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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)

## Results for the year ended 31 December 2024

Revenue of the Company for the year 2024 amounted to RMB91,029.62 million (in accordance with the IFRSs), representing a decrease of 35.51% comparing to that for the year 2023.

Net profit attributable to equity shareholders of the Company for the year 2024 amounted to RMB8,051.95 million (in accordance with the IFRSs), representing a decrease of 24.65% comparing to that for the year 2023.

Earnings per share for the year 2024 was RMB1.53 (in accordance with the IFRSs), representing a decrease of RMB0.49 per share comparing to that for the year 2023.

Unless otherwise stated, the currency unit in this announcement is Renminbi ("**RMB**"), the lawful currency of the People's Republic of China ("**PRC**"). Unless otherwise stated, the financial information in this announcement is prepared in accordance with the China Accounting Standards for Business Enterprises (2006) ("**PRC Accounting Standards**").

## I. BASIC INFORMATION OF THE COMPANY

### 1. Basic information

Company name	Anhui Conch Cement Company Limited (the " <b>Company</b> " or " <b>Conch Cement</b> ", together with its subsidiaries, the " <b>Group</b> ")
A shares (" <b>A Shares</b> ") stock short name	Conch Cement
A Shares stock code	600585
Exchange on which A Shares are listed	The Shanghai Stock Exchange (" <b>SSE</b> ")
H shares (" <b>H Shares</b> ") stock short name	Conch Cement
H Shares stock code	00914
Exchange on which H Shares are listed	The Stock Exchange of Hong Kong Limited (" <b>Stock Exchange</b> ")

## 2. Contact persons and means of contact

Title	Secretary to the Board (Joint Company Secretary)	Securities Affairs Representative
Name	Yu Shui	Wang Manbo
Contact address	No. 39 Wenhua Road, Wuhu City, Anhui Province, the PRC	No. 39 Wenhua Road, Wuhu City, Anhui Province, the PRC
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## II. SUMMARY OF ACCOUNTING DATA AND OPERATIONAL INFORMATION

### 1. Financial summary prepared in accordance with the International Financial Reporting Standards (“IFRSs”) for the year ended 31 December

(Unit: RMB '000)

Items	2024	2023 (restated)	2022 (restated)	2021 (restated)	2020 (restated)
Revenue	91,029,615	141,157,207	132,152,365	168,155,470	176,500,102
Net profit attributable to equity shareholders of the Company	8,051,954	10,686,594	15,875,504	33,319,402	35,236,948
Total assets	254,635,244	246,356,360	244,296,200	230,806,073	202,076,495
Total liabilities	54,298,442	48,393,428	48,219,138	38,926,006	33,479,002

Note: During the year ended 31 December 2024 (the “**Reporting Period**”), the Company is required to restate financial statements for previous years according to the relevant requirements under the PRC Accounting Standards and the IFRSs respectively since the acquisition of Anhui Conch Information Technology Engineering Co., Ltd. (“**Conch IT Engineering**”) and its subsidiary, Zhongtan (Anhui) Environmental Technology Co., Ltd., was a business combination under common control (the same for below).

### 2. Accounting data prepared in accordance with the PRC Accounting Standards (major accounting data and financial indicators for the preceding three years)

Table 1:

(Unit: RMB '000)

Items	2024	2023		Change in the current year over the previous year (%)	2022	
		After Adjustment	Before Adjustment		After Adjustment	Before Adjustment
Revenue	91,029,615	141,157,207	140,999,428	-35.51	132,152,365	132,021,554
Profit before taxation	10,029,189	13,594,052	13,600,466	-26.22	20,023,720	20,014,665
Net profit attributable to equity shareholders of the Company	7,696,118	10,427,552	10,430,138	-26.19	15,675,702	15,660,750
Net profit after extraordinary items attributable to equity shareholders of the Company	7,364,704	9,960,488	9,966,358	-26.06	15,053,097	15,035,746
Basic earnings per share (RMB/share)	1.46	1.97	1.97	-25.90	2.96	2.96
Diluted earnings per share (RMB/share)	1.46	1.97	1.97	-25.90	2.96	2.96

Basic earnings per share after extraordinary items (RMB/share)	1.40	1.88	1.88	-25.77	2.84	2.84
Diluted return on net assets (%)	4.09	5.62	5.63	Decreased by 1.53 percentage points	8.53	8.53
Weighted average return on net assets (%)	4.14	5.64	5.65	Decreased by 1.50 percentage points	8.51	8.50
Diluted return on net assets after extraordinary items (%)	3.92	5.37	5.38	Decreased by 1.45 percentage points	8.19	8.19
Weighted average return on net assets after extraordinary items (%)	3.96	5.39	5.40	Decreased by 1.43 percentage points	8.16	8.16
Net cash flow generated from operating activities	18,476,253	20,074,156	20,105,564	-7.96	9,596,172	9,649,268
Net cash flow per share generated from operating activities (RMB/share)	3.50	3.79	3.79	-7.59	1.81	1.82

Table 2:

(Unit: RMB '000)

Items	As at 31 December 2024	As at 31 December 2023		Increase or decrease at the end of this year over the end of the previous year (%)	As at 31 December 2022	
		After Adjustment	Before Adjustment		After Adjustment	Before Adjustment
Total assets	254,635,244	246,356,360	246,189,200	3.36	244,296,200	243,976,422
Net assets attributable to equity shareholders of the Company	187,940,359	185,389,128	185,321,083	1.38	183,808,556	183,638,725
Net assets per share attributable to equity shareholders of the Company (RMB/share)	35.61	35.08	35.07	1.51	34.69	34.65

### III. SHAREHOLDERS

#### 1. Shareholders

- (1) As at 31 December 2024, the total number of registered shareholders of the Company was 221,374, of which 118 were registered holders of H Shares. As at 28 February 2025, the total number of registered shareholders of the Company was 219,648, of which 121 were registered holders of H Shares.
- (2) As at 31 December 2024, the shareholdings of the top ten registered shareholders of the Company (excluding shares lent through refinancing) are set out as follows:

No.	Name of shareholder	Nature of shareholder	Change during the Reporting Period (share)	Number of shares held at the end of the Reporting Period (share)	Percentage of shareholding (%)	Class of share	Pledged or frozen	
							Status	Number of shares (share)
1	Anhui Conch Holdings Co., Ltd. (“ <b>Conch Holdings</b> ”) <sup>(Note 1)</sup>	State-owned legal person	-	1,928,870,014	36.40	A Share	Nil	-
2	HKSCC Nominees Limited <sup>(Note 2)</sup>	Foreign legal person	-50,120	1,297,971,590	24.49	H Share	Unknown	Unknown
3	Hong Kong Securities Clearing Company Limited	Foreign legal person	85,684,068	173,984,943	3.28	A Share	Unknown	Unknown
4	China Securities Finance Corporation Limited	State-owned legal person	-	158,706,314	2.99	A Share	Unknown	Unknown
5	Central Huijin Asset Management Ltd.	State-owned legal person	-	68,767,400	1.30	A Share	Unknown	Unknown
6	Industrial and Commercial Bank of China Limited – Huatai Borui CSI 300 Trading Open-end Index Securities Investment Fund	Others	23,684,719	41,470,611	0.78	A Share	Unknown	Unknown
7	Industrial Bank Co., Ltd. – Xingquan Trend Investment Hybrid Securities Investment Fund	Others	5,673,301	33,672,945	0.64	A Share	Unknown	Unknown
8	China Construction Bank Corporation – E Fund CSI 300 Trading Open-end Index Initiating Securities Investment Fund	Others	23,553,006	28,584,184	0.54	A Share	Unknown	Unknown
9	Industrial and Commercial Bank of China Limited – China AMC CSI 300 Trading Open-end Index Securities Investment Fund	Others	14,131,754	18,993,087	0.36	A Share	Unknown	Unknown
10	Guosen Securities Co., Ltd.	Others	4,600	18,537,301	0.35	A Share	Unknown	Unknown

**Notes:**

- (1) During the Reporting Period, there was no change in the number of shares of the Company held by Conch Holdings. The shares held by Conch Holdings were not subject to any pledge, freezing order or trust.
- (2) As at the end of the Reporting Period, HKSCC Nominees Limited held 1,297,971,590 H Shares, representing 24.49% of the total share capital of the Company, and 99.87% of the issued H Shares of the Company. These shares were held on behalf of its various clients.
- (3) All the above shares are floating shares not subject to trading restrictions.
- (4) The board (“**Board**”) of directors (“**Directors**”) of the Company is not aware of any connected relationship or acting in concert relationship among the above-mentioned shareholders.
- (5) Shareholding in the Company’s designated securities account for repurchase is not shown in the above table. As at the end of the Reporting Period, the number of A Shares held in the Company’s designated securities account for repurchase was 22,242,535 Shares, accounting for 0.42% of the Company’s total issued share capital.

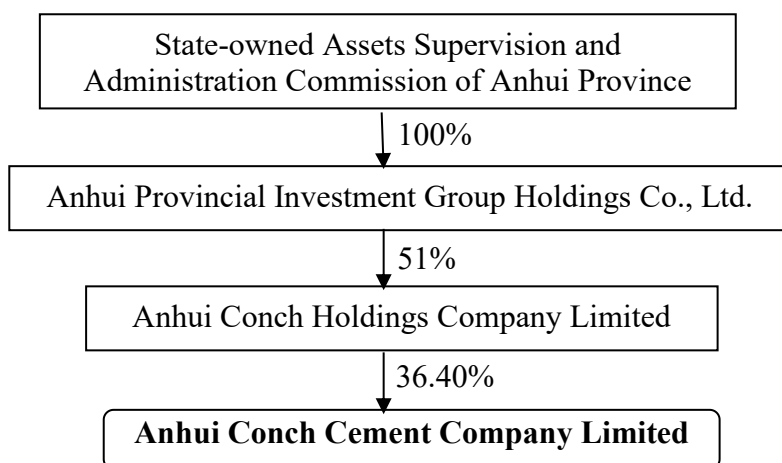
Shares lent through refinancing by shareholders with more than 5% shareholding, the top 10 shareholders and the top 10 shareholders without restrictions on trading:

Name of shareholder	Shares in ordinary account and credit account at the beginning of the Reporting Period		Shares lent through refinancing and not been returned at the beginning of the Reporting Period		Shares in ordinary account and credit account at the end of the Reporting Period		Shares lent through refinancing and not been returned at the end of the Reporting Period	
	Total number of shares (share)	Percentage (%)	Total number of shares (share)	Percentage (%)	Total number of shares (share)	Percentage (%)	Total number of shares (share)	Percentage (%)
Industrial and Commercial Bank of China Limited – Huatai Borui CSI 300 Trading Open-end Index Securities Investment Fund	17,785,892	0.34	44,100	0	41,470,611	0.78	0	0
China Construction Bank Corporation – E Fund CSI 300 Trading Open-end Index Initiating Securities Investment Fund	5,031,178	0.09	19,600	0	28,584,184	0.54	0	0

## 2. Information on the controlling shareholder and de facto controller

During the Reporting Period, there was no change of controlling shareholder and de facto controller of the Company.

As at 31 December 2024, Conch Holdings was a controlling shareholder of the Company and the State-owned Assets Supervision and Administration Commission of Anhui Province was the de facto controller of the Company. The shareholding relationship structure between the Company and its de facto controller is set out as follows:



## 3. Purchase, sale or redemption of listed securities

On 3 November 2023, in order to safeguard the value of the Company and the interests of the shareholders of the Company, the Board considered and approved the Resolution on the Plan of Repurchase of A Shares of the Company through Centralized Price Bidding (the “Repurchase”). Pursuant to the Repurchase plan, the total amount of funds for the Repurchase shall be no less than RMB400 million and no more than RMB600 million and the upper limit

of the price for the Repurchase shall be RMB32.30 per share, the period for the Repurchase shall be three months from the date on which the Board considered and approved the Repurchase plan. The repurchased shares will be sold through centralized price bidding in accordance with relevant laws, regulations and normative documents. If the Company fails to complete the sale of the repurchased shares within three years after completion of the Repurchase, the unsold portion will be cancelled after complying with the relevant legal procedures. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 3 November 2023, and on the website of the SSE on 4 November 2023, respectively.

During the Reporting Period, the Company had repurchased a total of 7,177,535 A Shares through centralized price bidding under the trading system of the SSE, accounting for 0.14% of the Company's total share capital as of the date of this announcement and the total amount paid was RMB161,428,057.17 (excluding transaction fees). By February 2024, the Company had completed the Repurchase and has repurchased a total of 22,242,535 A Shares (being the number of treasury shares (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (“**HKSE Listing Rules**”)) held by the Company as at the end of the Reporting Period). The said repurchased shares have not been sold or cancelled.

The monthly report on the repurchase of A Shares by the Company through centralized price bidding under the trading system of the SSE during the Reporting Period is as follows:

Month	Number of shares repurchased (shares)	Highest price per share (RMB)	Lowest price per share (RMB)	Total payment amount (RMB, excluding transaction fees)
January 2024	6,837,535	23.24	21.58	153,601,198.17
February 2024	340,000	23.24	22.87	7,826,859

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares).

#### **IV. INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE IN SHARE CAPITAL**

As at the end of the Reporting Period, the interests and short positions held by the Directors, supervisors, chief executive of the Company and their respective close associates (as defined in the HKSE Listing Rules) in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”)), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) as set out in Appendix C3 to the HKSE Listing Rules, are as follows:

Name	Position	The Company/ name of associated corporations	Nature of interest	Number of shares held (share)	Percentage of shareholding of all issued shares (percentage of shareholding of the relevant class of shares)
Liu Tiantian	Staff representative supervisor	Conch Cement	Beneficial owner	63,500 (H Shares)	0.00% (0.00%)
		China Conch Environment Protection Holdings Limited (“ <b>Conch Environment Protection</b> ”)	Beneficial owner	2,487,939	0.14%
Li Qunfeng	Executive Director and general manager	Conch Environment Protection	Beneficial owner	2,050,000	0.11%
			Interest held jointly with other persons <sup>Note</sup>	479,345,879	26.24%
He Chengfa	Supervisor cum chairman of the supervisory committee	Conch Environment Protection	Beneficial owner	22,641,843	1.24%
			Interest of spouse	431,500	0.02%
Chen Yongbo	Supervisor	Conch Environment Protection	Beneficial owner	521,000	0.03%

Note: Mr. Li Qunfeng and other concert parties have given undertakings to the Company that they will act in concert with the Company when exercising their voting rights at the general meetings of Conch Environment Protection. Pursuant to the SFO, Mr. Li Qunfeng, Conch Cement and other concert parties shall be deemed to be interested in shares of Conch Environment Protection held by each other.

Save as disclosed above, during the Reporting Period, none of the Directors, supervisors and chief executive of the Company nor their respective close associates had any interests and/or short positions in shares, underlying shares, debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO), nor had they been granted any rights to subscribe for or exercised the above rights to subscribe for the interests in the shares or debentures of the Company or its associated corporation as defined in Part XV of the SFO. Such interests or short positions shall be recorded in the register required to be kept and prepared by the Company under section 352 of the SFO; or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## V. CORPORATE GOVERNANCE

During the Reporting Period, the Company had complied with all the code provisions as set out in Part 2 of the Corporate Governance Code in Appendix C1 to the HKSE Listing Rules.

## VI. REVIEW OF ANNUAL FINANCIAL REPORT AND RESULTS

The financial report and this results announcement of the Company for the year 2024 have been reviewed by the audit committee of the Board. All of the Directors agreed and confirmed their individual and collective responsibility for preparing the accounts as contained in the financial report for the year. The Directors are responsible for the preparation of the financial statements of the Group under applicable statutory and regulatory requirements which give a true and fair view of the financial status, the results of operations and cash flows of the Group for the relevant accounting periods. In preparing the financial statements for the year ended 31

December 2024, applicable accounting policies have been adopted and applied consistently.

## **VII. MANAGEMENT DISCUSSION AND ANALYSIS ON THE OPERATIONS**

### ***ANALYSIS ON THE OPERATIONAL CONDITIONS FOR 2024***

#### **(1) Overview of operation development**

In 2024, in the face of severe conditions under continued shrinking market demand and intensifying overcapacity, the Group adhered to its goal orientation, and strengthened its operational coordination. By accurately grasping the market momentum, strictly enforcing cost control, vigorously promoting innovation, and actively maintaining the industry ecology, the Group endeavored to overcome the adverse effects brought by the declines in demand and prices and continued to strengthen its operational resilience.

During the Reporting Period, in accordance with the PRC Accounting Standards, the Group's revenue amounted to RMB91,030 million, representing a decrease of 35.51% from that of the corresponding period of the previous year; net profit attributable to equity shareholders of the Company amounted to RMB7,696 million, representing a decrease of 26.19% from that of the corresponding period of the previous year; and earnings per share were RMB1.46, representing a decrease of RMB0.51 from that of the corresponding period of the previous year. During the Reporting Period, in accordance with the IFRSs, revenue amounted to RMB91,030 million, representing a decrease of 35.51% from that of the corresponding period of the previous year; net profit attributable to equity shareholders of the Company amounted to RMB8,052 million, representing a decrease of 24.65% from that of the corresponding period of the previous year; and earnings per share were RMB1.53, representing a decrease of RMB0.49 from that of the corresponding period of the previous year.

The Group strived to synchronize transformation and upgrading of its core business and development of new quality productivity, and applied innovation as a key driving force for high-quality development. During the Reporting Period, the Group actively promoted innovation among all staff, further intensified investment in scientific and technological innovation, achieved new breakthroughs in scientific and technological research, constantly improved its independent innovative capabilities, and deepened its digital intelligent transformation. The Company participated in the project of “Design/Preparation Technology of Anti-corrosion Cementitious Materials for High-Speed Railway and Application and Development of Harsh Environmental Engineering”, and was awarded the second prize of the 2023 National Technology Progress Award. The Company led the project of “Research and Application of Low Energy Consumption Deep-cooling Direct Delivery Oxygen-enriched Combustion and Clinker Burning Matching Technology in Cement Kilns” and was awarded the second prize of the Technical Progress Award of the 2024 Building Materials Industry Conference. The Company also took part in the project of “Research and Application of Key Technologies of Explosives-Dry Ice Collaborative Blasting for Mining” and was awarded the first prize of the Science and Technology Award of the China Society of Explosives and



Blasting in 2024. The project of “Unmanned Transportation in Open-pit Cement Mine” of Anhui Haibo Intelligent Technology Co., Ltd. (“**Haibo Company**”) was judged as “Classic Application Case of Robots in Mining Field” by National Mine Safety Administration and Ministry of Industry and Information Technology, and was selected as a classic demonstration and application scenario of top ten intelligent networked vehicles in Anhui Province in 2024. Shanghai Zhizhi Technology Co., Ltd. was selected as a “Specialized, Sophisticated, Distinctive and Innovative” little giant enterprise in Shanghai. Both Haibo Company and Anhui Zhizhi Engineering Technology Co., Ltd. were chosen in the list of Enterprise R&D Center of Anhui Province.

During the Reporting Period, the Group actively pushed forward the construction and development of projects, and continued to strengthen and optimize its core cement business. The Group made efforts domestically and internationally and integrated the development of upstream and downstream industrial chain. In terms of core cement business, domestically, the relocation project of Jiangsu Baling Conch Cement Co., Ltd and Mengcheng Conch Building Materials Co., Ltd. commenced production and operation. Overseas offices were established successively in Africa and South America, Shangfeng Bridge of Friendship Co., Ltd. in Uzbekistan was put into production and operation; while the construction of Conch KT Cement (Phnom Penh) Company Limited in Cambodia was accelerated which was completed and put into operation in February 2025, overseas entrusted project management was promoted successfully. As for the development of industrial chain, six aggregate projects were successively put into production and 15 commodity concrete projects were newly added through new construction and other ways.

During the Reporting Period, the Group’s production capacity of clinker was increased by 2.30 million tonnes (overseas), the production capacity of cement was increased by 8.00 million tonnes through relocation and other ways, the production capacity of aggregates was increased by 14.50 million tonnes, the production capacity of commodity concrete was increased by 12.10 million cubic meters, and the capacity of photovoltaic storage power generator was increased by 103MW. As at the end of the Reporting Period, the Group’s production capacity of clinker, cement, aggregates and commodity concrete in operation amounted to 274 million tonnes, 403 million tonnes, 163 million tonnes and 51.90 million cubic meters respectively, and the capacity of photovoltaic storage power generator in operation amounted to 645MW.

## **(2) Major operational information during the Reporting Period**

### **1. Analysis of revenue and cost**

Principal activities by industry, product, region and sales model

Principal activities by industry						
Industry	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the previous year (%)	Increase or decrease in operating cost over the previous year (%)	Increase or decrease in gross profit margin over the previous year
Building material industry (sale of self-produced products)	73,214,143	55,047,622	24.81	-12.89	-11.83	Decreased by 0.91 percentage point
Building material industry (trading business)	942,228	929,356	1.37	-60.00	-60.27	Increased by 0.67 percentage point
Principal activities by product						
Product	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the previous year (%)	Increase or decrease in operating cost over the previous year (%)	Increase or decrease in gross profit margin over the previous year
Building material industry (sale of self-produced products) – 42.5-grade cement <sup>Note 1</sup>	52,364,881	39,616,968	24.34	-14.04	-13.02	Decreased by 0.89 percentage point
Building material industry (sale of self-produced products) – 32.5-grade cement	8,451,681	5,974,452	29.31	-17.75	-16.54	Decreased by 1.02 percentage points
Building material industry (sale of self-produced products) – Clinker	5,032,863	4,559,410	9.41	-25.33	-20.36	Decreased by 5.65 percentage points
Building material industry (sale of self-produced products) – Aggregates and manufactured sand	4,691,082	2,490,399	46.91	21.40	24.70	Decreased by 1.41 percentage points
Building material industry (sale of self-produced products) – Commodity concrete	2,673,636	2,406,393	10.00	18.64	19.99	Decreased by 1.00 percentage point
Building material industry (trading business)	942,228	929,356	1.37	-60.00	-60.27	Increased by 0.67 percentage point
Principal activities by region						
Region	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the previous year (%)	Increase or decrease in operating cost over the previous year (%)	Increase or decrease in gross profit margin over the previous year
Building material industry (sale of self-produced products) – East China <sup>Note 2</sup>	19,700,516	15,768,613	19.96	-12.91	-9.33	Decreased by 3.16 percentage points
Building material industry (sale of self-produced products) – Central China <sup>Note 3</sup>	21,499,812	15,350,967	28.60	-22.05	-24.52	Increased by 2.34 percentage points

Building material industry (sale of self-produced products) – South China <sup>Note 4</sup>	13,764,711	10,351,189	24.80	-8.64	-5.59	Decreased by 2.42 percentage points
Building material industry (sale of self-produced products) – West China <sup>Note 5</sup>	13,312,002	10,181,549	23.52	-4.13	-1.19	Decreased by 2.26 percentage points
Building material industry (sale of self-produced products) – Export	260,442	230,412	11.53	14.37	32.76	Decreased by 12.25 percentage points
Building material industry (sale of self-produced products) – Overseas	4,676,660	3,164,892	32.33	0.13	-3.06	Increased by 2.23 percentage points
Building material industry (trading business)	942,228	929,356	1.37	-60.00	-60.27	Increased by 0.67 percentage point
Principal activities by sales model						
Sales model	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the previous year (%)	Increase or decrease in operating cost over the previous year (%)	Increase or decrease in gross profit margin over the previous year
Building material industry – Direct sale	43,107,099	31,263,142	27.48	-12.93	-12.57	Decreased by 0.31 percentage point
Building material industry – Distribution	31,049,272	24,713,836	20.40	-15.85	-14.84	Decreased by 0.94 percentage point

Notes: 1. 42.5-grade cement includes cement of grade 42.5 and above;  
2. East China mainly includes Jiangsu, Zhejiang, Shanghai, Fujian and Shandong, etc;  
3. Central China mainly includes Anhui, Jiangxi and Hunan, etc;  
4. South China mainly includes Guangdong, Guangxi and Hainan;  
5. West China mainly includes Sichuan, Chongqing, Guizhou, Yunnan, Gansu, Shaanxi, Xinjiang and Inner Mongolia, etc.

## Sales by industry

During the Reporting Period, the Group's aggregate net sales volume of cement and clinker amounted to 271 million tonnes, representing a year-on-year decrease of 7.46%. Revenue generated from principal activities amounted to RMB74,156 million, representing a year-on-year decrease of 14.18%. Operating cost decreased by 13.58% year-on-year to RMB55,977 million. The consolidated gross profit margin of products recorded a year-on-year decrease of 0.52 percentage point to 24.51%.

The Group's sales volume of self-produced cement and clinker products amounted to 268 million tonnes, representing a year-on-year decrease of 6.05%. Sales revenue from self-produced products amounted to RMB73,214 million, representing a year-on-year decrease of 12.89%. Cost of sales of self-produced products decreased by 11.83% year-on-year to RMB55,048 million. The consolidated gross profit margin of self-produced products recorded a year-on-year decrease of 0.91 percentage point to 24.81%.

During the Reporting Period, the Group achieved a sales volume of 2.96 million tonnes for its cement and clinker trading business, representing a year-on-year decrease of 60.77%. Revenue

from trading business amounted to RMB942 million, representing a year-on-year decrease of 60.00%. Cost of trading business decreased by 60.27% year-on-year to RMB929 million.

### Sales by product

During the Reporting Period, gross profit margin of the Group's 42.5-grade cement, 32.5-grade cement and clinker decreased by 0.65 percentage point, 0.73 percentage point and 4.53 percentage points year-on-year, respectively. Among which, the gross profit margin of the Group's self-produced 42.5-grade cement, 32.5-grade cement and clinker decreased by 0.89 percentage point, 1.02 percentage points and 5.65 percentage points year-on-year, respectively. The consolidated gross profit margin of aggregates and manufactured sand decreased by 1.41 percentage points year-on-year to 46.91%; the consolidated gross profit margin of commodity concrete was 10.00%, representing a year-on-year decrease of 1.00 percentage point.

### Sales by region

During the Reporting Period, mainly affected by the year-on-year decrease in selling prices of products, the sales amount of self-produced products in various domestic regions decreased by varying degrees.

## 2. Profit analysis

Major profit or loss items prepared in accordance with the PRC Accounting Standards

Items	Amount		Increase or decrease for the Reporting Period over the same period of the previous year (%)
	2024 (RMB'000)	2023 (RMB'000)	
Revenue from principal activities	74,156,371	86,407,007	-14.18
Profit from operations	9,713,107	13,131,307	-26.03
Profit before taxation	10,029,189	13,594,052	-26.22
Net profit attributable to equity shareholders of the Company	7,696,118	10,427,552	-26.19

During the Reporting Period, mainly affected by the decrease in selling prices of products, the Group's revenue from principal activities, profit from operations, profit before taxation and net profit attributable to equity shareholders of the Company recorded year-on-year decreases of 14.18%, 26.03%, 26.22% and 26.19% respectively.

## 3. Analysis of costs and expenses

Consolidated costs of cement and clinker for 2024 and their year-on-year changes

Items	2024		2023		Change in costs (%)	Increase or decrease in proportion of costs (percentage points)
	Unit costs (RMB/tonne)	Proportion (%)	Unit costs (RMB/tonne)	Proportion (%)		
Raw materials	36.49	19.49	39.18	19.12	-6.87	0.37
Fuel and power	103.76	55.41	119.71	58.40	-13.32	-2.99

<b>Depreciation expense</b>	16.17	8.64	14.96	7.30	8.08	1.34
<b>Labor cost</b>	12.62	6.74	12.56	6.13	0.51	0.61
<b>Others</b>	18.21	9.72	18.56	9.05	-1.89	0.67
<b>Total</b>	<b>187.25</b>	<b>100</b>	<b>204.97</b>	<b>100</b>	<b>-8.65</b>	<b>-</b>

Note: All cost items mentioned above represent the costs of the Company's self-produced cement and clinker products, excluding cost of the trading business.

During the Reporting Period, the Company intensified its cost control measures through adopting technological innovation, strengthening logistic management, accelerating the utilization of alternative fuels, and optimizing procurement channels for raw material and fuel. The Company's consolidated costs of self-produced cement and clinker products decreased by 8.65% year-on-year.

#### Changes in major expense items prepared in accordance with the PRC Accounting Standards

Expenses for the period	Amount for 2024 (RMB'000)	Amount for 2023 (RMB'000)	Increase or decrease for the Reporting Period over the same period of the previous year (%)	Proportion over the revenue from principal activities for the Reporting Period (%)	Proportion over the revenue from principal activities for the same period of the previous year (%)	Increase or decrease in the proportion over the revenue from principal activities (percentage points)
<b>Selling expenses</b>	3,415,437	3,425,519	-0.29	4.61	3.96	0.65
<b>Administrative expenses</b>	5,945,914	5,667,950	4.90	8.02	6.56	1.46
<b>Research and development expenses</b>	1,257,068	1,901,540	-33.89	1.70	2.20	-0.50
<b>Financial expenses</b> (income is stated in negative)	-1,170,527	-1,121,079	-4.41	-1.58	-1.30	-0.28
<b>Total</b>	<b>9,447,892</b>	<b>9,873,930</b>	<b>-4.31</b>	<b>12.75</b>	<b>11.42</b>	<b>1.33</b>

During the Reporting Period, the Group's research and development expenses decreased by 33.89% year-on-year, which was mainly due to the year-on-year decrease in expenditures for various types of research and development projects.

## 4. Financial position

### Asset and liability position

Changes in assets and liabilities items prepared in accordance with the PRC Accounting Standards

Items	As at 31 December 2024 (RMB'000)	As a percentage of total assets as at the end of the Reporting Period (%)	As at 31 December 2023 (RMB'000)	As a percentage of total assets as at the end of the previous year (%)	Change in amounts as at the end of the Reporting Period from that at the end of the previous year (%)
Cash at bank and on hand	70,229,348	27.58	68,382,206	27.76	2.70
Financial assets held for trading	509,203	0.20	2,210,733	0.90	-76.97
Accounts receivable	3,773,192	1.48	4,445,288	1.80	-15.12
Advance payment	944,849	0.37	2,404,127	0.98	-60.70
Inventories	8,108,520	3.18	10,155,442	4.12	-20.16
Long-term equity investments	7,775,669	3.05	7,765,192	3.15	0.13
Investments in other equity instruments	1,506,953	0.59	1,348,011	0.55	11.79
Fixed assets	89,227,647	35.04	85,522,929	34.72	4.33
Construction in progress	9,355,746	3.67	10,840,025	4.40	-13.69
Intangible assets	34,264,065	13.46	32,441,933	13.17	5.62
Right-of-use assets	737,454	0.29	339,896	0.14	116.96
Total assets	254,635,244	100.00	246,356,360	100.00	3.36
Lease liabilities	240,355	0.09	198,018	0.08	21.38
Short-term borrowings	5,748,688	2.26	4,479,559	1.82	28.33
Contract liabilities	2,569,305	1.01	2,890,062	1.17	-11.10
Bonds payables	11,500,000	4.52	0.00	0.00	-
Long-term borrowings	10,086,381	3.96	15,611,937	6.34	-35.39
Total liabilities	54,257,807	21.31	48,335,064	19.62	12.25
<b>Total liabilities and equity</b>	<b>254,635,244</b>	<b>100.00</b>	<b>246,356,360</b>	<b>100.00</b>	<b>3.36</b>

As at the end of the Reporting Period, the Group's balance of financial assets held for trading decreased by 76.97% as compared to that at the end of the previous year, which was mainly due to recovery of wealth management deposits and disposal of share securities during the Reporting Period; the balances of accounts receivable, advance payment and inventories decreased as compared to those at the end of the previous year, which was mainly due to completion of performance of certain contracts during the Reporting Period; the right-of-use assets increased by 116.96% as compared to that at the end of the previous year, which was mainly due to newly leased land during the Reporting Period; the balance of bonds payables increased by RMB11,500 million as compared to that at the end of the previous year, which was mainly due to the issue of medium-term notes during the Reporting Period; the balance of

long-term borrowings decreased by 35.39% as compared to that at the end of the previous year, which was mainly due to the repayment of borrowings during the Reporting Period. The Group's total assets prepared in accordance with the PRC Accounting Standards amounted to RMB254,635 million, representing an increase of 3.36% as compared to that at the end of the previous year. Total liabilities amounted to RMB54,258 million, representing an increase of 12.25% as compared to that at the end of the previous year. Among which, current liabilities amounted to RMB28,892 million, representing a decrease of 2.96% as compared to that at the end of the previous year; non-current liabilities amounted to RMB25,366 million, representing an increase of 36.66% as compared to that at the end of the previous year. As at the end of the Reporting Period, the Group's gearing ratio calculated in accordance with the PRC Accounting Standards was 21.31%, representing an increase of 1.69 percentage points as compared to that at the end of the previous year.

As at the end of the Reporting Period, equity attributable to equity shareholders of the Company amounted to RMB187,940 million, representing an increase of 1.38% as compared to that at the end of the previous year; equity attributable to minority shareholders amounted to RMB12,437 million, representing a decrease of 1.54% as compared to that at the end of the previous year; as at the end of the Reporting Period, net assets per share attributable to equity shareholders of the Company amounted to RMB35.61.

As at the end of the Reporting Period, total current assets and total current liabilities of the Group prepared in accordance with the PRC Accounting Standards amounted to RMB93,762 million and RMB28,892 million respectively, with a current ratio of 3.25:1 (end of last year: 3.40:1). The decrease in current ratio as compared to that at the end of the previous year was mainly due to the fact that the new term deposit with maturity over one year placed during the Reporting Period were classified as other non-current assets based on their holding purpose. Total current assets and total current liabilities of the Group prepared in accordance with the IFRSs amounted to RMB93,762 million and RMB28,892 million respectively, with a net gearing ratio of 0.074 (end of last year: 0.064). Net gearing ratio was calculated as follows: (interest-bearing liabilities minus cash and cash equivalents) divided by shareholders' equity.

As at the end of the Reporting Period, overseas assets of the Group amounted to RMB20,793 million, representing 8.17% of the total assets.

As at the end of the Reporting Period, subsidiaries of the Company pledged intangible assets and fixed assets with book values of approximately RMB56 million and RMB191 million respectively as security for borrowings from financial institutions. The deposits of RMB77 million and equity interest with a value of RMB81 million of a subsidiary of the Company has been frozen due to the involvement in legal proceedings.

Save for the above-mentioned matters, no other assets of the Group were distressed, seized, frozen, charged or pledged or could only be realized upon satisfaction of certain conditions or cannot be realized or used for debt settlements, nor did there exist any circumstance or arrangement under which the right to occupy, use, gain from and dispose of assets were subject

to other restrictions.

### Liquidity and source of funds

Maturity analysis of bank loans and other loans of the Group as at the end of the Reporting Period is as follows:

	As at 31 December 2024 (RMB'000)	As at 31 December 2023 (RMB'000)
Due within 1 year	7,486,649	7,249,965
Due after 1 year but within 2 years	4,196,626	3,040,107
Due after 2 years but within 5 years	4,585,404	10,459,630
Due after 5 years	1,304,351	2,112,200
<b>Total</b>	<b>17,573,030</b>	<b>22,861,902</b>

As at the end of the Reporting Period, balance of the Group's bank borrowings was RMB17,573 million, representing a decrease of RMB5,289 million as compared to that at the end of the year. Such decrease was mainly attributable to repayment of borrowings during the Reporting Period.

Save for the above borrowings, the Group issued medium-term notes of RMB11,500 million.

During the Reporting Period, the Group's source of funding was mainly from the net cash flows generated from operating activities.

### Analysis of cash flow

#### Comparison of net cash flow prepared in accordance with the PRC Accounting Standards

	2024 (RMB'000)	2023 (RMB'000)	Changes (%)
Net cash flow generated from operating activities	18,476,253	20,074,156	-7.96
Net cash flow generated from investing activities	-13,326,238	-19,306,337	30.97
Net cash flow generated from financing activities	-385,476	-5,548,402	93.05
Effect of exchange rate movement on cash and cash equivalents	592	30,642	-98.07
Net increase in cash and cash equivalents (decrease is shown with “-” sign)	4,765,131	-4,749,941	200.32
Balance of cash and cash equivalents at the beginning of the year	11,572,016	16,321,957	-29.10
Balance of cash and cash equivalents at the end of the year	16,337,147	11,572,016	41.18

During the Reporting Period, the Group's net cash flows generated from operating activities amounted to RMB18,476 million, representing a year-on-year decrease of RMB1,598 million. Such decrease was mainly due to the decrease in sales revenue of the Group during the Reporting Period.

During the Reporting Period, the Group's net cash outflows from investing activities decreased by RMB5,980 million from that for the corresponding period of the previous year, which was mainly due to the year-on-year decreases in capital expenditure, new time deposit and



certificates of deposit of sufficient amounts of the Group.

During the Reporting Period, the Group's net cash outflows from financing activities decreased by RMB5,163 million as compared to that for the corresponding period of last year, which was mainly due to the increase in cash inflow from the issue of new medium-term notes during the Reporting Period.

## 5. Capital expenditure

During the Reporting Period, the capital expenditure of the Group amounted to RMB15,619 million, which was mainly used for construction of projects and external investment expenditure.

As at the end of the Reporting Period, capital commitments in respect of the purchase of machinery and equipment for production and the investments that should be committed but have not been provided for in the accounts are set out as follows:

	As at 31 December 2024 (RMB'000)	As at 31 December 2023 (RMB'000)
Authorized and contracted for	11,040,741	11,795,057
Authorized but not contracted for	5,343,670	6,592,351
<b>Total</b>	<b>16,384,411</b>	<b>18,387,408</b>

## OUTLOOK FOR 2025

In 2025, the domestic economy will remain encountering with unfavorable factors such as changes in the external policy environment and insufficient domestic demand, the State will implement proactive and impactful macro policies for adaptation, actively expand effective investment, intensify its support to the construction of "Two Focuses", and promote the successful completion of major projects under the "14th Five-Year Plan"; thereby infrastructure construction will continue to support cement demand. In terms of real estate, the State proposes to continuously and vigorously promote the stabilisation and recovery of the real estate market, which bring about more positive factors with the implementation of several favorable policies. However, under the impact of incessant weak trajectory of investment performance and work commencement, the market is still in a stage of depression. Meanwhile, the supply-side reform of cement industry continues to deepen, and the new regulation of capacity replacement imposes more stringent restrictions on overproduction and replacement, with a hope of accelerating the phasing-out of inefficient capacity and the restraint of overproduction in the industry. The State puts emphasis on consolidating the rectification of the "severe involuted" competition, and will constantly promote strengthened self-discipline in the industry on top of normalization of staggered production, which will bring proactive effect to phasing-out of excess production capacity in the cement industry. However, due to sustained soft market demand, there is still an acute imbalance between demand and supply.

In terms of business management, the Group will adhere to the annual operation targets to expand its market and strengthen internal management, with a view to increase its quality and effectiveness. First, the Group will pay close attention to the international and domestic

macroeconomic situation, dynamically adjust its marketing strategies base on prevailing trend with market supply and demand as the core, and solidly promote the integrated sales of “cement + aggregate + commodity concrete + consumption building materials + other industries”, achieving a transformation from single sales of products to the offering of product solutions, thus creating new competitive strengths. Second, the Group will refine its production management to enhance operation efficiency and reduce costs. It will give full play to the crucial role of procurement management in cost control and constantly increase the proportion of direct supply of raw materials. The Group will also deepen the strategic cooperation with large-scale coal enterprises, coordinate the deployment of international coal resources, increase the proportional use of alternative fuels and strengthen the control of procurement resources. Third, the Group will make greater efforts in building its talent team by introducing and cultivating talents who match its corporate development. The Group aims to constantly optimize its incentive mechanism and incentivize the innovation and creation vitality of talents, in a bid to push forward the high-quality and sustainable development of the Company.

In 2025, the Group plans to achieve an annual net sales volume of cement and clinker (excluding trading volume) of 268 million tonnes, while the cost per tonne of products and the expense per tonne of products are expected to remain relatively stable.

In terms of investment development, the Group will insist on effective investment approaches, consolidate the core business fundamentals and fuel the synergistic development of various segments. First, taking advantage of the cement industry’s demand adjustment, the Group will actively seize merge and acquisition opportunities in market segment where the Group enjoys a niche, to further optimize the layout of cement market and facilitate the integration of regional production capacity by actively seeking mergers and acquisitions of projects as well as equity cooperation. Second, the Group will extend the upstream and downstream industrial chains, accelerate the promotion of the construction and operation of key aggregate projects, adhere to leveraging the strategic positioning of core business for development of the commodity concrete business, and rapidly develop dry-mixed mortar and other consumption building material industries. Third, the Group will expedite implementation of internationalisation development, actively leverage the functions of overseas offices, explore appropriate projects in countries of emerging markets and further improve its overseas market presence. Fourth, the Group will enhance development quality of new industry and business formats. It will give play to the active role of digital industry in the Company’s upper-end and green transformation and proactively expand external market to push forward the development of new energy industries with respect to the building of safe and stable, clean, low-carbon and economically viable modernized energy ecosystem, and facilitate new energy industry development, with a view to refine the diversified layout of environmental protection industry and continue to strengthen its competitiveness.

In 2025, the Group plans that its capital expenditure will amount to RMB11,980 million, which will be mainly financed by internal resources. The capital expenditure will be primarily used for project development of core business, extension of upstream and downstream industrial

chains, technological modifications on energy conservation and environmental protection, as well as fostering new quality productive forces. It is estimated that the Group will increase annual production capacity of aggregates and commodity concrete by 19.60 million tonnes and 27.80 million cubic meters respectively.

In 2025, there are three main risk factors that the Group may encounter:

1. Risk of demand fluctuation. The cement industry in which the Company operates is relatively dependent on the construction industry, and has a relatively high correlation with the growth rates of fixed-asset investment and real estate investment. A slow growth rate of fixed-asset investment and the continuous decline in real estate investment may adversely affect cement market demand.

In view of the above risk, the Group will pay close attention to the changes in the national macroeconomic situation, strengthen the analysis of market supply and demand trends and adjust its marketing strategies in a timely manner, in order to capitalize on the marketing and sales advantages of the comprehensive cement industrial chain, continue to strengthen the construction of the end market and enhance product and service quality.

2. Risk of overcapacity. Insufficient demand will lead to a constant decline in the utilization rate of production capacity, a deepened imbalance between demand and supply is likely to bring about cut-throat price competition in the industry, thereby, the Company may face the risk of escalated pressure on its profitability.

In view of the above risk, the Company will strictly comply with the implementation of self-disciplinary measures and staggered production requirements of the industry and jointly maintain a good industry ecosystem.

3. The pressure of environmental protection policy. The State will promote concerted efforts to cut carbon emissions, reduce pollution, expand green development and pursue economic growth, as well as to accelerate the transition to green economic and social development in all respects. The cement industry is implementing ultra-low emission and transformation for energy conservation and carbon reduction, and has been included in the national carbon trade exchange. It is estimated that the production and operating costs of enterprises will increase while achieving green, low-carbon and sustainable development.

In view of the above risk, the Group will remain committed to the green development concept of low carbon and environmental protection, and promote ultra-low emission and transformation for energy conservation and carbon reduction in an orderly manner. It will also accelerate research and development as well as application of green and low-carbon technologies, in order to effectively reduce emission of pollutants and carbon dioxide. By managing carbon assets in advance, the Group strives to transform carbon assets into carbon revenue.

## **VIII. PROPOSAL FOR DISTRIBUTION OF PROFITS**

Based on the financial data prepared in accordance with the PRC Accounting Standards and

IFRSs respectively, the Group's profit after tax and minority interests for the year 2024 amounted to RMB7,696.12 million and RMB8,051.95 million respectively. The Board proposed the appropriation of the profit for the year ended 31 December 2024 as follows:

(1) Pursuant to the requirements of the articles of association of the Company, the Company shall appropriate 10% of the realized profit after tax for the year to the statutory surplus reserve, provided that no further appropriation is required when the accumulated appropriated amount for statutory surplus reserve exceeds 50% of the registered capital of the Company. As the amount of the Company's statutory surplus reserve has reached 50% of the registered capital of the Company, no appropriation was made for the year 2024.

(2) The payment of a final dividend of RMB 0.71 per share (tax inclusive) is proposed. In accordance with relevant provisions of the Guidelines of Self-regulation of Companies Listed on Shanghai Stock Exchange No. 7 – Repurchase of Shares (《上海證券交易所上市公司自律監管指引第7號—回購股份》), the A Shares in the Company's designated securities account for repurchase are not entitled to profit distribution rights. Based on the Company's total number of issued shares of 5,299,302,579 shares as at the date of this announcement less 22,242,535 A Shares in the Company's designated securities account for the repurchase, the total final dividend payment will be RMB3,746.71 million (tax inclusive), representing 48.68% of the net profit attributable to ordinary shareholders of the Company as reported in the combined statements for the year 2024. For the year 2024, the total amount of funds paid by the Company in relation to the repurchase of A Shares was RMB161.43 million (excluding transaction fees), which, together with the total amount of final dividend payment shall be RMB3,908.14 million, accounting for 50.78% of the net profit attributable to ordinary shareholders of the Company as reported in the consolidated statement of accounts for year 2024.

(3) The date of payment of final dividend to the holders of the Company's H Shares is expected to be on or around 30 June 2025, Monday. Details of the payment of final dividend will be set out in the circular of the Company in respect of distribution of dividends and other matters to be published (and/or despatched to its shareholders) in due course.

The above profit appropriation proposal is subject to consideration and approval by the shareholders of the Company at the annual general meeting for year 2024.

## **IX. FINANCIAL INFORMATION**

Financial information extracted from the audited consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2024 and audited consolidated statement of financial position of the Group at 31 December 2024 together with comparative figures for year 2023, prepared in accordance with IFRSs and presented on the basis described in Note 4(1) below are as follows:

# 1. Consolidated statement of profit or loss

For the year ended 31 December 2024

	<i>Note</i>	<i>2024</i> <i>RMB'000</i>	<i>2023</i> <i>RMB'000</i> <i>(restated)</i> <i>(Note 4(11)(b))</i>
<b>Revenue</b>	<i>4(3)</i>	91,029,615	141,157,207
Cost of sales and services rendered		<u>(72,217,019)</u>	<u>(118,744,854)</u>
<b>Gross profit</b>		18,812,596	22,412,353
Other income	<i>4(4)</i>	2,695,110	3,172,177
Selling and marketing costs		(3,415,437)	(3,425,519)
Administrative expenses		(5,611,367)	(5,430,673)
Research and development costs		(1,257,068)	(1,901,540)
Impairment loss on trade and other receivables		(43,814)	(32,476)
Impairment loss on property, plant and equipment and prepayments		<u>(309,918)</u>	<u>(301,419)</u>
<b>Profit from operations</b>		10,870,102	14,492,903
Finance costs	<i>4(5)(a)</i>	(778,705)	(930,404)
Share of profits of associates		235,352	178,788
Share of profits of joint ventures		<u>65,798</u>	<u>122,270</u>
<b>Profit before taxation</b>	<i>4(5)</i>	10,392,547	13,863,557
Income tax	<i>4(6)(b)</i>	<u>(2,365,989)</u>	<u>(2,849,535)</u>
<b>Profit for the year</b>		<u>8,026,558</u>	<u>11,014,022</u>
<b>Attributable to:</b>			
Equity shareholders of the Company		8,051,954	10,686,594
Non-controlling interests		<u>(25,396)</u>	<u>327,428</u>
<b>Profit for the year</b>		<u>8,026,558</u>	<u>11,014,022</u>
<b>Earnings per share</b>	<i>4(8)</i>		
- Basic		<u>RMB1.53</u>	<u>RMB2.02</u>
- Diluted		<u>RMB1.53</u>	<u>RMB2.02</u>

## 2. Consolidated statement of profit and loss and other comprehensive income

For the year ended 31 December 2024

	<i>Note</i>	<i>2024</i> <i>RMB'000</i>	<i>2023</i> <i>RMB'000</i> <i>(restated)</i> <i>(Note 4(11)(b))</i>
<b>Profit for the year</b>		<u>8,026,558</u>	<u>11,014,022</u>
<b>Other comprehensive income for the year (after tax and reclassification adjustments)</b>			
<b>Item that will not be reclassified to profit or loss:</b>			
Equity investments at fair value through other comprehensive income (“FVOCI”) – net movement in fair value reserve (non-recycling)		143,201	(805,698)
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translation of financial statements of overseas subsidiaries		(115,365)	(110,705)
Share of other comprehensive income of investees		<u>(163,113)</u>	<u>(3,749)</u>
<b>Other comprehensive income for the year</b>		<u>(135,277)</u>	<u>(920,152)</u>
<b>Total comprehensive income for the year</b>		<u><u>7,891,281</u></u>	<u><u>10,093,870</u></u>
<b>Attributable to:</b>			
Equity shareholders of the Company		7,896,634	9,770,701
Non-controlling interests		<u>(5,353)</u>	<u>323,169</u>
<b>Total comprehensive income for the year</b>		<u>7,891,281</u>	<u>10,093,870</u>

### 3. Consolidated statement of financial position

For the year ended 31 December 2024

	<i>Note</i>	<i>At 31 December 2024 RMB'000</i>	<i>At 31 December 2023 RMB'000 (restated) (Note 4(11)(b))</i>
<b>Non-current assets</b>			
Property, plant and equipment			
- Investment properties		66,978	55,140
- Other property, plant and equipment		107,951,772	104,967,820
Intangible assets		26,181,623	24,675,978
Goodwill		1,451,587	1,147,072
Interest in associates		5,737,374	5,575,551
Interests in joint ventures		2,038,295	2,189,641
Loans and receivables		381,045	250,256
Long-term prepayments		2,696,777	3,109,509
Financial assets measured at FVOCI		1,506,953	1,348,011
Deferred tax assets		1,486,466	1,553,842
Time deposits		11,142,845	-
Amounts due from related parties		231,495	-
		<u>160,873,210</u>	<u>144,872,820</u>
<b>Current assets</b>			
Inventories		8,108,521	10,155,442
Assets held for sale		11,442	23,538
Trade and bills receivables	4(9)	11,023,115	12,615,230
Financial assets measured at fair value through profit and loss ("FVPL")		509,203	2,210,733
Prepayments and other receivables		3,361,857	7,163,463
Amounts due from related parties		183,693	505,870
Tax recoverable		334,855	427,058
Restricted cash deposits		1,033,408	774,871
Bank deposits with original maturity over three months		52,858,793	56,035,319
Cash and cash equivalents		<u>16,337,147</u>	<u>11,572,016</u>
		<u>93,762,034</u>	<u>101,483,540</u>

### 3. Consolidated statement of financial position (continued)

For the year ended 31 December 2024

	<i>Note</i>	<i>At 31 December 2024 RMB'000</i>	<i>At 31 December 2023 RMB'000 (restated) (Note 4(11)(b))</i>
<b>Current liabilities</b>			
Trade and bills payables	4(10)	5,816,206	6,329,344
Other payables and accruals		10,958,894	11,270,653
Current portion of long-term payables		102,665	61,845
Current portion of corporate bonds		101,404	-
Contract liabilities		2,569,098	2,885,306
Bank loans and other borrowings		7,486,649	7,249,964
Lease liabilities		30,932	35,389
Amounts due to related parties		938,654	1,007,642
Current taxation		887,590	934,173
		<u>28,892,092</u>	<u>29,774,316</u>
<b>Net current assets</b>		<u>64,869,942</u>	<u>71,709,224</u>
		225,743,152	216,582,044
<b>Total assets less current liabilities</b>			
<b>Non-current liabilities</b>			
Corporate bonds		11,500,000	-
Bank loans and other borrowings		10,086,381	15,611,937
Lease liabilities		240,355	198,018
Long-term payables		694,716	264,038
Deferred income		1,095,482	928,827
Deferred tax liabilities		1,703,301	1,616,292
Provisions		86,115	-
		<u>25,406,350</u>	<u>18,619,112</u>
<b>NET ASSETS</b>		<u>200,336,802</u>	<u>197,962,932</u>



### 3. Consolidated statement of financial position (continued)

For the year ended 31 December 2024

	<i>Note</i>	<i>At 31 December 2024</i> <i>RMB'000</i>	<i>At 31 December 2023</i> <i>RMB'000</i> <i>(restated)</i> <i>(Note 4(11)(b))</i>
<b>CAPITAL AND RESERVES</b>			
Share capital		5,299,303	5,299,303
Reserves		182,606,024	180,038,278
<b>Total equity attributable to equity shareholders of the Company</b>		187,905,327	185,337,581
<b>Non-controlling interests</b>		12,431,475	12,625,351
<b>TOTAL EQUITY</b>		200,336,802	197,962,932

### 4. Notes

#### (1) Basis of preparation

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries and the Group's interests in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- equity investments;
- bank acceptance notes receivable measured at FVOCI; and
- structured deposits and wealth management products measured at FVPL

Non-current assets held for sale are stated at the lower of carrying amount and fair value less costs to sales.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## (2) Changes in accounting policies

The Group has applied the following amended IFRSs issued by the International Accounting Standards Board to this financial report for the current accounting period:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to International Accounting Standard (“IAS”) 1	Classification of Liabilities as Current or Non-current (the 2020 Amendments)
Amendments to IAS 1	Non-current Liabilities with Covenants (the 2022 Amendments)
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

None of these amendments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## (3) Revenue and segment reporting

### (a) Revenue

The principal activities of the Group are the manufacturing, sale and trading of clinker and cement products and other materials. Further details regarding the Group’s revenue from principal activities are disclosed below.

### (i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2024 RMB’000	2023 RMB’000 (restated) (Note 4(11)(b))
<b>Revenue from contracts with customers within the scope of IFRS 15</b>		
Disaggregated by service lines		
- Sales and trading of clinker and cement products	74,156,371	86,407,007
- Sales and trading of other materials	13,708,004	50,254,286
- Service income	<u>3,165,240</u>	<u>4,495,914</u>
	<u>91,029,615</u>	<u>141,157,207</u>

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 4(3)(b).

The Group’s customer base is diversified and there is no single customer with whom transactions have exceeded 10% of the Group’s revenue.

### **(3) Revenue and segment reporting (continued)**

#### **(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date**

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its revenue contracts such that the report does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts that have an original expected duration of one year or less.

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2024 RMB'000	2023 RMB'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year:		
Sales and trading of clinker and cement products	<u>2,885,306</u>	<u>3,564,849</u>

#### **(iii) Performance obligations**

Information about the Group's performance obligations is summarised below:

Sales of cement, cement products and other materials: the performance obligation is satisfied upon delivery of the products, and payment is generally required in advance or due within 90 to 180 days after delivery.

Service revenue: the performance obligation is satisfied over time as services are provided or upon delivery of the services, and payment is generally received based on the progress of the services or upon completion of the services.

#### **(b) Segment reporting**

The Group manages its businesses by segments, which are organised by a mix of two business lines, including cement and cement related business and solid and hazardous waste treatment business, of which cement and cement related business is organised by geographical location. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments based on the region in which the Group's cement and cement related business operates: Eastern China, Central China, Southern China, Western China and overseas. The solid and hazardous waste treatment business is one reportable segment as the performance assessment is based on the results of the solid and hazardous waste treatment business as a whole. No operating segments have been aggregated to form the following reportable segments.

### **(3) Revenue and segment reporting (continued)**

#### **(i) Segment results, assets and liabilities**

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all assets in the financial statements prepared in accordance with Accounting Standards for Business Enterprises or referred to as China Accounting Standards issued by the Ministry of Finance (“**MOF**”) of the PRC. Segment liabilities include all liabilities in the financial statements prepared in accordance with CAS.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments in accordance with CAS.

The measure used for reporting segment profit is profit before taxation in accordance with CAS.

In addition to receiving segment information concerning profit before taxation, management is provided with segment information concerning revenue (including inter-segment revenue), interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment revenue are priced with reference to prices charged to external parties for similar orders.

Disaggregation of revenue from contracts with customers by the type and timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2024 and 2023 is set out below.

### (3) Revenue and segment reporting (continued)

For the year ended 31 December 2024

	<i>Cement and cement related</i>							<i>Solid and hazardous waste treatment</i>	<i>Elimination</i>	<i>Total</i>
	<i>Eastern China</i>	<i>Central China</i>	<i>Southern China</i>	<i>Western China</i>	<i>Overseas</i>	<i>Elimination</i>	<i>Subtotal</i>			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Disaggregated by type of business</b>										
Sales and trading of clinker and cement products	20,235,882	21,500,736	13,829,584	13,695,748	4,894,421	-	74,156,371	-	-	74,156,371
Sales and trading of other materials	3,732,034	7,389,819	421,623	1,829,033	269,765	-	13,642,274	65,730	-	13,708,004
Service income	37,334	1,526,471	11,235	29,667	858	-	1,605,565	1,559,675	-	3,165,240
<b>Revenue from external customers</b>	<u>24,005,250</u>	<u>30,417,026</u>	<u>14,262,442</u>	<u>15,554,448</u>	<u>5,165,044</u>	<u>-</u>	<u>89,404,210</u>	<u>1,625,405</u>	<u>-</u>	<u>91,029,615</u>
<b>Disaggregated by timing of revenue recognition</b>										
Point in time	23,992,672	30,297,880	14,255,479	15,552,520	5,164,361	-	89,262,912	65,730	-	89,328,642
Over time	12,578	119,146	6,963	1,928	683	-	141,298	1,559,675	-	1,700,973
<b>Revenue from external customers</b>	<u>24,005,250</u>	<u>30,417,026</u>	<u>14,262,442</u>	<u>15,554,448</u>	<u>5,165,044</u>	<u>-</u>	<u>89,404,210</u>	<u>1,625,405</u>	<u>-</u>	<u>91,029,615</u>
Inter-segment revenue	<u>5,835,726</u>	<u>22,016,681</u>	<u>612,062</u>	<u>144,088</u>	<u>334,783</u>	<u>(28,879,668)</u>	<u>63,672</u>	<u>61,584</u>	<u>(125,256)</u>	<u>-</u>
<b>Reportable segment revenue</b>	<u>29,840,976</u>	<u>52,433,707</u>	<u>14,874,504</u>	<u>15,698,536</u>	<u>5,499,827</u>	<u>(28,879,668)</u>	<u>89,467,882</u>	<u>1,686,989</u>	<u>(125,256)</u>	<u>91,029,615</u>
<b>Reportable segment profit (profit before taxation)</b>	<u>1,378,060</u>	<u>7,102,324</u>	<u>1,350,451</u>	<u>1,140,871</u>	<u>233,416</u>	<u>(1,107,746)</u>	<u>10,097,376</u>	<u>(68,187)</u>	<u>-</u>	<u>10,029,189</u>

### (3) Revenue and segment reporting (continued)

For the year ended 31 December 2024

	<i>Cement and cement related</i>							<i>Solid and hazardous waste treatment</i>	<i>Elimination</i>	<i>Total</i>
	<i>Eastern China</i>	<i>Central China</i>	<i>Southern China</i>	<i>Western China</i>	<i>Overseas</i>	<i>Elimination</i>	<i>Subtotal</i>			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Interest income	14,193	2,476,910	23,504	18,783	74,891	(532,900)	2,075,381	6,038	-	2,081,419
Interest expense	(9,765)	(229,425)	(57,773)	(59,985)	(496,034)	191,536	(661,446)	(117,259)	-	(778,705)
Depreciation and amortisation for the year	(643,420)	(3,680,880)	(1,219,812)	(2,081,527)	(787,433)	-	(8,413,072)	(92,638)	-	(8,505,710)
<b>Reportable segment assets (including interests in associates and joint ventures)</b>	17,184,817	216,004,974	40,096,699	30,255,593	20,793,199	(79,867,338)	244,467,944	10,233,083	(65,783)	254,635,244
Investments in associates and joint ventures	-	4,088,433	-	-	3,613,293	-	7,701,726	73,943	-	7,775,669
Additions to non-current segment assets during the year	605,070	4,231,157	1,469,543	456,222	2,214,489	-	8,976,481	494,594	-	9,471,075
<b>Reportable segment liabilities</b>	7,444,644	39,463,462	20,227,742	10,836,176	17,926,103	(47,795,594)	48,102,533	6,221,057	(65,783)	54,257,807

### (3) Revenue and segment reporting (continued)

For the year ended 31 December 2023 (restated)

	<i>Cement and cement related</i>							<i>Solid and hazardous waste treatment</i>	<i>Elimination</i>	<i>Total</i>
	<i>Eastern China</i>	<i>Central China</i>	<i>Southern China</i>	<i>Western China</i>	<i>Overseas</i>	<i>Elimination</i>	<i>Subtotal</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Disaggregated by type of business</b>										
Sales and trading of clinker and cement products	25,094,964	25,453,609	16,128,869	15,025,804	4,703,761	-	86,407,007	-	-	86,407,007
Sales and trading of other materials	15,294,813	16,213,268	5,569,674	12,697,293	386,519	-	50,161,567	92,719	-	50,254,286
Service income	190,091	2,458,725	24,667	10,916	22,678	-	2,707,077	1,788,837	-	4,495,914
<b>Revenue from external customers</b>	<u>40,579,868</u>	<u>44,125,602</u>	<u>21,723,210</u>	<u>27,734,013</u>	<u>5,112,958</u>	<u>-</u>	<u>139,275,651</u>	<u>1,881,556</u>	<u>-</u>	<u>141,157,207</u>
<b>Disaggregated by timing of revenue recognition</b>										
Point in time	40,575,593	44,001,105	21,721,457	27,732,264	5,090,289	-	139,120,708	92,719	-	139,213,427
Over time	4,275	124,497	1,753	1,749	22,669	-	154,943	1,788,837	-	1,943,780
<b>Revenue from external customers</b>	<u>40,579,868</u>	<u>44,125,602</u>	<u>21,723,210</u>	<u>27,734,013</u>	<u>5,112,958</u>	<u>-</u>	<u>139,275,651</u>	<u>1,881,556</u>	<u>-</u>	<u>141,157,207</u>
Inter-segment revenue	5,578,191	31,743,393	581,325	2,424,292	98,724	(40,336,010)	89,915	-	(89,915)	-
<b>Reportable segment revenue</b>	<u>46,158,059</u>	<u>75,868,995</u>	<u>22,304,535</u>	<u>30,158,305</u>	<u>5,211,682</u>	<u>(40,336,010)</u>	<u>139,365,566</u>	<u>1,881,556</u>	<u>(89,915)</u>	<u>141,157,207</u>
<b>Reportable segment profit (profit before taxation)</b>	<u>1,947,832</u>	<u>14,787,960</u>	<u>1,464,995</u>	<u>1,394,639</u>	<u>108,074</u>	<u>(6,401,726)</u>	<u>13,301,774</u>	<u>292,278</u>	<u>-</u>	<u>13,594,052</u>

### (3) Revenue and segment reporting (continued)

For the year ended 31 December 2023 (restated)

	<i>Cement and cement related</i>							<i>Solid and hazardous waste treatment</i>	<i>Elimination</i>	<i>Total</i>
	<i>Eastern China</i>	<i>Central China</i>	<i>Southern China</i>	<i>Western China</i>	<i>Overseas</i>	<i>Elimination</i>	<i>Subtotal</i>			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Interest income	20,141	2,529,313	19,274	34,199	45,812	(441,512)	2,207,227	10,137	-	2,217,364
Interest expense	(4,545)	(188,230)	(90,050)	(50,639)	(544,757)	49,320	(828,901)	(101,503)	-	(930,404)
Depreciation and amortisation for the year	(599,964)	(3,120,856)	(1,117,508)	(1,822,099)	(558,389)	55,729	(7,163,087)	(289,138)	-	(7, 452,255)
<b>Reportable segment assets (including interests in associates and joint ventures)</b>	18,182,964	207,252,970	38,058,418	31,624,926	19,155,734	(77,857,785)	236,417,227	9,939,910	(777)	246,356,360
Investments in associates and joint ventures	-	3,851,343	-	3,607,045	233,944	-	7,692,332	72,860	-	7,765,192
Additions to non-current segment assets during the year	1,187,646	6,512,232	3,484,230	1,802,354	2,722,488	-	15,708,950	260,436	-	15,969,386
<b>Reportable segment liabilities</b>	9,117,270	31,080,399	19,495,510	13,023,136	17,077,753	(47,283,684)	42,510,384	5,825,457	(777)	48,335,064



### (3) Revenue and segment reporting (continued)

#### (ii) Reconciliations of reportable segment revenues, profit, assets and liabilities

	2024 RMB'000	2023 RMB'000 (restated) (Note 4(11)(b))
<b>Revenue</b>		
Reportable segment revenue	120,034,540	181,583,132
Inter-segment revenue	<u>(29,004,925)</u>	<u>(40,425,925)</u>
Consolidated revenue	<u>91,029,615</u>	<u>141,157,207</u>
<b>Profit</b>		
Reportable segment profit (profit before taxation)	11,136,938	19,995,778
Inter-segment profit	(1,107,746)	(6,401,726)
Difference between CAS and IFRS*	<u>363,355</u>	<u>269,506</u>
Consolidated profit before taxation	<u>10,392,547</u>	<u>13,863,558</u>
	31 December 2024 RMB'000	31 December 2023 RMB'000 (restated) (Note 4(11)(b))
<b>Assets</b>		
Reportable segment assets	334,568,365	324,214,922
Inter-segment assets	<u>(79,933,121)</u>	<u>(77,858,562)</u>
Consolidated total assets	<u>254,635,244</u>	<u>246,356,360</u>
<b>Liabilities</b>		
Reportable segment liabilities	102,119,184	95,619,526
Inter-segment liabilities	(47,861,377)	(47,284,461)
Difference between CAS and IFRS*	<u>40,635</u>	<u>58,363</u>
Consolidated total liabilities	<u>54,298,442</u>	<u>48,393,428</u>

\* The difference mainly arises from deferred income in respect of certain government grants recognised in profit and loss under IFRS and special reserve recognised under CAS.

### (3) Revenue and segment reporting (continued)

#### (iii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, intangible assets, goodwill, interests in associates and joint ventures, loans and receivables ("specified non-current assets"). The geographical location of customers is based on the location where the services were provided or the goods were delivered to. The geographical location of the specified non-current assets is based on the physical locations of the assets or the locations of the operations.

	<i>Revenue</i>		<i>Specified</i>	
	<i>from external customers</i>		<i>non-current assets</i>	
	<i>2024</i>	<i>2023</i>	<i>31 December</i>	<i>31 December</i>
			<i>2024</i>	<i>2023</i>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
The PRC	85,864,571	136,044,249	129,429,551	130,770,455
Others	5,165,044	5,112,958	17,307,394	11,451,331
	<u>91,029,615</u>	<u>141,157,207</u>	<u>146,736,945</u>	<u>142,221,786</u>

#### (4) Other income

	<i>2024</i>	<i>2023</i>
	<i>RMB'000</i>	<i>RMB'000</i>
		<i>(restated)</i>
		<i>(Note 4(11)(b))</i>
Interest income on financial assets measured at amortised cost	2,081,419	2,217,364
Subsidy income*	914,746	1,117,293
Net loss on disposal of property, plant and equipment and right-of-use assets	(59,359)	(105,249)
Net realised and unrealised loss on financial assets measured at FVPL	(96,195)	(63,520)
Dividend income from financial assets measured at FVPL	13,147	24,115
Dividend income from financial assets measured at FVOCI	69,195	75,833
Net foreign exchange loss	(121,107)	(159,999)
Others	<u>(106,736)</u>	<u>66,340</u>
	<u>2,695,110</u>	<u>3,172,177</u>

\* Subsidy income comprises refunds of value-added tax in connection with sales of certain cement products and government grants received.

## **(5) Profit before taxation**

**Profit before taxation is arrived at after charging:**

### **(a) Finance costs**

	2024 RMB '000	2023 RMB '000 (restated) (Note 4(11)(b))
Interest on bank loans and other borrowings	854,483	1,039,139
Interest on lease liabilities	<u>12,619</u>	<u>7,093</u>
Interest expense on financial liabilities not at FVPL	867,102	1,046,232
Less: Interest expense capitalised into construction-in-progress*	<u>(88,397)</u>	<u>(115,828)</u>
	<u><u>778,705</u></u>	<u><u>930,404</u></u>

\* The borrowing costs have been capitalized at rates of 2.20% - 4.65% for the year ended 31 December 2024 (2023: 2.40% - 4.30%).

### **(b) Staff costs**

	2024 RMB '000	2023 RMB '000 (restated) (Note 4(11)(b))
Salaries, wages and other benefits	7,853,838	7,762,646
Contributions to defined contribution retirement plans	905,650	824,215
Annuity	<u>372,447</u>	<u>323,536</u>
	<u><u>9,131,935</u></u>	<u><u>8,910,397</u></u>

Employees of the Group's PRC subsidiaries are required to participate in a defined contribution retirement plans administered and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary to the plan to fund the retirement benefits of the employees in compliance with the requirement of the local municipal government to the plan to fund the retirement benefits of the employees.

The Group's contributions to the defined contribution retirement plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions. The Group has no other material obligation for the payment of retirement benefits associated with the scheme beyond the annual contributions and annuity described above.

**(5) Profit before taxation (continued)**

**(c) Other items**

	<i>2024</i> <i>RMB'000</i>	<i>2023</i> <i>RMB'000</i> <i>(restated)</i> <i>(Note 4(11)(b))</i>
Amortisation		
- intangible assets	872,492	643,816
Depreciation		
- investment properties	3,263	3,550
- property, plant and equipment	7,629,955	6,798,552
Impairment losses		
- trade receivables	32,956	32,476
- other receivables	10,858	
- property, plant and equipment	218,687	301,231
- prepayments	91,231	
Auditors' remuneration		
- - audit services (note (i))	7,155	8,100
- - other services	590	810
Research and development costs	1,257,068	1,901,540
Cost of inventories (note (ii))	68,434,425	111,810,205

Notes:

- (i) The auditors' remuneration for audit service includes the audit fee of RMB1,900,000 (2023: RMB1,900,000) for Conch Environment Protection for the year ended 31 December 2024.
- (ii) Cost of inventories includes RMB 11,934,825,000 (2023: RMB 10,114,098,000) relating to staff costs, depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above or in note 4(5)(b) for each of these types of expenses.

## (6) Income tax

### (a) The income tax expense of the Group are as follows:

	2024 RMB '000	2023 RMB '000 (restated) (Note 4(11)(b))
<b>Current tax</b>		
Provision for the year	2,205,071	3,091,019
Under/(over)-provision in respect of prior years	<u>23,035</u>	<u>(33,270)</u>
	<u>2,228,106</u>	<u>3,057,749</u>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	<u>137,883</u>	<u>(208,214)</u>
	<u>2,365,989</u>	<u>2,849,535</u>

The Company and the Group's subsidiaries in the mainland China are generally subject to Corporate Income Tax at 25% on taxable income determined according to the PRC income tax laws, except for:

<i><b>Subsidiaries' Name</b></i>	<i><b>Tax rates</b></i>
Qianxinan Resource Development Co., Ltd. (Note (i))	15%
Pingliang Conch Cement Co., Ltd. (Note (i))	15%
Dazhou Conch Cement Co., Ltd. (Note (i))	15%
Guangyuan Conch Cement Co., Ltd. (Note (i))	15%
Chongqing Conch Cement Co., Ltd. ("Chongqing Conch") (Note (i))	15%
(Note (ii))	15%
Liquan Conch Cement Co., Ltd. (Note (i))	15%
Guiyang Conch Panjiang Cement Co., Ltd. (Note (i))	15%
Guiding Conch Panjiang Cement Co., Ltd. (Note (i))	15%
Zunyi Conch Panjiang Cement Co., Ltd. (Note (i))	15%
Qianyang Conch Cement Co., Ltd. (Note (i))	15%
Bazhong Conch Cement Co., Ltd. (Note (i))	15%
Wenshan Conch Cement Co., Ltd. (Note (i))	15%
Shuicheng Conch Panjiang Cement Co., Ltd. (Note (i))	15%
Linxia Conch Cement Co., Ltd. (Note (i))	15%

<i><b>Subsidiaries' Name</b></i>	<i><b>Tax rates</b></i>
Tongren Conch Panjiang Cement Co., Ltd. (Note (i))	15%
Guizhou Liukuangruian Cement Co., Ltd. (Note (i))	15%
Qianxian Conch Cement Co., Ltd. (Note (i))	15%
Tengchong Tengyue Cement Co., Ltd. (Note (i))	15%
Yunnan Zhuangxiang Cement Co., Ltd. (Note (i))	15%
Liangping Conch Cement Co., Ltd. ( <b>“Liangping Conch”</b> ) (Note (i)) (Note (ii))	15%
Baoji Zhongxi Fenghuangshan Cement Co., Ltd. (Note (i))	15%
Baoji Zhongxi Jinlinghe Cement Co., Ltd. (Note (i))	15%
Guangxi Lingyun Tonghong Cement Co., Ltd. (Note (i))	15%
Baoshan Conch Cement Co., Ltd. (Note (i))	15%
Ganzhou Conch Cement Co., Ltd. (Note (i))	15%
Hami Hongyi Building Material Co., Ltd. (Note (i))	15%
Yingjiangyunhan Cement Co., Ltd. (Note (i))	15%
Kunming Conch Cement Co., Ltd. (Note (i))	15%
Shaanxi Tongchuan Fenghuang Building Material Co., Ltd. (Note (i))	15%
Anhui Wuhu Conch Construction and Installation Engineering Co., Ltd. ( <b>“Conch Construction”</b> ) (Note (ii))	15%
Anhui Conch Siam Refractory Material Co., Ltd. ( <b>“Refractory Material”</b> ) (Note (ii))	15%
Zunyi Haihui New Materials Co., Ltd. (Note (i))	15%
Naiman Hongji Cement Co., Ltd. (Note (i))	15%
Chongqing Fuling Conch Building Materials Co., Ltd. (Note (i))	15%
Bazhong Conch Building Material Co., Ltd. (Note (i))	15%
Guangyuan Conch New Materials Co., Ltd. (Note (i))	15%
Guiyang Conch Green Building Materials Co., Ltd. (Note (i))	15%
Anhui Jinggong Testing and Inspection Center Co., Ltd. ( <b>“Jinggong Testing”</b> ) (Note (ii))	15%
Haibo Company (Note (ii))	15%
Shanghai Zhizhi Technology Co., Ltd. ( <b>“Shanghai Zhizhi”</b> ) (Note (ii))	15%
Certain subsidiaries of Conch Environment Protection (Note (i))	15%
Hainan Changjiang Conch Cement Co., Ltd. (Note (v))	15%

<i><b>Subsidiaries' Name</b></i>	<i><b>Tax rates</b></i>
Changjiang Conch Huasheng Plastic Packaging Co., Ltd. (Note (v))	15%
Anhui Xuancheng Conch Cement Co., Ltd. (" <b>Xuancheng Conch</b> ") (Note (ii))	15%
Anhui Zongyang Conch Cement Co., Ltd. (" <b>Zongyang Conch</b> ") (Note (ii))	15%
Anhui Conch Zhongnan Intelligent Robot Co., Ltd. (" <b>Zhongnan Intelligent</b> ") (Note (ii))	15%
Conch IT Engineering (Note (ii))	15%
Xiangshan Conch Cement Co., Ltd. (" <b>Xiangshan Conch</b> ") (Note (ii))	15%
Yangchun Conch Cement Co., Ltd. (" <b>Yangchun Conch</b> ") (Note (ii))	15%
Anhui Zhizhi Engineering Technology Co., Ltd. (" <b>Anhui Zhizhi</b> ") (Note (ii))	15%

Notes:

- (i) Pursuant to Notice No.23 issued by the Ministry of Finance, State Administration of Taxation, National Development and Reform Commission of the PRC on 23 April 2020 and relevant local tax authorities' notices, these companies are entitled to a preferential income tax rate of 15% as qualifying companies located in western areas in the PRC.

- (ii) Pursuant to Chapter 28 of the Law of the PRC on Enterprise Income Tax, nation supported high and new technology enterprise are entitled to a preferential income tax rate of 15%.

Conch Construction obtained a high and new technology enterprise certification in 2015 and obtained a renewed certification in 2024. Accordingly, it is entitled to a preferential income tax rate of 15% from 2024 to 2026.

Refractory Material obtained a high and new technology enterprise certification in 2019 and obtained a renewed certification in 2022. Accordingly, it is entitled to a preferential income tax rate of 15% from 2022 to 2024.

Jinggong Testing obtained a high and new technology enterprise certification in 2021 and obtained a renewed certification in 2024. Accordingly, it is entitled to a preferential income tax rate of 15% from 2024 to 2026.

Haibo Company obtained a high and new technology enterprise certification in 2022. Accordingly, it is entitled to a preferential income tax rate of 15% from 2022 to 2024.

Shanghai Zhizhi obtained a high and new technology enterprise certification in 2022. Accordingly, it is entitled to a preferential income tax rate of 15% from 2022 to 2024.

Liangping Conch obtained a high and new technology enterprise certification in 2023. Accordingly, it is entitled to a preferential income tax rate of 15% from 2023 to 2025.

Xuancheng Conch obtained a high and new technology enterprise certification in 2023. Accordingly, it is entitled to a preferential income tax rate of 15% from 2023 to 2025.

Zongyang Conch obtained a high and new technology enterprise certification in 2023. Accordingly, it is entitled to a preferential income tax rate of 15% from 2023 to 2025.

Zhongnan Intelligent obtained a high and new technology enterprise certification in 2022. Accordingly, it

is entitled to a preferential income tax rate of 15% from 2022 to 2024.

Conch IT Engineering obtained a high and new technology enterprise certification in 2021 and obtained a renewed certification in 2024. Accordingly, it is entitled to a preferential income tax rate of 15% from 2024 to 2026.

Xiangshan Conch obtained a high and new technology enterprise certification in 2024. Accordingly, it is entitled to a preferential income tax rate of 15% from 2024 to 2026.

Yangchun Conch obtained a high and new technology enterprise certification in 2024. Accordingly, it is entitled to a preferential income tax rate of 15% from 2024 to 2026.

Anhui Zhizhi obtained a high and new technology enterprise certification in 2024. Accordingly, it is entitled to a preferential income tax rate of 15% from 2024 to 2026.

Chongqing Conch obtained a high and new technology enterprise certification in 2024. Accordingly, it is entitled to a preferential income tax rate of 15% from 2024 to 2026.

- (iii) According to Caishui [2022] No. 13, “The Announcement of Further Implementation of Inclusive Tax Relief Policy on Small-scaled Minimal Profit Enterprise” issued by Ministry of Finance of the PRC and the State Administration of Taxation of the PRC on 14 March 2022, small-scaled minimal profit enterprises with an annual taxable income between RMB1,000,000 and RMB3,000,000 (RMB3,000,000 included) is entitled to a preferential tax treatment of 75% exemption of taxable income and application of income tax rate as 20% from 2022 to 2024. According to Caishui [2023] No. 6, “The Announcement of Implementation of Inclusive Tax Relief Policy on Small-scaled Minimal Profit Enterprise”, small-scaled minimal profit enterprises with an annual taxable income below RMB1,000,000 is entitled to a preferential tax treatment of 75% exemption of taxable income and application of income tax rate as 20% from 2023 to 2024.
- (iv) According to Article 27 of the Law of the PRC on Enterprise Income Tax, the income from investment and operation of public infrastructure projects supported by the State can enjoy preferential tax policy. As further explained by Article 87 of Regulations on the Implementation of Enterprise Income Tax, public infrastructure projects supported by the State refer to ports, airports, railways, highways, urban public transportation, electric power, water conservancy and other projects stipulated in the Catalogue of Enterprise Income Tax Preferential for Public Infrastructure Projects. The preferential policy allows full exemption from PRC income tax for the first three years starting from the initial year of production and operation and 50% of the standard tax rates will be levied for the following three years.
- (v) According to Caishui [2020] No. 31, “The Notice on Preferential Policies for Enterprise Income Tax in Hainan Free Trade Port”, from 1 January 2020 to 31 December 2024, encouraged industrial enterprises registered in Hainan Free Trade Port with substantive operation will be subject to enterprise income tax at a reduced rate of 15%.

The corporate income tax rates of the subsidiaries outside mainland China are as following:

<i><b>Subsidiaries' Name</b></i>	<i><b>Tax rates</b></i>
Conch International Holdings (HK) Limited, a subsidiary in Hong Kong	16.5%
Luangprabang Conch Cement Co., Ltd., a subsidiary in Laos	20%
Vientian Conch Cement Co., Ltd., a subsidiary in Laos	20%



<i><b>Subsidiaries' Name</b></i>	<i><b>Tax rates</b></i>
Conch Cement Volga Limited Liability Company, a subsidiary in Russia	20%
Conch KT Cement (Phnom Penh) Company Limited, a subsidiary in Cambodia	20%
PT Conch Cement Indonesia, a subsidiary in Indonesia	22%
PT Conch South Kalimantan Cement, a subsidiary in Indonesia	22%
PT Conch International Trade Indonesia, a subsidiary in Indonesia	22%
PT Conch Maros South Sulawesi Mine, a subsidiary in Indonesia	22%
PT Conch Maros Cement Indonesia, a subsidiary in Indonesia	22%
PT Conch Barru Cement Indonesia, a subsidiary in Indonesia	22%
PT Conch North Sulawesi Cement, a subsidiary in Indonesia	22%
PT Conch West Kalimantan Trade Cement, a subsidiary in Indonesia	22%
Tonga Conch Mining Co., Ltd., a subsidiary in Indonesia	22%
Beisu Conch Mining Co., Ltd., a subsidiary in Indonesia	22%
West Papua Conch Cement Co., Ltd. (" <b>West Papua Conch</b> "), a subsidiary in Indonesia	22%
Battambang Conch Cement Company Limited (" <b>Battambang Conch</b> "), a subsidiary in Cambodia (Note (i))	-
Qarshi Conch Cement Limited Liability Company, a subsidiary in Uzbekistan	15%
Tashkent Conch Cement Joint Venture Co., Ltd., a subsidiary in Uzbekistan	15%
Shangfeng Bridge of Friendship Co., Ltd., a subsidiary in Uzbekistan	15%
Conch Environment Protection and its subsidiaries in the Cayman Islands and British Virgin Islands (" <b>BVI</b> ") (Note (ii))	-
Subsidiaries of Conch Environment Protection in Hong Kong	16.5%

Notes:

- (i) Battambang Conch was accredited as a Qualified Investment Project by the Cambodian Development Council in April 2016. According to local investment laws, it can enjoy income tax exemption for 9 years from the year in which the company generates its revenue and income tax exemption for 6 years from the year in which the company generates its profit, whichever is shorter. According to the policy, the income tax-free period for Battambang Conch is from 2018 to 2024.
- (ii) Pursuant to the rules and regulations of the Cayman Islands and the BVI, these subsidiaries are not subject to any income tax in the Cayman Islands and the BVI.

**(6) Income tax (continued)**

**(b) Reconciliation between tax expense and accounting profit at applicable tax rate**

	2024 RMB '000	2023 RMB '000 (restated) (Note 4(11)(b))
Profit before taxation	<u>10,392,547</u>	<u>13,863,557</u>
Notional tax on profit before taxation calculated at 25% (2023: 25%)	2,598,137	3,465,889
Tax effect of non-taxable income	(76,144)	(96,869)
Reversal of previously recognized deferred tax assets from prior years	114,931	12,814
Tax effect of current deductible temporary differences and tax losses not recognised	212,320	119,161
Under/(Over)-provision in respect of prior years	23,035	(33,270)
Tax effect of subsidiaries subject to tax rates other than 25%	(227,235)	(225,644)
Tax effect of non-deductible expenses	43,434	58,783
Income tax credit for investment in energy-saving and water-saving equipment	(43,341)	(49,391)
Tax effect of bonus additional deduction for research and development costs	(267,177)	(375,427)
Tax effect of change in tax rate	<u>(11,971)</u>	<u>(26,511)</u>
Actual tax expense	<u>2,365,989</u>	<u>2,849,535</u>

The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation has been enacted or substantively enacted but not yet in effect as at 31 December 2024 in certain jurisdictions in which the Group operates.

The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the current year. As such, it may not be entirely representative of future circumstances. In 2024, the Group does not expect a material exposure to Pillar Two income taxes.

## **(7) Dividends**

### **(a) Dividends payable to equity shareholders of the Company attributable to the year:**

	2024	2023
	RMB'000	RMB'000
Final dividend proposed after the statement of financial position date of RMB0.71 (2023: RMB0.96) per ordinary share	<u>3,746,713</u>	<u>5,065,978</u>

The final dividend proposed for shareholders' approval after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

### **(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:**

	2024	2023
	RMB'000	RMB'000
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.96 (2023: RMB1.48) per ordinary share	<u>5,065,978</u>	<u>7,842,968</u>

## **(8) Earnings per share**

### **(a) Basic earnings per share**

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company for the year ended 31 December 2024 of RMB8,051,954,000 (2023: RMB10,686,595,000) and the weighted average number of shares in issue during the year ended 31 December 2024 of 5,277,365,000 shares after adjusting for the repurchasing of own shares during the year (2023: 5,298,303,000 shares), calculated as follows:

#### Weighted average number of ordinary shares

	2024	2023
Issued ordinary shares at 1 January	5,284,238,000	5,299,303,000
Effect of repurchase of own shares	<u>(6,873,000)</u>	<u>(1,000,000)</u>
Weighted average number of ordinary shares at 31 December	<u>5,277,365,000</u>	<u>5,298,303,000</u>

### **(b) Diluted earnings per share**

The Company had no dilutive potential ordinary shares outstanding during the years ended 31 December 2024 and 2023, therefore diluted earnings per share is the same as the basic earnings per share.

### (9) Ageing analysis on trade and bills receivables

The following ageing analysis of trade debtors (net of loss allowance) are based on invoice date as of the end of the reporting period:

	<i>31 December 2024</i>	<i>31 December 2023</i>
	<i>RMB '000</i>	<i>RMB '000 (restated) (Note 4(11)(b))</i>
Within 1 year	10,804,762	4,209,033
1 year or above	<u>218,353</u>	<u>187,875</u>
	<u>11,023,115</u>	<u>4,396,908</u>

Trade debtors are mainly due within 30 to 180 days from the date of billing, except for retention money in respect of certain sales contracts which is due upon the expiry of the retention period.

Bank acceptance notes receivables are due within 1 year from the date of issuance.

### (10) Ageing analysis on trade and bills payables

Included in trade and bills payables are trade creditors with the following ageing analysis based on invoice date at the end of reporting period:

	<i>31 December 2024</i>	<i>31 December 2023</i>
	<i>RMB '000</i>	<i>RMB '000</i>
Within 1 year (inclusive)	<u>5,816,206</u>	<u>6,329,344</u>

### (11) Business combination

#### (a) Business combination not under common control

On 27 December 2024, the Group acquired 51% of the equity interests in West Papua Conch, which is engaged in the production and sale of cement. This acquisition is part of the Group's strategy to expand its market share in Southeast Asia. The consideration for the acquisition was paid in cash and was completed on 27 December 2024. Details of the acquired subsidiary is as follows:

<i>Name of the company</i>	<i>Voting rights/ effective equity interests</i>	<i>Date of acquisition</i>	<i>Principal activities</i>
West Papua Conch	100%/ 100%	27 December 2024	Manufacture and sale of clinker and cement products

### (11) Business combination (continued)

Summary of net assets of the acquisitions and the goodwill arising at the acquisition date are as follows:

The fair value of identifiable assets acquired and liabilities assumed at the acquisition date:

	<i>West Papua Conch</i> RMB'000
Property, plant and equipment	1,082,172
Trade and other receivables	40,539
Inventories	106,059
Cash and cash equivalents	82,414
Bank loans and other borrowings	1,244,995
Trade payables and other liabilities	145,121
Share of fair value of identifiable net assets	(78,932)
Non-controlling interests	(243)
Total equity attributable to equity shareholders of the Company	<u>(78,689)</u>

As at the acquisition date, the fair values of other receivables amounted to RMB 39,369,000. The gross contractual amounts of other receivables were RMB 39,369,000.

Goodwill has been recognised as a result of the acquisitions as follows:

	<i>West Papua Conch</i> RMB'000
Total cash consideration	225,826
Fair value of net identifiable assets	<u>(78,689)</u>
Goodwill	<u>304,515</u>

The goodwill arises from the acquisition represents the benefits of expected synergies to be achieved from integrating the business into the Group's existing business, future market development potential and cost savings. None of the goodwill recognized above is expected to be deductible for tax purposes.

Revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of profit or loss for the year are disclosed as below:

	<i>West Papua Conch</i> RMB'000
Year of the acquisition	2024
Contributed to Group	-
Revenue	-
Net loss	-

# (11) Business combination (continued)

Had the acquisitions occurred on 1 January 2024, management estimates that the consolidated revenue of the Group for the year ended 31 December 2024 would have been RMB 91,601,344,000 and the consolidated net profit for the year would have been RMB 7,885,286,000. In determining these amounts, management has assumed that the fair value adjustments that arose on the acquisition date would remain the same as if the acquisition had occurred on 1 January 2024.

## (b) Business combination under common control

During the year ended 31 December 2024, the Group acquired equity interest of below subsidiary from related parties. Details of the acquired subsidiary are as follows:

<i>Name of the company</i>	<i>Voting rights/ effective equity interests</i>	<i>Date of merger</i>	<i>Principal activities</i>	<i>Total cash consideration RMB'000</i>
Conch IT Engineering	100%	2 January 2024	Information platform construction and operation	126,400

As Conch IT Engineering and the Group are under common control of Conch Holdings before and after the business combination and the control is not transitory, the acquisition of Conch IT Engineering was considered as a business combination involving entities under common control.

The financial performance previously reported by the Group for the year ended 31 December 2023 have been restated to include the operating results of the combining entities from the earliest date presented under the control of the ultimate shareholder, regardless of the date of the common control combination, as set out below:

	The Group RMB'000 (as previously reported)	Conch IT Engineering RMB'000	Intra- company Elimination RMB'000	The Group RMB'000 (as restated)
<b>Revenue</b>	140,999,428	250,760	(92,981)	141,157,207
Cost of sales and services rendered	(118,634,454)	(196,151)	85,751	(118,744,854)
<b>Gross profit</b>	22,364,974	54,609	(7,230)	22,412,353
Other income	3,165,495	6,682	-	3,172,177
Selling and marketing costs	(3,423,656)	(1,863)	-	(3,425,519)
Administrative expenses	(5,414,236)	(16,437)	-	(5,430,673)

**(11) Business combination (continued)**

	The Group RMB'000 (as previously reported)	Conch IT Engineering RMB'000	Intra- company Elimination RMB'000	The Group RMB'000 (as restated)
Research and development costs	(1,859,553)	(41,987)	-	(1,901,540)
Impairment loss on trade receivables	(32,476)	-	-	(32,476)
Impairment loss on property, plant and equipment	(301,231)	(188)	-	(301,419)
<b>Profit from operations</b>	14,499,317	816	(7,230)	14,492,903
Finance costs	(930,404)	-	-	(930,404)
Share of profits of associates	178,788	-	-	178,788
Share of profits of joint ventures	122,270	-	-	122,270
<b>Profit before taxation</b>	13,869,971	816	(7,230)	13,863,557
Income tax	(2,851,281)	300	1,446	(2,849,535)
<b>Profit for the period</b>	<u>11,018,690</u>	<u>1,116</u>	<u>(5,784)</u>	<u>11,014,022</u>
<b>Other comprehensive income for the period (after tax and reclassification adjustments):</b>				
<b>Item that will not be reclassified to profit or loss:</b>				
Equity investments at FVOCI - net movement in fair value reserve (non-recycling)	(805,698)	-	-	(805,698)
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Exchange differences on translation of financial statements of overseas subsidiaries	(110,705)	-	-	(110,705)
Shares of other comprehensive income of investees	(3,749)	-	-	(3,749)

**(11) Business combination (continued)**

	The Group RMB'000 (as previously reported)	Conch IT Engineering RMB'000	Intra- company Elimination RMB'000	The Group RMB'000 (as restated)
<b>Other comprehensive income for the period</b>	(920,152)	-	-	(920,152)
<b>Total comprehensive income for the period</b>	10,098,538	1,116	(5,784)	10,093,870
<b>Attributable to:</b>				
Equity shareholders of the Company	9,773,287	829	(3,415)	9,770,701
Non-controlling interests	325,251	287	(2,369)	323,169
<b>Total comprehensive income for the period</b>	10,098,538	1,116	(5,784)	10,093,870

The financial position previously reported by the Group as at 31 December 2023 has been restated to include the assets and liabilities of the combining entities recognized at the carrying value based on the controlling shareholder's financial statements (i.e. Conch Holdings) as set out below:

	The Group RMB'000 (as previously reported)	Conch IT Engineering RMB'000	Intra- company Elimination RMB'000	The Group RMB'000 (as restated)
<b>Non-current assets</b>				
Property, plant and equipment				
- Investment properties	55,140	-	-	55,140
- Other property, plant and equipment	105,011,652	8,883	(52,715)	104,967,820
Intangible assets	24,613,705	62,273	-	24,675,978
Goodwill	1,147,072	-	-	1,147,072
Interest in associates	5,575,551	17,531	(17,531)	5,575,551
Interests in joint ventures	2,189,641	-	-	2,189,641
Loans and receivables	250,256	-	-	250,256
Long-term prepayments	3,108,137	1,372	-	3,109,509
Financial assets measured at FVOCI	1,348,011	-	-	1,348,011
Deferred tax assets	1,543,300	-	10,542	1,553,842
	144,842,465	90,059	(59,704)	144,872,820



**(11) Business combination (continued)**

	The Group RMB'000 (as previously reported)	Conch IT Engineering RMB'000	Intra- company Elimination RMB'000	The Group RMB'000 (as restated)
<b>Current assets</b>				
Inventories	10,100,346	55,096	-	10,155,442
Assets held for sale	23,538	-	-	23,538
Trade and bills receivables	12,566,632	70,709	(22,111)	12,615,230
Financial assets measured at FVPL	2,210,733	-	-	2,210,733
Prepayments and other receivables	7,146,508	16,955	-	7,163,463
Amounts due from related parties	510,492	-	(4,622)	505,870
Tax recoverable	426,887	171	-	427,058
Restricted cash deposits	774,871	-	-	774,871
Bank deposits with original maturity over three months	56,035,319	-	-	56,035,319
Cash and cash equivalents	11,551,409	20,607	-	11,572,016
	101,346,735	163,538	(26,733)	101,483,540
<b>Current liabilities</b>				
Trade and bills payables	6,219,448	110,781	(885)	6,329,344
Other payables and accruals	11,242,368	28,285	-	11,270,653
Current portion of long-term payables	61,845	-	-	61,845
Contract liabilities	2,883,152	2,154	-	2,885,306
Bank loans and other borrowings	7,249,964	-	-	7,249,964
Lease liabilities	35,389	-	-	35,389
Amounts due to related parties	1,033,490	-	(25,848)	1,007,642
Current taxation	934,173	-	-	934,173
	29,659,829	141,220	(26,733)	29,774,316
<b>Net current assets</b>	71,686,906	22,318	-	71,709,224

**(11) Business combination (continued)**

	The Group RMB'000 (as previously reported)	Conch IT Engineering RMB'000	Intra- company Elimination RMB'000	The Group RMB'000 (as restated)
<b>Total assets less current liabilities</b>	216,529,371	112,377	(59,704)	216,582,044
<b>Non-current liabilities</b>				
Bank loans and other borrowings	15,611,937	-	-	15,611,937
Lease liabilities	198,018	-	-	198,018
Long-term payables	263,932	106	-	264,038
Deferred income	928,827	-	-	928,827
Deferred tax liabilities	1,616,292	-	-	1,616,292
	18,619,006	106	-	18,619,112
<b>NET ASSETS</b>	197,910,365	112,271	(59,704)	197,962,932
<b>CAPITAL AND RESERVES</b>				
Share capital	5,299,303	50,000	(50,000)	5,299,303
Reserves	179,970,234	60,217	7,827	180,038,278
<b>Total equity attributable to equity shareholders of the Company</b>	185,269,537	110,217	(42,173)	185,337,581
<b>Non-controlling interests</b>	12,640,828	2,054	(17,531)	12,625,351
<b>TOTAL EQUITY</b>	197,910,365	112,271	(59,704)	197,962,932

The cash flows previously reported by the Group for the year ended 31 December 2023 have been restated to include the cash flows of the combining entities from the earliest date presented or since the date when combining entities first came under common control, regardless of the date of the common control combination, as set out below:

	The Group RMB'000 (as previously reported)	Conch IT Engineering RMB'000	Intra- company Elimination RMB'000	The Group RMB'000 (as restated)
Net cash generated from operating activities	19,077,288	10,298	(41,706)	19,045,880
Net cash used in investing activities	(19,307,018)	(54,625)	55,306	(19,306,337)
Net cash used in financing activities	(4,407,925)	(98,600)	(13,600)	(4,520,125)

**(11) Business combination (continued)**

	The Group RMB'000 (as previously reported)	Conch IT Engineering RMB'000	Intra- company Elimination RMB'000	The Group RMB'000 (as restated)
Net (decrease)/increase in cash and cash equivalents	(4,637,655)	(142,927)	-	(4,780,582)
Cash and cash equivalents as at 1 January 2023	16,158,423	163,534	-	16,321,957
Effect of foreign exchange rate changes	30,641	-	-	30,641
Cash and cash equivalents as at 31 December 2023	11,551,409	20,607	-	11,572,016

**(12) Contingent liabilities**

On 31 December 2024, the Company provided guarantee for the bank loans of its subsidiaries, with a guarantee amount of RMB 2,276,071,000 (31 December 2023: RMB 2,651,950,000). The Company did not guarantee the bank credit of its subsidiaries (2023: Nil). The directors of the Company believe that the Company will not be subject to significant risks due to such guarantees. On 31 December 2024, subsidiaries of the Company provided guarantees for subsidiaries within the scope of the Group's consolidated financial statements, with a guarantee amount of RMB 1,195,964,000 (31 December 2023: RMB 3,433,377,000).

According to the Civil Ruling (2024) Gui 1402 Min Chu No.449-1 issued by the People's Court of Jiangzhou District, Chongzuo City, Guangxi Zhuang Autonomous Region on 28 October 2024: 51% equity interest of Wuhu South Cement Co., Ltd. and 66.3% equity interest of Youxi Conch Cement Co., Ltd. held by Anhui Haizhong Investment Co., Ltd. ("**Haizhong Investment**"), a subsidiary of the Company, were frozen with a limit of RMB80,850,739. The matter relates to the contract dispute over the clinker capacity replacement transfer agreement signed between Chongzuo Southern Cement Co., Ltd. and Haizhong Investment on 20 April 2021. Haizhong Investment and the Company consider that this matter will not expose the Group to significant risk.

By Order of the Board  
**Anhui Conch Cement Company Limited**  
Chairman  
**Yang Jun**

Wuhu City, Anhui Province, the PRC

24 March 2025

*As at the date of this announcement, the Board comprises (i) Mr. Yang Jun, Mr. Zhu Shengli, Mr. Li Qunfeng, Mr. Wu Tiejun and Mr. Yu Shui as executive Directors; (ii) Mr. Qu Wenzhou, Ms. Ho Shuk Yee, Samantha and Ms. Zhang Yunyan as independent non-executive Directors.*