00
(2) Changes in fair value of other investments in equity instruments	-5,171,270.79	0.00	-5,171,270.79	0.00
2. Other comprehensive income that may be reclassified subsequently to profit or loss	-957,893,862.96	404,285,996.02	-1,091,388,823.33	395,702,861.41
(1) Cash flow hedges reserve	94,611,067.44	-51,494,902.33	-497,733,928.27	-224,641,846.70
(2) Foreign exchange difference from translation of financial statements	-1,052,504,930.40	455,780,898.35	-593,654,895.06	620,344,708.11
(II) Other comprehensive income attributable to non-controlling interests, net of tax	<u>-321,655,659.29</u>	<u>237,389,223.74</u>	<u>-202,903,898.60</u>	<u>251,186,414.58</u>
VII. Total comprehensive income	-578,583,384.92	1,046,331,303.22	392,195,742.06	1,825,035,964.07
(I) Total comprehensive income attributable to shareholders of the parent company	-360,748,875.26	840,430,792.31	496,950,262.35	1,639,838,466.51
(II) Total comprehensive income attributable to minority interests	<u>-217,834,509.66</u>	<u>205,900,510.91</u>	<u>-104,754,520.29</u>	<u>185,197,497.56</u>
VIII. Earnings per share:				
(I) Basic earnings per share (RMB Yuan/Share)	<u>0.028</u>	<u>0.021</u>	<u>0.075</u>	<u>0.058</u>
(II) Diluted earnings per share (RMB Yuan/Share)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

INCOME STATEMENT OF THE COMPANY

January to September 2020

Unit: Yuan Currency: RMB Unaudited

Items	July to September 2020	July to September 2019	January to September 2020	January to September 2019
I. Operating revenue	613,301,936.95	831,490,113.04	2,138,166,849.07	2,509,707,342.83
Less: Operating costs	302,866,949.65	304,149,828.66	1,077,835,457.57	950,782,372.08
Taxes and levies	35,764,690.37	73,334,186.83	146,660,563.82	213,228,622.15
Selling expenses	0.00	11,436.04	8,135.31	17,980.30
Administrative expenses	63,937,711.40	72,111,963.94	193,526,057.48	200,650,826.40
Research and development expenses	53,345,421.26	64,486,581.79	84,029,965.60	134,897,706.40
Financial expenses	50,371,999.00	-47,319,043.24	79,638,348.12	-240,642,441.44
Including: Interest expenses	91,543,450.30	67,716,989.26	293,222,422.15	95,668,096.26
Interest income	98,400,246.50	108,268,024.03	267,252,515.52	444,001,778.15
Add: Other income	1,376,965.23	1,296,396.45	5,304,352.31	4,489,189.35
Investment income (losses are indicated by "-")	21,107,455.01	29,825,812.84	127,488,392.29	-25,626,975.80
Including: Income from investments in associates and joint ventures	12,821,168.34	17,009,205.84	27,133,909.33	35,992,054.87
Gains from changes in fair value (losses are indicated by "-")	30,661,983.14	-40,774,577.65	-206,398,897.65	-162,837,469.33
Losses from credit impairment(losses are indicated by "-")	3,943,641.05	2,398.26	3,897,278.35	3,156,521.46
Gains from disposal of assets (losses are indicated by "-")	5,749.80	7,097.16	-364,586.84	7,097.16
	<u>164,110,959.50</u>	<u>355,072,286.08</u>	<u>486,394,859.63</u>	<u>1,069,960,639.78</u>
II. Operating profit (losses are indicated by "-")	164,110,959.50	355,072,286.08	486,394,859.63	1,069,960,639.78
Add: Non-operating income	162,000.17	1,978,099.84	179,703.99	1,628,976.30
Less: Non-operating expenses	20,536,488.60	1,216,142.61	24,206,559.98	5,202,404.43
	<u>143,736,471.07</u>	<u>355,834,243.31</u>	<u>462,368,003.64</u>	<u>1,066,387,211.65</u>
III. Total profit (losses are indicated by "-")	143,736,471.07	355,834,243.31	462,368,003.64	1,066,387,211.65
Less: Income tax expenses	14,369,129.75	39,245,524.75	38,528,482.03	109,218,432.34
	<u>129,367,341.32</u>	<u>316,588,718.56</u>	<u>423,839,521.61</u>	<u>957,168,779.31</u>
IV. Net profit (losses are indicated by "-")	129,367,341.32	316,588,718.56	423,839,521.61	957,168,779.31
(I) Net profit from continuing operations (losses are indicated by "-")	129,367,341.32	316,588,718.56	423,839,521.61	957,168,779.31
	<u>129,367,341.32</u>	<u>316,588,718.56</u>	<u>423,839,521.61</u>	<u>957,168,779.31</u>
V. Other comprehensive income	<u>/</u>	<u>/</u>	<u>/</u>	<u>/</u>
VI. Total comprehensive income	129,367,341.32	316,588,718.56	423,839,521.61	957,168,779.31

CONSOLIDATED CASH FLOW STATEMENT

January to September 2020

Unit: Yuan Currency: RMB Unaudited

Items	January to September 2020	January to September 2019
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services	84,265,362,012.15	32,193,929,553.70
Other cash receipts relating to operating activities	<u>1,049,208,032.60</u>	<u>2,699,447,346.95</u>
Sub-total of cash inflows from operating activities	<u>85,314,570,044.75</u>	<u>34,893,376,900.65</u>
Cash payments for goods purchased and services received	71,064,296,181.36	25,754,455,664.69
Cash payments to and on behalf of employees	1,805,403,467.42	1,771,437,884.24
Payments of various types of taxes	2,594,347,912.46	3,941,852,629.60
Other cash payments relating to operating activities	<u>190,357,613.36</u>	<u>2,023,047,356.81</u>
Sub-total of cash outflows from operating activities	<u>75,654,405,174.60</u>	<u>33,490,793,535.34</u>
Net cash flow from operating activities	<u>9,660,164,870.15</u>	<u>1,402,583,365.31</u>

Items	January to September 2020	January to September 2019
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	13,302,580,738.32	2,055,352,528.12
Cash receipts from investment income	198,821,470.39	1,534,059,926.67
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	969,132.15	225,424.00
Other cash receipts relating to investing activities	<u>434,824,938.38</u>	<u>163,657,651.70</u>
Sub-total of cash inflows from investing activities	<u>13,937,196,279.24</u>	<u>3,753,295,530.49</u>
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	1,648,483,954.86	1,705,276,049.25
Cash payments to acquire investments	13,971,566,246.17	5,554,481,072.85
Cash payments for acquisitions of subsidiaries and other business units	0.00	6,826,656,657.99
Other cash payments relating to investing activities	<u>942,127,609.37</u>	<u>170,028,482.35</u>
Sub-total of cash outflows from investing activities	<u>16,562,177,810.40</u>	<u>14,256,442,262.44</u>
Net cash flow from investing activities	<u>-2,624,981,531.16</u>	<u>-10,503,146,731.95</u>

Items	January to September 2020	January to September 2019
III. Cash flows from financing activities:		
Cash receipts from borrowings	43,054,447,176.34	16,253,675,160.96
Other cash receipts relating to financing activities	<u>3,998,350,154.34</u>	<u>1,973,492,250.65</u>
Sub-total of cash inflows from financing activities	<u>47,052,797,330.68</u>	<u>18,227,167,411.61</u>
Cash repayments of borrowings	41,071,978,416.70	11,841,915,081.75
Cash payments for distribution of dividends or profits and settlement of interests	2,064,699,093.52	3,561,173,523.56
Other cash payments relating to financing activities	<u>3,850,838,438.00</u>	<u>4,332,881,515.68</u>
Sub-total of cash outflows from financing activities	<u>46,987,515,948.22</u>	<u>19,735,970,120.99</u>
Net cash flow from financing activities	<u>65,281,382.46</u>	<u>-1,508,802,709.38</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents	<u>-269,917,843.05</u>	<u>427,097,530.99</u>
V. Net increase (decrease) in cash and cash equivalents	6,830,546,878.40	-10,182,268,545.03
Add: Opening balance of cash and cash equivalents	<u>12,392,247,511.85</u>	<u>23,240,703,274.03</u>
VI. Closing balance of cash and cash equivalents	<u>19,222,794,390.25</u>	<u>13,058,434,729.00</u>

CASH FLOW STATEMENT OF PARENT COMPANY

January to September 2020

Unit: Yuan Currency: RMB Unaudited

Items	January to September 2020	January to September 2019
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services	6,700,109,593.54	8,541,646,616.73
Other cash receipts relating to operating activities	<u>3,335,734,132.61</u>	<u>1,467,684,478.58</u>
Sub-total of cash inflows from operating activities	<u>10,035,843,726.15</u>	<u>10,009,331,095.31</u>
Cash payments for goods purchased and services received	608,158,160.90	1,473,589,729.74
Cash payments to and on behalf of employees	322,466,848.73	329,835,060.28
Payments of various types of taxes	493,082,246.32	812,437,108.42
Other cash payments relating to operating activities	<u>6,074,159,243.51</u>	<u>4,644,034,644.20</u>
Sub-total of cash outflows from operating activities	<u>7,497,866,499.46</u>	<u>7,259,896,542.64</u>
Net cash flow from operating activities	<u>2,537,977,226.69</u>	<u>2,749,434,552.67</u>

Items	January to September 2020	January to September 2019
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	8,142,545,803.51	2,517,508,499.49
Cash receipts from investment income	171,141,572.01	136,377,217.04
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	197,895.50	225,424.00
Other cash receipts relating to investing activities	<u>4,411,148,608.74</u>	<u>452,163,839.40</u>
Sub-total of cash inflows from investing activities	<u><u>12,725,033,879.76</u></u>	<u><u>3,106,274,979.93</u></u>
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	176,352,019.33	86,775,998.77
Cash payments to acquire investments	9,555,439,400.00	7,918,818,800.35
Other cash payments relating to investing activities	<u>4,919,901,017.80</u>	<u>4,801,112,608.28</u>
Sub-total of cash outflows from investing activities	<u><u>14,651,692,437.13</u></u>	<u><u>12,806,707,407.40</u></u>
Net cash flow from investing activities	<u><u>-1,926,658,557.37</u></u>	<u><u>-9,700,432,427.47</u></u>

Items	January to September 2020	January to September 2019
III. Cash flows from financing activities:		
Cash receipts from borrowings	12,436,283,000.00	8,685,807,229.81
Other cash receipts relating to financing activities	<u>5,561,606,364.69</u>	<u>4,257,397,501.79</u>
Sub-total of cash inflows from financing activities	<u>17,997,889,364.69</u>	<u>12,943,204,731.60</u>
Cash repayments of borrowings	9,897,130,000.00	4,481,166,500.00
Cash payments for distribution of dividends or profits and settlement of interests	1,109,591,350.39	2,526,528,008.15
Other cash payments relating to financing activities	<u>4,414,412,004.82</u>	<u>8,568,012,491.85</u>
Sub-total of cash outflows from financing activities	<u>15,421,133,355.21</u>	<u>15,575,707,000.00</u>
Net cash flow from financing activities	<u>2,576,756,009.48</u>	<u>-2,632,502,268.40</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents	<u>4,778,737.20</u>	<u>-11,495,199.94</u>
V. Net increase (decrease) in cash and cash equivalents	3,192,853,416.00	-9,594,995,343.14
Add: Opening balance of cash and cash equivalents	<u>3,233,637,947.06</u>	<u>12,329,538,991.95</u>
VI. Closing balance of cash and cash equivalents	<u>6,426,491,363.06</u>	<u>2,734,543,648.81</u>

Luoyang City, Henan Province, the People's Republic of China, 28 October 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. Yuan Honglin, Mr. Guo Yimin and Mr. Cheng Yunlei; and the Company's independent non-executive directors are Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua.