

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 2025

Revenue of the Company for the year 2025 amounted to RMB82,532.05 million (in accordance with the IFRSs), representing a decrease of 9.33% comparing to that for the year 2024.

Net profit attributable to equity shareholders of the Company for the year 2025 amounted to RMB8,464.46 million (in accordance with the IFRSs), representing an increase of 5.12% comparing to that for the year 2024.

Earnings per share for the year 2025 was RMB1.60 (in accordance with the IFRSs), representing an increase of RMB0.07 per share comparing to that for the year 2024.

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

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
Telephone number	0086-553-8398976	0086-553-8398911
Fax number	0086-553-8398931	0086-553-8398931
E-mail address	dms@chinaconch.com	dms@chinaconch.com

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	2025	2024	2023	2022	2021
Revenue	82,532,051	91,029,615	141,157,207	132,152,365	168,155,470
Net profit attributable to equity shareholders of the Company	8,464,457	8,051,954	10,686,594	15,875,504	33,319,402
Total assets	256,000,730	254,635,244	246,356,360	244,296,200	230,806,073
Total liabilities	52,312,787	54,298,442	48,393,428	48,219,138	38,926,006

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	2025	2024	Increase or decrease in the current year over the previous year (%)	2023
Revenue	82,532,051	91,029,615	-9.33	141,157,207
Profit before taxation	10,419,957	10,029,189	3.90	13,594,052
Net profit attributable to equity shareholders of the Company	8,113,068	7,696,118	5.42	10,427,552
Net profit after extraordinary items attributable to equity shareholders of the Company	7,587,838	7,364,704	3.03	9,960,488
Basic earnings per share (RMB/share)	1.54	1.46	5.42	1.97

Diluted earnings per share (RMB/share)	1.54	1.46	5.42	1.97
Basic earnings per share after extraordinary items (RMB/share)	1.44	1.40	3.04	1.88
Diluted return on net assets (%)	4.22	4.09	Increased by 0.13 percentage point	5.62
Weighted average return on net assets (%)	4.27	4.14	Increased by 0.13 percentage point	5.64
Diluted return on net assets after extraordinary items (%)	3.94	3.92	Increased by 0.02 percentage point	5.37
Weighted average return on net assets after extraordinary items (%)	3.99	3.96	Increased by 0.03 percentage point	5.39
Net cash flow generated from operating activities	16,643,908	18,476,253	-9.92	20,074,156
Net cash flow per share generated from operating activities (RMB/share)	3.15	3.50	-9.91	3.79

Table 2:

(Unit: RMB'000)

Items	As at 31 December 2025	As at 31 December 2024	Increase or decrease at the end of this year over the end of the previous year (%)	As at 31 December 2023
Total assets	256,000,730	254,635,244	0.54	246,356,360
Net assets attributable to equity shareholders of the Company	192,427,628	187,940,359	2.39	185,389,128
Net assets per share attributable to equity shareholders of the Company (RMB/share)	36.46	35.61	2.39	35.08

III. SHAREHOLDERS

1. Shareholders

- (1) As at 31 December 2025, the total number of registered shareholders of the Company was 247,947, of which 116 were registered holders of H Shares. As at 28 February 2026, the total number of registered shareholders of the Company was 208,306, of which 116 were registered holders of H Shares.
- (2) As at 31 December 2025, the shareholdings of the top ten registered shareholders of the Company are set out as follows:

No.	Name of shareholder	Nature of shareholder	Increase or decrease 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. (“ Conch Holdings ”) ^(Note 1)	State-owned legal person	-	1,928,870,014	36.40	A Share	Nil	-
2	HKSCC Nominees Limited ^(Note 2)	Foreign legal person	127,750	1,298,099,340	24.50	H Share	Unknown	Unknown
3	Hong Kong Securities Clearing Company Limited	Foreign legal person	-22,691,670	151,293,273	2.85	A Share	Unknown	Unknown
4	China Securities Finance Corporation Limited	State-owned legal person	-43,487,396	115,218,918	2.17	A Share	Unknown	Unknown
5	Central Huijin Asset Management Ltd.	State-owned legal person	-	68,767,400	1.30	A Share	Unknown	Unknown
6	Harvest Fund – Agricultural Bank – Harvest China Securities and Financial Assets Management Plan	Others	43,487,396	52,399,296	0.99	A Share	Unknown	Unknown
7	Industrial and Commercial Bank of China Limited – Huatai Borui CSI 300 Trading Open-end Index Securities Investment Fund	Others	-1,842,789	39,627,822	0.75	A Share	Unknown	Unknown
8	Guosen Securities Co., Ltd.	Others	9,764,200	28,301,501	0.53	A Share	Unknown	Unknown
9	China Construction Bank Corporation – E Fund CSI 300 Trading Open-end Index Initiating Securities Investment	Others	-312,369	28,271,815	0.53	A Share	Unknown	Unknown
10	Industrial and Commercial Bank of China Limited – ChinaAMC CSI 300 Trading Open-end Index Securities Investment Fund	Others	2,582,061	21,575,148	0.41	A Share	Unknown	Unknown

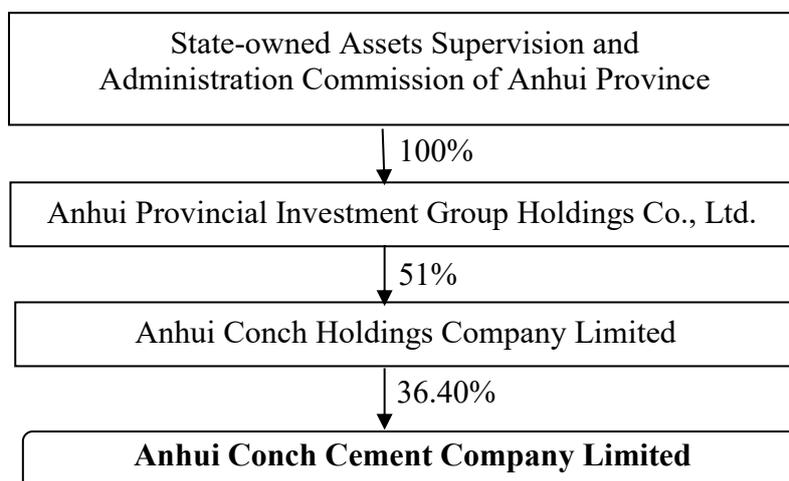
Notes:

- (1) During the year ended 31 December 2025 (the “**Reporting Period**”), there was no change in the number of shares of the Company held by Conch Holdings whose shares were not subject to any pledge, freezing or trust.
- (2) As at the end of the Reporting Period, HKSCC Nominees Limited held 1,298,099,340 H Shares, representing 24.50% of the total share capital of the Company, and 99.88% 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.
- (6) During the Reporting Period, no Shares were lent through refinancing by shareholders with more than 5% shareholding, the top 10 shareholders and the top 10 shareholders without restrictions on trading.

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 2025, 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

During the Reporting Period, neither the Company nor its subsidiaries purchased, sold or redeemed any listed securities of the Company.

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 (“**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.

As of 31 December 2025, the Company had 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 shares have not been sold or cancelled.

IV. INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARE CAPITAL

As at the end of the Reporting Period, the interests and short positions held by the Directors and 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
Li Qunfeng	Executive Director	China Conch Environment Protection Holdings Limited (“Conch Environment Protection”)	Beneficial owner	2,050,000	0.11%
			Interest held jointly with other persons ^{Note}	479,345,879	26.24%

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, as of the end of the Reporting Period, none of the Directors 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 2025 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 2025, applicable accounting policies have been adopted and applied consistently.

VII. MANAGEMENT DISCUSSION AND ANALYSIS ON THE OPERATIONS

ANALYSIS ON THE OPERATIONAL CONDITIONS FOR 2025

(1) Overview of operation development

In 2025, facing the challenges of declining market demand and intensified industry competition, the Group remained market-oriented and formulated precise marketing strategies. Leveraging its integrated “cement +” sales advantage, it strengthened competitiveness in both domestic and overseas markets. The Group also expanded the application of centralized and large-scale procurement, promoted the green upgrading of logistics and transportation, strengthened the refined management of production and operations, and systematically promoted cost reduction and efficiency improvement. As a result, economic and technical indicators continued to improve, fully demonstrating the Group’s operational resilience.

During the Reporting Period, in accordance with the PRC Accounting Standards, the Group’s revenue amounted to RMB82,532 million, representing a decrease of 9.33% from that of the corresponding period of the previous year; net profit attributable to equity shareholders of the Company amounted to RMB8,113 million, representing an increase of 5.42% from that of the corresponding period of the previous year; and earnings per share were RMB1.54, representing an increase of RMB0.08 from that of the corresponding period of the previous year. During the Reporting Period, in accordance with the IFRSs, revenue amounted to RMB82,532 million, representing a decrease of 9.33% from that of the corresponding period of the previous year; net profit attributable to equity shareholders of the Company amounted to RMB8,464 million, representing an increase of 5.12% from that of the corresponding period of the previous year; and earnings per share were RMB1.60, representing an increase of RMB0.07 from that of the corresponding period of the previous year.

During the Reporting Period, the Group coordinated the promotion of industrial development and project construction, actively consolidating its core business and extending its industrial chain. It focused its efforts on the development of domestic core cement business: the acquisition of the Yaobai project in Xinjiang was completed; relocation and construction project of Fenyi Conch Cement Co., Ltd. commenced production as scheduled; and the newly constructed cement mills at Wuhu Conch Cement Co., Ltd. and Anhui Zongyang Conch Cement Co., Ltd. (“**Zongyang Conch**”) commenced operation on schedule. Overseas projects also advanced steadily - Conch KT Cement (Phnom Penh) Company Limited was successfully completed and commenced operation, adding new momentum to the Group’s global

development. The industrial chain was further expanded in depth, with 9 aggregate projects in Zongyang and Yingde, etc. completed and put into operation and 22 new commodity concrete stations added, continuously expanding market coverage. At the same time, the Group accelerated the development of consumer building materials business, with 13 dry-mix mortar and ceramic tile glue projects and one putty powder project completed and put into operation.

As at the end of the Reporting Period, the Group's production capacity of clinker, cement, aggregates and commodity concrete in operation amounted to 234 million tonnes¹, 415 million tonnes, 180 million tonnes and 70.25 million cubic meters, respectively.

During the Reporting Period, the Group continued to explore and implement technological innovation and green development. In terms of technological innovation, nearly 400 granted patents were obtained. The data-driven, full-process closed-loop optimized smart cement factory constructed by Zongyang Conch was successfully selected as an "Excellent Smart Factory Project" by the Ministry of Industry and Information Technology for 2025. The Group also released the building materials industry's first AI large model, achieving breakthroughs in the application of artificial intelligence technology in more than 40 scenarios across five areas – quality control, production optimization, equipment management, production safety and intelligent Q&A, effectively enabling refined production control, reducing costs and enhancing efficiency while supporting carbon reduction. In terms of green development, the Group increased research and development effort in and promotion of low-carbon cement, the all-green electricity plant demonstration project at Baimashan Cement Plant was constructed; the first green power-to-hydrogen storage and transportation integration project in the cement industry in Pingliang, Gansu was constructed; and a 500 MW/2,000 MWh new-type energy storage power station commenced operation in Tongliao, Inner Mongolia.

As at the end of the Reporting Period, the Group's installed capacity of wind, photovoltaic power generation and energy storage in operation amounted to 1,377 MW. A total of 56 subsidiaries were named to the list of "Green Plant" at provincial or municipal level, 29 subsidiaries were named to the list of "Green Plant" at the State level, and received recognition for 44 national-level green mines and 42 provincial-level green mines.

¹ Recalculated according to the new regulation on the production capacity replacement.

(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)	68,377,778	49,395,933	27.76	-6.61	-10.27	Increased by 2.95 percentage points
Building material industry (trading business)	1,041,547	1,016,652	2.39	10.54	9.39	Increased by 1.02 percentage points
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 ^{Note 1}	48,626,926	35,390,031	27.22	-7.14	-10.67	Increased by 2.88 percentage points
Building material industry (sale of self-produced products) – 32.5-grade cement	7,398,104	4,764,776	35.59	-12.47	-20.25	Increased by 6.28 percentage points
Building material industry (sale of self-produced products) – Clinker	4,940,567	3,913,059	20.80	-1.83	-14.18	Increased by 11.39 percentage points
Building material industry (sale of self-produced products) – Aggregates and manufactured sand	4,202,692	2,516,064	40.13	-10.41	1.03	Decreased by 6.78 percentage points
Building material industry (sale of self-produced products) – Commodity concrete	3,209,489	2,812,003	12.38	20.04	16.86	Increased by 2.38 percentage points
Building material industry (trading business)	1,041,547	1,016,652	2.39	10.54	9.39	Increased by 1.02 percentage points
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 ^{Note 2}	18,703,263	15,551,059	16.85	-5.06	-1.38	Decreased by 3.11 percentage points
Building material industry (sale of self-produced products) – Central China ^{Note 3}	18,287,873	12,859,998	29.68	-14.94	-16.23	Increased by 1.08 percentage points
Building material industry (sale of self-produced products) – South China ^{Note 4}	12,343,882	8,510,160	31.06	-10.32	-17.79	Increased by 6.26 percentage points
Building material industry (sale of self-produced products) – West China ^{Note 5}	12,523,940	8,608,665	31.26	-5.92	-15.45	Increased by 7.74 percentage points
Building material industry (sale of self-produced products) – Export	673,243	552,093	17.99	158.50	139.61	Increased by 6.46 percentage points
Building material industry (sale of self-produced products) – Overseas	5,845,577	3,313,958	43.31	24.99	4.71	Increased by 10.98 percentage points
Building material industry (trading business)	1,041,547	1,016,652	2.39	10.54	9.39	Increased by 1.02 percentage points
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	40,513,118	28,231,048	30.32	-6.02	-9.70	Increased by 2.84 percentage points
Building material industry – Distribution	28,906,207	22,181,537	23.26	-6.90	-10.25	Increased by 2.86 percentage points

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 sales volume of self-produced cement and clinker products amounted to 265 million tonnes, representing a year-on-year decrease of 1.13%, at a reduction extent outperformed the cement industry average, which was due to the increase in overseas and export sales volume. Sales revenue from self-produced products amounted to RMB68,378 million, representing a year-on-year decrease of 6.61%. Cost of sales of self-produced products decreased by 10.27% year-on-year to RMB49,396 million. The consolidated gross profit margin of self-produced products was 27.76%, representing an increase of 2.95 percentage points from that for the corresponding period of the previous year.

The Group achieved a sales volume of 5.21 million tonnes for its cement and clinker trading business, representing a year-on-year increase of 76.03%. Revenue from trading business amounted to RMB1,042 million, representing a year-on-year increase of 10.54%. Cost of trading business increased by 9.39% year-on-year to RMB1,017 million. The consolidated gross profit margin of trading business was 2.39%, representing an increase of 1.02 percentage points from that for the corresponding period of the previous year.

The Group's total sales volume of self-produced products and trading business of cement and clinker amounted to 270 million tonnes, representing a year-on-year decrease of 0.29%. Revenue generated from principal activities amounted to RMB69,419 million, representing a year-on-year decrease of 6.39%. Cost of principal activities decreased by 9.94% year-on-year to RMB50,413 million. The consolidated gross profit margin of products was 27.38%, representing an increase of 2.87 percentage points from that for the corresponding period of the previous year.

Sales by product

During the Reporting Period, the gross profit margin of the Group's self-produced 42.5-grade cement, 32.5-grade cement and clinker increased by 2.88 percentage points, 6.28 percentage points and 11.39 percentage points year-on-year, respectively. The consolidated gross profit margin of aggregates and manufactured sand decreased by 6.78 percentage points year-on-year to 40.13%; the consolidated gross profit margin of commodity concrete was 12.38%, representing a year-on-year increase of 2.38 percentage points.

Sales by region

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

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 (%)
	2025 (RMB'000)	2024 (RMB'000)	
Revenue from principal activities	69,419,325	74,156,371	-6.39
Profit from operations	10,207,798	9,713,107	5.09
Profit before taxation	10,419,957	10,029,189	3.90
Net profit attributable to equity shareholders of the Company	8,113,068	7,696,118	5.42

During the Reporting Period, mainly affected by the decrease in the selling prices of products, the Group's revenue from principal activities decreased by 6.39% from that for the corresponding period of the previous year. However, benefiting from the Group's improvement of operational efficiency and reduction in cost, profit from operations, profit before taxation and net profit attributable to equity shareholders of the Company increased by 5.09%, 3.90% and 5.42% from that for the corresponding period of the previous year, respectively.

3. Analysis of costs and expenses

Consolidated costs of cement and clinker for 2025 and their year-on-year changes

Items	2025		2024		Increase or decrease in costs (%)	Increase or decrease in proportion of costs (percentage points)
	Unit costs (RMB/tonne)	Proportion (%)	Unit costs (RMB/tonne)	Proportion (%)		
Raw materials	32.53	19.55	36.49	19.49	-10.85	0.06
Fuel and power	87.47	52.56	103.76	55.41	-15.70	-2.85
Depreciation expense	16.08	9.66	16.17	8.64	-0.56	1.02
Labor cost	12.57	7.55	12.62	6.74	-0.40	0.81
Others	17.77	10.68	18.21	9.72	-2.42	0.96
Total	166.42	100	187.25	100	-11.12	-

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, enhancing 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 11.12% year-on-year.

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

Expenses for the period	Amount for 2025 (RMB'000)	Amount for 2024 (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)
Selling expenses	3,500,999	3,415,437	2.51	5.04	4.61	0.43
Administrative expenses	6,000,091	5,945,914	0.91	8.64	8.02	0.62
Research and development expenses	847,445	1,257,068	-32.59	1.22	1.70	-0.48
Financial expenses (income is stated in negative)	-913,434	-1,170,527	21.96	-1.32	-1.58	0.26
Total	9,435,101	9,447,892	-0.14	13.58	12.75	0.83

During the Reporting Period, the Group's research and development expenses decreased by 32.59% 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 prepared in accordance with the PRC Accounting Standards

Items	As at 31 December 2025 (RMB'000)	As a percentage of total assets as at the end of the Reporting Period (%)	As at 31 December 2024 (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	50,252,254	19.63	70,229,348	27.58	-28.45
Financial assets held for trading	12,899,353	5.04	509,203	0.20	2,433.25
Accounts receivable	2,922,320	1.14	3,773,192	1.48	-22.55
Advance payment	694,851	0.27	944,849	0.37	-26.46
Inventories	7,596,948	2.97	8,108,520	3.18	-6.31
Long-term equity investments	7,981,404	3.12	7,775,669	3.05	2.65

Investments in other equity instruments	1,416,434	0.55	1,506,953	0.59	-6.01
Fixed assets	92,533,715	36.15	89,227,647	35.04	3.71
Construction in progress	6,172,123	2.41	9,355,746	3.67	-34.03
Intangible assets	37,051,103	14.47	34,264,065	13.46	8.13
Right-of-use assets	888,246	0.35	737,454	0.29	20.45
Total assets	256,000,730	100	254,635,244	100	0.54
Lease liabilities	220,156	0.09	240,355	0.09	-8.40
Short-term borrowings	4,540,764	1.77	5,748,688	2.26	-21.01
Contract liabilities	2,915,942	1.14	2,569,305	1.01	13.49
Bonds payables	12,500,000	4.88	11,500,000	4.52	8.70
Long-term borrowings	7,018,946	2.74	10,086,381	3.96	-30.41
Total liabilities	52,284,947	20.42	54,257,807	21.31	-3.64
Total liabilities and equity	256,000,730	100	254,635,244	100	0.54

As at the end of the Reporting Period, the Group's cash at bank and on hand decreased by 28.45% as compared to that at the end of the previous year, which was mainly due to the increase in wealth management products during the Reporting Period; balance of financial assets held for trading increased by RMB12,390 million as compared to that at the end of the previous year, which was mainly due to subscription of the wealth management products of banks, structured deposits and income notes of securities companies during the Reporting Period; accounts receivable and advance payment decreased as compared to those at the end of the previous year, which was mainly due to the corresponding achievement in pushing reduction of current accounts during the Reporting Period; balance of right-of-use assets increased by 20.45% as compared to that at the end of the previous year, which was mainly due to the new land leases of subsidiaries during the Reporting Period; balances of short-term and long-term borrowings decreased as compared to those 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 RMB256,001 million, representing an increase of 0.54% as compared to that at the end of the previous year. Total liabilities amounted to RMB52,285 million, representing a decrease of 3.64% as compared to that at the end of the previous year. Among which, current liabilities amounted to RMB27,819 million, representing a decrease of 3.72% as compared to that at the end of the previous year; non-current liabilities amounted to RMB24,466 million, representing a decrease of 3.55% 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 20.42%, representing a decrease of 0.89 percentage point 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 RMB192,428 million, representing an increase of 2.39% as compared to that at the end of the previous year; equity attributable to minority shareholders amounted to RMB11,288 million, representing a decrease of 9.24% 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 RMB36.46.

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 RMB88,805 million and RMB27,819 million respectively, with a current ratio of 3.19:1 (end of last year: 3.25:1). Total current assets and total current liabilities of the Group prepared in accordance with the IFRSs amounted to RMB88,805 million and RMB27,819 million respectively, with a net gearing ratio of 0.089 (end of last year: 0.074). 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 RMB19,671 million, representing 7.68% of the total assets.

As at the end of the Reporting Period, the Company pledged intangible assets and fixed assets with book values of approximately RMB49 million and RMB236 million respectively as security for borrowings from financial institutions. The deposit of RMB44 million has been frozen due to 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 2025 (RMB'000)	As at 31 December 2024 (RMB'000)
Due within 1 year	6,610,662	7,486,649
Due after 1 year but within 2 years	1,826,356	4,196,626
Due after 2 years but within 5 years	4,204,890	4,585,404
Due after 5 years	987,700	1,304,351
Total	13,629,608	17,573,030

As at the end of the Reporting Period, balance of the Group's bank borrowings was RMB13,630 million, representing a decrease of RMB3,943 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 RMB12,500 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

	2025 (RMB'000)	2024 (RMB'000)	Changes (%)
Net cash flows generated from operating activities	16,643,908	18,476,253	-9.92
Net cash flows generated from investing activities	-13,934,029	-13,326,238	-4.56
Net cash flows generated from financing activities	-8,297,731	-385,476	-2,052.59
Effect of exchange rate movement on cash and cash equivalents	-73,177	592	-12,458.79
Net increase in cash and cash equivalents (decrease is shown with “-” sign)	-5,661,029	4,765,131	-218.80
Balance of cash and cash equivalents at the beginning of the year	16,337,147	11,572,016	41.18
Balance of cash and cash equivalents at the end of the year	10,676,118	16,337,147	-34.65

During the Reporting Period, the Group's net cash flows generated from operating activities decreased by RMB1,832 million from that for the corresponding period of the previous year, which was mainly due to the year-on-year decrease in revenue of trading business in the Reporting Period.

During the Reporting Period, the Group's net cash outflows from investing activities increased by RMB608 million from that for the corresponding period of the previous year, which was mainly due to the year-on-year increases in the wealth management products of banks, structured deposits and income notes of securities companies subscribed during the Reporting Period.

During the Reporting Period, the Group's net cash outflows from financing activities increased by RMB7,912 million as compared to that for the corresponding period of last year, which was mainly due to the year-on-year decrease in the amount of bonds issued during the Reporting Period, resulting in the year-on-year decrease in cash inflows from financing activities.

5. Capital expenditure

During the Reporting Period, the capital expenditure of the Group amounted to RMB11,032 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 2025 (RMB'000)	As at 31 December 2024 (RMB'000)
Authorized and contracted for	9,661,932	11,040,741
Authorized but not contracted for	5,519,520	5,343,670
Total	15,181,452	16,384,411

OUTLOOK FOR 2026

The year 2026 marks the first year of the “15th Five-Year Plan”. The Central Government will adhere to the general principle of pursuing progress while maintaining stability, leverage the integrated effects of existing and new policies, strengthen counter-cyclical and cross-cyclical adjustments, and enhance the effectiveness of macroeconomic governance. On the demand side, the State will better leverage investment’s pivotal role in expanding domestic demand, optimizing supply, and improving people’s livelihoods. It will continue to implement more proactive fiscal policies, and provide sustained support for the implementation of major national strategies and the construction of security capability projects in key areas. Major infrastructure projects are expected to accelerate, and urban renewal and old house renovation projects will continue to progress. All those are expected to provide a core source of support for cement demand. On the supply side, the State continues to strengthen policies on industry regulation, explicitly calling for the comprehensive use of measures such as capacity regulation, standard guidance, price enforcement and quality supervision to thoroughly rectify “involution” competition. The Work Plan for Stabilizing Growth in the Building Materials Industry (2025-2026) issued by six ministries including the Ministry of Industry and Information Technology in September 2025 strictly prohibits the addition of new cement and clinker capacity, pushes alignment between actual and filed production capacity, and explores the establishment of a green and low-carbon transformation fund to accelerate the withdrawal of inefficient production capacity through market forces. Such measures together with normalized off-peak production and the “dual carbon” policies, will help optimize the supply structure to some extent. However, the industry will still face pressure from overall overcapacity.

In terms of business management, the Group will deepen market cultivation to improve quality and efficiency, and continuously promote lean management. First, the Group will analyse shifts in market supply and demand trends to formulate precise domestic and overseas business strategies, stabilize existing operations while planning expansion into new areas, continuously promote optimization of the product structure, extension of industrial chain and improvement of service quality, comprehensively consolidating the market foundation. Second, the Group will optimize management of key costs such as fuel and power, adapt to changes in coal market supply and demand, rationally control procurement timing, and consolidate strategic cooperative procurement. It will continuously improve the refined operation level of production lines to further lower the indicators for coal and electricity consumption. Third, the Group will systematically implement carbon reduction and efficiency improvement

management, scientifically increase the proportion of alternative fuels usage, optimize energy structure adjustments, proactively plan for China Certified Emission Reduction (CCER) trading, and strive to convert carbon assets into carbon revenue through trading.

In 2026, the Group plans to achieve an annual sales volume of self-produced cement and clinker products of 260 million tonnes, while the cost per tonne of products and the expense per tonne of products are expected to be relative stable.

In terms of investment development, the Group will adhere to an effective investment philosophy and fully advance project implementation. First, the Group will simultaneously drive core cement business expansion at home and abroad, and seek merger and acquisition opportunities in favorable domestic markets and in untapped markets while actively expanding into overseas target markets, strive to accelerate project implementation and continuously optimize its domestic and international market footprint. Second, the Group will further extend the industrial chain, steadily expand high-quality production capacity in aggregates and commodity concrete, and enhance operational quality. It will vigorously cultivate the consumer building materials sector, accelerate full coverage of major domestic markets, and comprehensively leverage its industrial chain advantages to become a “one-stop” comprehensive building materials service solution provider. Third, the Group will focus on enhancing the quality and efficiency of emerging business development; the new energy business will focus on the positioning of “zero-carbon park solution provider and clean energy supplier” to promote the development of photovoltaic and other new energy projects to expand the scale of green electricity; the environmental business will deepen synergies with the core cement business, concentrating on the development of mature businesses like fly ash disposal while extending the business chain into resource utilization of construction waste and other materials.

The Group’s planned capital expenditure for the year 2026 will amount to RMB11,820 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 for energy conservation and environmental protection, as well as fostering new quality productive forces.

In terms of innovation transformation, the Group will take innovation-driven development and green transformation as core engines and proactively shape future-oriented competitive advantages. On one hand, the Group will continuously increase effort in technological innovation, explore the application scenarios of AI large models in the building materials industry by leveraging its extensive business scenarios, and promote digital industries to empower refined and green production. On the other hand, the Group will actively respond to the “dual carbon” strategic goals, accelerate research and development and promotion of low-carbon cement, operate demonstration projects like all-green electricity plants at high standards, expand achievements in building green mines and green factories, and convert green development into core competitiveness.

In 2026, 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 sustained decline in real estate investment tend to 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, formulate precise and effective business strategies according to changing times and conditions, capitalize on the marketing and sales advantages of the comprehensive cement industrial chain, strengthen channel network and end-market penetration, and continuously improve market competitiveness.

2. Risk of intensified competition. Amid sustained decline in cement demand and persistent overcapacity, if the supply-demand imbalance intensifies, low-price competition may be triggered in the industry, and the Company may face the risk of further increasing profit pressure.

In view of the above risk, the Company will actively respond to national “anti-involution” policy, strictly adhere to industry self-regulation, actively promote the reduction in the production capacity of the industry and jointly maintain a healthy industry ecosystem.

3. The pressure of environmental protection policy. The State will adhere to “dual carbon” guidance, promote comprehensive green transformation, further promote energy conservation and carbon reduction transformation and the use of clean energy in key industries such as cement, drive green, low-carbon transformation and high-quality development of cement enterprises, which is expected to increase the production and operation costs of enterprises. Simultaneously, the inclusion of the cement industry in the national carbon emissions trading market will impose carbon compliance costs on enterprises.

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 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. It will also optimize carbon asset management, proactively prepare for engaging in China Certified Emission Reduction (CCER) market, and strive to transform carbon assets into carbon revenue through trading.

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 2025

amounted to RMB8,113.07 million and RMB8,464.46 million respectively. The Board proposed the appropriation of the final profit for the year ended 31 December 2025 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 2025.

(2) The payment of a final dividend of RMB0.61 per share (tax inclusive) is proposed. Pursuant to the relevant provisions including 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 amount of final dividend payment will be RMB3,219.01 million (tax inclusive), together with the 2025 interim dividend payment of RMB1,266.49 million (tax inclusive) already distributed, the total amount of dividend payment for the full year of 2025 will be RMB4,485.50 million (tax inclusive), accounting for 55.29% of the net profit attributable to ordinary shareholders of the Company as reported in the consolidated statement of accounts for year 2025.

(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 2026, Tuesday. 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 2025.

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 2025 and audited consolidated statement of financial position of the Group at 31 December 2025 together with comparative figures for year 2024, 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 2025

	<i>Notes</i>	<i>2025</i> <i>RMB'000</i>	<i>2024</i> <i>RMB'000</i>
Revenue	<i>4(3)</i>	82,532,051	91,029,615
Cost of sales and services rendered		<u>(63,558,094)</u>	<u>(72,217,019)</u>
Gross profit		18,973,957	18,812,596
Other income	<i>4(4)</i>	2,719,965	2,695,110
Selling and marketing costs		(3,500,999)	(3,415,437)
Administrative expenses		(5,661,878)	(5,611,367)
Research and development costs		(847,445)	(1,257,068)
Impairment loss on trade and other receivables		(87,141)	(43,814)
Impairment loss on property, plant and equipment and prepayments		<u>(819,851)</u>	<u>(309,918)</u>
Profit from operations		10,776,608	10,870,102
Finance costs	<i>4(5)(a)</i>	(650,683)	(778,705)
Share of profits of associates		358,463	235,352
Share of profits of joint ventures		<u>291,036</u>	<u>65,798</u>
Profit before taxation	<i>4(5)</i>	10,775,424	10,392,547
Income tax	<i>4(6)(b)</i>	<u>(2,554,269)</u>	<u>(2,365,989)</u>
Profit for the year		<u>8,221,155</u>	<u>8,026,558</u>
Attributable to:			
Equity shareholders of the Company		8,464,457	8,051,954
Non-controlling interests		<u>(243,302)</u>	<u>(25,396)</u>
Profit for the year		<u>8,221,155</u>	<u>8,026,558</u>
Earnings per share	<i>4(8)</i>		
- Basic		<u>RMB1.60</u>	<u>RMB1.53</u>
- Diluted		<u>RMB1.60</u>	<u>RMB1.53</u>

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

For the year ended 31 December 2025

	<i>Notes</i>	<i>2025</i> <i>RMB'000</i>	<i>2024</i> <i>RMB'000</i>
Profit for the year		8,221,155	8,026,558
Other comprehensive income for the year (after tax and reclassification adjustments)			
Item that will not be reclassified to profit or loss:			
Equity investments at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserve (non-recycling)		1,026,065	143,201
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		20,318	(115,365)
Share of other comprehensive income of investees		(99,932)	(163,113)
Other comprehensive income for the year		946,451	(135,277)
Total comprehensive income for the year		9,167,606	7,891,281
Attributable to:			
Equity shareholders of the Company		9,417,195	7,896,634
Non-controlling interests		(249,589)	(5,353)
Total comprehensive income for the year		9,167,606	7,891,281

3. Consolidated statement of financial position

For the year ended 31 December 2025

	<i>Notes</i>	<i>At 31 December 2025 RMB'000</i>	<i>At 31 December 2024 RMB'000</i>
Non-current assets			
Property, plant and equipment			
- Investment properties		63,351	66,978
- Other property, plant and equipment		107,820,919	107,951,772
Intangible assets		28,961,499	26,181,623
Goodwill		1,241,748	1,451,587
Interest in associates		5,828,789	5,737,374
Interests in joint ventures		2,152,615	2,038,295
Loans and receivables		416,088	381,045
Long-term prepayments		1,473,047	2,696,777
Financial assets measured at FVOCI		1,416,434	1,506,953
Deferred tax assets		1,744,279	1,486,466
Time deposits		15,990,824	11,142,845
Amounts due from related parties		86,380	231,495
		167,195,973	160,873,210
		167,195,973	160,873,210
Current assets			
Inventories		7,596,948	8,108,521
Other financial assets		2,706,382	-
Assets held for sale		-	11,442
Trade and bills receivables	<i>4(9)</i>	10,185,968	11,023,115
Time deposits		1,369,409	-
Financial assets measured at fair value through profit and loss (“FVPL”)		12,899,353	509,203
Prepayments and other receivables		3,199,652	3,361,857
Amounts due from related parties		168,005	183,693
Tax recoverable		426,786	334,855
Restricted cash deposits		855,811	1,033,408
Bank deposits with original maturity over three months		38,720,326	52,858,793
Cash and cash equivalents		10,676,117	16,337,147
		88,804,757	93,762,034
		88,804,757	93,762,034

3. Consolidated statement of financial position (continued)

For the year ended 31 December 2025

	<i>Notes</i>	<i>At 31 December 2025 RMB'000</i>	<i>At 31 December 2024 RMB'000</i>
Current liabilities			
Trade and bills payables	4(10)	5,098,970	5,816,206
Other payables and accruals		11,475,883	10,958,894
Current portion of long-term payables		183,724	102,665
Current portion of corporate bonds		112,632	101,404
Contract liabilities		2,915,575	2,569,098
Bank loans and other borrowings		6,610,662	7,486,649
Lease liabilities		30,346	30,932
Amounts due to related parties		785,491	938,654
Current taxation		605,229	887,590
		<u>27,818,512</u>	<u>28,892,092</u>
Net current assets		<u>60,986,245</u>	<u>64,869,942</u>
Total assets less current liabilities		228,182,218	225,743,152
Non-current liabilities			
Corporate bonds		12,500,000	11,500,000
Bank loans and other borrowings		7,018,946	10,086,381
Lease liabilities		220,156	240,355
Long-term payables		1,168,719	694,716
Long-term employee benefits payable		55,948	-
Deferred income		1,536,006	1,095,482
Deferred tax liabilities		1,860,986	1,703,301
Provisions		133,514	86,115
		<u>24,494,275</u>	<u>25,406,350</u>
NET ASSETS		<u>203,687,943</u>	<u>200,336,802</u>

3. Consolidated statement of financial position (continued)

For the year ended 31 December 2025

	<i>Notes</i>	<i>At 31 December 2025 RMB'000</i>	<i>At 31 December 2024 RMB'000</i>
CAPITAL AND RESERVES			
Share capital		5,299,303	5,299,303
Reserves		<u>187,105,697</u>	<u>182,606,024</u>
Total equity attributable to equity shareholders of the Company		192,405,000	187,905,327
Non-controlling interests		<u>11,282,943</u>	<u>12,431,475</u>
TOTAL EQUITY		<u><u>203,687,943</u></u>	<u><u>200,336,802</u></u>

4. Notes

(1) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Group 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 (recycling); 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 sell.

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 adopted amendments to IAS 21 Lack of Exchangeability for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 8, IAS 36 and IAS 37 Disclosures about Uncertainties in the Financial Statements, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

(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:

	<i>2025</i> <i>RMB'000</i>	<i>2024</i> <i>RMB'000</i>
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by service lines		
- Sales and trading of clinker and cement products	69,419,325	74,156,371
- Sales and trading of other materials	10,131,741	13,708,004
- Service income	<u>2,980,985</u>	<u>3,165,240</u>
	<u>82,532,051</u>	<u>91,029,615</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:

	<i>2025</i>	<i>2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
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>2,569,098</u>	<u>2,885,306</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 ("CAS") 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 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 2025 and 2024 is set out below.

(3) Revenue and segment reporting (continued)

For the year ended 31 December 2025

	<i>Cement and cement related</i>							<i>Solid and hazardous waste</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>treatment</i>	<i>Elimination</i>	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Disaggregated by type of business										
Sales and trading of clinker and cement products	19,637,477	18,291,746	12,425,615	12,535,062	6,529,425	-	69,419,325	-	-	69,419,325
Sales and trading of other materials	2,308,007	7,071,809	349,954	261,064	83,919	-	10,074,753	56,988	-	10,131,741
Service income	276,932	1,122,091	84,674	38,677	662	-	1,523,036	1,457,949	-	2,980,985
Revenue from external customers	<u>22,222,416</u>	<u>26,485,646</u>	<u>12,860,243</u>	<u>12,834,803</u>	<u>6,614,006</u>	<u>-</u>	<u>81,017,114</u>	<u>1,514,937</u>	<u>-</u>	<u>82,532,051</u>
Disaggregated by timing of revenue recognition										
Point in time	22,168,249	26,311,372	12,854,613	12,822,907	6,613,344	-	80,770,485	56,988	-	80,827,473
Over time	54,167	174,274	5,630	11,896	662	-	246,629	1,457,949	-	1,704,578
Revenue from external customers	<u>22,222,416</u>	<u>26,485,646</u>	<u>12,860,243</u>	<u>12,834,803</u>	<u>6,614,006</u>	<u>-</u>	<u>81,017,114</u>	<u>1,514,937</u>	<u>-</u>	<u>82,532,051</u>
Inter-segment revenue	5,395,061	20,707,095	363,255	277,555	265,051	(27,008,017)	-	125,378	(125,378)	-
Reportable segment revenue	<u>27,617,477</u>	<u>47,192,741</u>	<u>13,223,498</u>	<u>13,112,358</u>	<u>6,879,057</u>	<u>(27,008,017)</u>	<u>81,017,114</u>	<u>1,640,315</u>	<u>(125,378)</u>	<u>82,532,051</u>
Reportable segment profit (profit before taxation)	<u>1,531,779</u>	<u>8,406,443</u>	<u>1,402,775</u>	<u>1,108,543</u>	<u>710,714</u>	<u>(2,322,225)</u>	<u>10,838,029</u>	<u>(418,073)</u>	<u>-</u>	<u>10,419,956</u>

(3) Revenue and segment reporting (continued)

For the year ended 31 December 2025

	<i>Cement and cement related</i>							<i>Solid and hazardous waste</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>treatment</i>	<i>Elimination</i>	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Interest income	19,763	2,180,724	8,230	15,554	94,000	(406,518)	1,911,753	4,819	-	1,916,572
Interest expense	(7,134)	(286,400)	(28,389)	(44,023)	(396,675)	219,537	(543,084)	(107,599)	-	(650,683)
Depreciation and amortisation for the year	(561,726)	(3,785,690)	(1,244,416)	(1,739,579)	(673,261)	-	(8,004,672)	(458,823)	-	(8,463,495)
Reportable segment assets (including interests in associates and joint ventures)	17,273,239	220,810,814	40,013,701	31,518,694	19,670,772	(83,000,658)	246,286,562	9,769,551	(55,383)	256,000,730
Investments in associates and joint ventures	-	4,262,373	-	-	3,684,007	-	7,946,380	35,024	-	7,981,404
Additions to non-current segment assets during the year	382,259	5,537,678	1,868,676	1,223,686	276,817	-	9,289,116	106,385	-	9,395,501
Reportable segment liabilities	6,832,948	42,328,459	20,351,262	11,000,947	14,486,372	(48,841,809)	46,158,179	6,182,151	(55,383)	52,284,947

(3) Revenue and segment reporting (continued)

For the year ended 31 December 2024

	<i>Cement and cement related</i>						<i>Solid and hazardous waste</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>treatment</i>		<i>Elimination</i>
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Disaggregated by type of business										
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
Revenue from external customers	<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>
Disaggregated by timing of revenue recognition										
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
Revenue from external customers	<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	5,835,726	22,016,681	612,062	144,088	334,783	(28,879,668)	63,672	61,584	(125,256)	-
Reportable segment revenue	<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>
Reportable segment profit (profit before taxation)	<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</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>treatment</i>	<i>Elimination</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)
Reportable segment assets (including interests in associates and joint ventures)	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
Reportable segment liabilities	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)

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

	<i>2025</i>	<i>2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue		
Reportable segment revenue	109,665,446	120,034,540
Inter-segment revenue	<u>(27,133,395)</u>	<u>(29,004,925)</u>
Consolidated revenue	<u>82,532,051</u>	<u>91,029,615</u>
Profit		
Reportable segment profit (profit before taxation)	12,742,181	11,136,938
Inter-segment profit	<u>(2,322,225)</u>	<u>(1,107,746)</u>
Difference between CAS and IFRS*	<u>355,468</u>	<u>363,355</u>
Consolidated profit before taxation	<u>10,775,424</u>	<u>10,392,547</u>
	<i>31 December</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Assets		
Reportable segment assets	339,056,771	334,568,365
Inter-segment assets	<u>(83,056,041)</u>	<u>(79,933,121)</u>
Consolidated total assets	<u>256,000,730</u>	<u>254,635,244</u>
Liabilities		
Reportable segment liabilities	101,182,139	102,119,184
Inter-segment liabilities	<u>(48,897,192)</u>	<u>(47,861,377)</u>
Difference between CAS and IFRS*	<u>27,840</u>	<u>40,635</u>
Consolidated total liabilities	<u>52,312,787</u>	<u>54,298,442</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) Geographical 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 at where the services were provided or the goods 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>2025</i>	<i>2024</i>	<i>31 December</i>	<i>31 December</i>
			<i>2025</i>	<i>2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
The PRC	75,918,046	85,864,571	131,240,091	129,429,551
Others	6,614,005	5,165,044	16,804,346	17,307,394
	<u>82,532,051</u>	<u>91,029,615</u>	<u>148,044,437</u>	<u>146,736,945</u>

(4) Other income

	<i>2025</i>	<i>2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Interest income on financial assets measured at amortised cost	1,916,572	2,081,419
Subsidy income*	846,836	914,746
Net loss on disposal of property, plant and equipment and right-of-use assets	220,395	(59,359)
Net realised and unrealised loss on financial assets measured at FVPL	120,025	(96,195)
Dividend income from financial assets measured at FVPL	7,407	13,147
Dividend income from financial assets measured at FVOCI	91,305	69,195
Net foreign exchange loss	(347,992)	(121,107)
Others	<u>(134,583)</u>	<u>(106,736)</u>
	<u>2,719,965</u>	<u>2,695,110</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

	<i>2025</i> <i>RMB'000</i>	<i>2024</i> <i>RMB'000</i>
Interest on bank loans and other borrowings	742,540	854,483
Interest on lease liabilities	11,360	12,619
	<hr/>	<hr/>
Interest expense on financial liabilities not at FVPL	753,900	867,102
Less: Interest expense capitalised into construction-in-progress*	(103,217)	(88,397)
	<hr/>	<hr/>
	<u>650,683</u>	<u>778,705</u>

* The borrowing costs have been capitalized at rates of 1.80% - 2.87% for the year ended 31 December 2025 (2024: 2.20% - 4.65%).

(b) Staff costs

	<i>2025</i> <i>RMB'000</i>	<i>2024</i> <i>RMB'000</i>
Salaries, wages and other benefits	8,465,698	7,853,838
Contributions to defined contribution retirement plans	818,697	905,650
Annuity	315,393	372,447
	<hr/>	<hr/>
	<u>9,599,788</u>	<u>9,131,935</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 as agreed by 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>2025</i>	<i>2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Amortisation		
- intangible assets	950,849	872,492
Depreciation		
- investment properties	3,627	3,263
- property, plant and equipment	7,509,019	7,629,955
Impairment losses		
- trade receivables	77,810	32,956
- other receivables	9,331	10,858
- property, plant and equipment	423,918	218,687
- Interests in associates	33,762	-
- Goodwill	237,143	-
- Inventories	63,748	-
- prepayments	61,280	91,231
Auditors' remuneration		
- audit services (note (i))	7,553	7,155
- other services	590	590
Research and development costs	847,445	1,257,068
Cost of inventories (note (ii))	60,063,185	68,434,425

Notes:

- (i) The auditors' remuneration for audit service includes the audit fee of RMB1,680,000 (2024: RMB1,900,000) for Conch Environment Protection for the year ended 31 December 2025.
- (ii) Cost of inventories includes RMB12,307,407,000 (2024: RMB11,934,825,000) 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:

	2025 RMB'000	2024 RMB'000
Current tax		
Provision for the year	2,582,495	2,205,071
Under provision in respect of prior years	96,838	23,035
	<u>2,679,333</u>	<u>2,228,106</u>
Deferred tax		
Origination and reversal of temporary differences	<u>(125,064)</u>	<u>137,883</u>
	<u>2,554,269</u>	<u>2,365,989</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>Subsidiaries' Name</i>	<i>Tax rates</i>
Pingliang Conch Cement Co., Ltd. (Note (i))	15%
Dazhou Conch Cement Co., Ltd. (Note (i))	15%
Guangyuan Conch Cement Co., Ltd. (Note (i))	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%
Chongqing Conch Cement Co., Ltd. (" Chongqing Conch ") (Note (i)) (Note (ii))	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%
Guizhou Liukuangruian Cement Co., Ltd. (Note (i))	15%

<i>Subsidiaries' Name</i>	<i>Tax rates</i>
Qianxian Conch Cement Co., Ltd. (Note (i))	15%
Qianxinan Resource Development Co., Ltd. (Note (i))	15%
Tengchong Tengyue Cement Co., Ltd. (Note (i))	15%
Liangping Conch Cement Co., Ltd. (" Liangping Conch ") (Note (i)) (Note (ii))	15%
Tongren Conch Panjiang Cement Co., Ltd. (Note (i))	15%
Yunnan Zhuangxiang Cement Co., Ltd. (Note (i))	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%
Hami Hongyi Building Material Co., Ltd. (Note (i))	15%
Yingjiangyunhan Cement Co., Ltd. (Note (i))	15%
Kunming Conch Cement Co., Ltd. (Note (i))	15%
Ganzhou Conch Cement Co., Ltd. (Note (i))	15%
Shaanxi Tongchuan Fenghuang Building Material Co., Ltd. (Note (i))	15%
Zunyi Haihui New Materials Co., Ltd. (Note (i))	15%
Bazhong Conch Building Material Co., Ltd. (Note (i))	15%
Naiman Hongji Cement Co., Ltd. (Note (i))	15%
Chongqing Fuling Conch Building Materials Co., Ltd. (Note (i))	15%
Guangyuan Conch New Materials Co., Ltd. (Note (i))	15%
Guiyang Conch Green Building Materials Co., Ltd. (Note (i))	15%
Certain subsidiaries of Conch Environment Protection (Note (i)) (Note (ii))	15%
Anhui Wuhu Conch Construction and Installation Engineering Co., Ltd. (" Conch Construction ") (Note (ii))	15%
Anhui Conch Siam Refractory Material Co., Ltd. (" Refractory Material ") (Note (ii))	15%
Anhui Jinggong Testing and Inspection Center Co., Ltd. (" Jinggong Testing ") (Note (ii))	15%
Anhui Haibo Intelligent Technology Co., Ltd. (" Haibo Intelligent ") (Note (ii))	15%
Shanghai Zhizhi Technology Co., Ltd. (" Shanghai Zhizhi ") (Note (ii))	15%
Anhui Xuancheng Conch Cement Co., Ltd. (" Xuancheng Conch ") (Note (ii))	15%

<i>Subsidiaries' Name</i>	<i>Tax rates</i>
Zongyang Conch (Note (ii))	15%
Anhui Conch Zhongnan Intelligent Robot Co., Ltd. (“ Zhongnan Intelligent ”) (Note (ii))	15%
Anhui Conch Information Technology Engineering Co., Ltd. (“ Conch IT Engineering ”) (Note (ii))	15%
Xiangshan Conch Cement Co., Ltd. (“ Xiangshan Conch ”) (Note (ii))	15%
Yangchun Conch Cement Co., Ltd. (“ Yangchun Conch ”) (Note (ii))	15%
Anhui Zhizhi Engineering Technology Co., Ltd. (“ Anhui Zhizhi ”) (Note (ii))	15%
Long'an Conch Cement Co., Ltd. (“ Longan Conch ”) (Note (ii))	15%
Liuzhi Conch New Construction Co., Ltd. (Note (i))	15%
Basu Conch Cement Co., Ltd. (Note (i))	15%
Yili Conch Cement Co., Ltd. (“ Yili Conch ”) (Note (i))	15%
Moyu Conch Cement Co., Ltd. (“ Moyu Conch ”) (Note (i))	15%
Yutian Conch Cement Co., Ltd. (“ Yutian Conch ”) (Note (i))	15%
Yili Conch Environmental Protection Technology Co., Ltd. (“ Yili Environmental Protection ”) (Note (i))	15%
Anhui Conch New Energy Co., Ltd. (“ Conch New Energy ”) (Note (ii))	15%
Xuancheng Conch Building Photovoltaic Technology Co., Ltd. (“ Xuancheng Photovoltaic ”) (Note (ii))	15%
Tongliao Conch New Energy Co., Ltd. (Note (i))	15%
Hainan Changjiang Conch Cement Co., Ltd. (Note (v))	15%
Changjiang Conch Huangsheng Plastic Packaging Co., Ltd. (Note (v))	15%
Zhuhai Haizhong Trading Co., Ltd. (Note (vi))	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 enterprises recognised as high and new technology enterprise are entitled to a preferential income tax rate of 15%.

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.

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.

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 2025. Accordingly, it is entitled to a preferential income tax rate of 15% from 2025 to 2027.

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 Intelligent obtained a high and new technology enterprise certification in 2022. and obtained a renewed certification in 2025. Accordingly, it is entitled to a preferential income tax rate of 15% from 2025 to 2027.

Shanghai Zhizhi obtained a high and new technology enterprise certification in 2022. and obtained a renewed certification in 2025. Accordingly, it is entitled to a preferential income tax rate of 15% from 2025 to 2027.

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. and obtained a renewed certification in 2025. Accordingly, it is entitled to a preferential income tax rate of 15% from 2025 to 2027.

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.

Longan Conch obtained a high and new technology enterprise certification in 2025. Accordingly, it is entitled to a preferential income tax rate of 15% from 2025 to 2027.

Conch New Energy 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.

Xuancheng Photovoltaic obtained a high and new technology enterprise certification in 2025. Accordingly, it is entitled to a preferential income tax rate of 15% from 2025 to 2027.

- (iii) According to Caishui [2023] No.12, “The Announcement of Further Implementation of Inclusive Tax Relief Policy on Small-scaled Minimal Profit Enterprise and Individual Business” issued by Ministry of Finance of the PRC and the State Administration of Taxation of PRC, the policy of calculating the taxable income of small-scaled minimal profit enterprises with a reduced tax rate of 25%, and paying the income tax at a tax rate of 20%, was extended to 31 December, 2027.
- (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 refers to the ports, airports, railways, highways, urban public transportation, electricity, 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 [2025] No. 3, “The Notice on Continuing the Implementation of Preferential Policies for Enterprise Income Tax in Hainan Free Trade Port”, from 1 January 2025 to 31 December, 2027 encouraged industrial enterprises registered in Hainan Free Trade Port with substantial operation will be subject to a reduced corporate income tax rate of 15%.
- (vi) According to Caishui [2022] No. 19, “The Notice of the Ministry of Finance and the State Administration of Taxation on the Preferential Policies for Enterprise Income Tax in the Hengqin Guangdong Macao Deep Cooperation Zone” issued by the Ministry of Finance and the State Administration of Taxation, enterprises located in the Hengqin Guangdong Macao Deep Cooperation Zone and engaged in the industries listed in the "Hengqin Guangdong Macao Deep Cooperation Zone Enterprise Income Tax Preferential Catalogue" (2021 version) and are in actual operation will be subject to a reduced corporate income tax rate of 15%.

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

<i>Subsidiaries' Name</i>	<i>Tax rates</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%
Conch Cement Volga Limited Liability Company, a subsidiary in Russia	25%
Conch KT Cement (Phnom Penh) Company Limited (“ Phnom Penh Conch ”), a subsidiary in Cambodia (Note (i))	-
Battambang Conch Cement 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 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%
West Papua Conch Cement Co., Ltd., a subsidiary in Indonesia	22%
PT SULUT SOLOG TAMBANG, a subsidiary in Indonesia	22%
West Papua Persada, a subsidiary in Indonesia	22%
PT.Kalomang Biru Persada (“ Biru Conch ”), a subsidiary in Indonesia	22%
PT Eternal Richway, a subsidiary in Indonesia	22%
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%

<i>Subsidiaries' Name</i>	<i>Tax rates</i>
Conch Environment Protection, a company in the Cayman Islands and its subsidiaries in the Cayman Islands and British Virgin Islands (“BVI”) (Note (ii))	-
Subsidiaries of Conch Environment Protection in Hong Kong	16.5%
Myanmar Conch Cement (Mandalay) Co., Ltd., a subsidiary in Myanmar	22%

Notes:

- (i) Phnom Penh Conch has been declared as a qualified investment project by the Cambodian Development Council and can enjoy a maximum income tax preferential period of 9 years according to local investment laws. Among them, the first three years of operation are tax-free, the income tax is levied at 25% of the applicable tax rate (tax rate of 5%) for the fourth to fifth years, 50% of the applicable tax rate (tax rate of 10%) for the sixth to seventh years, 75% of the applicable tax rate (tax rate of 15%) for the eighth to ninth years, and the income tax rate for subsequent years is 20%. The Phnom Penh Conch started production in 2025, and according to this regulation, the Phnom Penh Conch is exempted from tax from 2025.
- (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

	<i>2025</i>	<i>2024</i>
	<i>RMB '000</i>	<i>RMB '000</i>
Profit before taxation	<u>10,775,424</u>	<u>10,392,547</u>
Notional tax on profit before taxation calculated at 25% (2024: 25%)	2,693,856	2,598,137
Tax effect of non-taxable income	(138,484)	(76,144)
Reversal of previously recognised deferred tax assets from prior years	12,750	114,931
Tax effect of current deductible temporary differences and tax losses not recognised	140,491	212,320
Others	96,838	23,035
Tax effect of subsidiaries subject to tax rates other than 25%	(201,471)	(227,235)
Tax effect of non-deductible expenses	63,008	43,434
Income tax credit for investment in energy-saving and water-saving equipment	(12,845)	(43,341)
Tax effect of bonus additional deduction for research and development costs	(103,760)	(267,177)
Tax effect of change in tax rate	<u>3,886</u>	<u>(11,971)</u>

Actual tax expense	<u>2,554,269</u>	<u>2,365,989</u>
--------------------	------------------	------------------

The Group is within the scope of the Global Anti-Base Erosion (GloBE) model rules. The Group has temporarily exempted the recognition and disclosure of 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. As of 31 December 2025, Pillar Two legislation has taken effect in eight jurisdictions where the Group operates: Hong Kong, Indonesia, Laos, Cambodia, Myanmar, Russia, Uzbekistan and Cayman Islands.

The Company has assessed its potential exposure based on the currently available information on the financial performance in the period. Such assessment may not be entirely indicative of future outcomes. Based on the assessment, in most of jurisdictions where it operates, the simulated Pillar Two effective tax rates are above 15%. The identified potential exposure relates to profits earned in Cambodia and Uzbekistan, where the effective tax rate falls below 15%. As Pillar Two rules are not yet enacted in these jurisdictions, it potentially triggers a top-up tax under Hong Kong's enacted Income Inclusive Rule (IIR) beginning in 2025. However, based on the Cambodia and Uzbekistan subsidiaries' GloBE income, this exposure is expected to be immaterial to the Company's consolidated financial statements. The Group will continue to monitor relevant legislative developments in its operating jurisdictions and is progressing on the assessment based on the expected reasonable quantification criteria to evaluate the potential future impact of Pillar Two on its financial statements.

(7) Dividends

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

	<i>2025</i>	<i>2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Final dividend proposed after the statement of financial position date of RMB0.61 (2024: RMB0.71) per ordinary share	<u>3,219,007</u>	<u>3,746,713</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:

	<i>2025</i>	<i>2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.95 (2024: RMB0.96) per ordinary share	<u>5,013,207</u>	<u>5,065,978</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 2025 of RMB 8,464,457,000 (2024: RMB8,051,954,000), and the weighted average number of shares in issue during the year ended 31 December 2025 of 5,277,060,000 shares after adjusting for the repurchasing of own shares during the year (2024: 5,277,365,000 shares), calculated as follows:

Weighted average number of ordinary shares

	<i>2025</i>	<i>2024</i>
Issued ordinary shares at 1 January	5,277,060,000	5,284,238,000
Effect of repurchase of own shares	<u>-</u>	<u>(6,873,000)</u>
Weighted average number of ordinary shares at 31 December	<u>5,277,060,000</u>	<u>5,277,365,000</u>

(b) Diluted earnings per share

The Company had no dilutive potential ordinary shares outstanding during the years ended 31 December 2025 and 2024, 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 2025</i>	<i>31 December 2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	10,018,560	10,804,762
1 year or above	<u>167,408</u>	<u>218,353</u>
	<u>10,185,968</u>	<u>11,023,115</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 2025</i>	<i>31 December 2024</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year (inclusive)	<u>5,098,970</u>	<u>5,816,206</u>

(11) Business combination

In 2025, the Group acquired several equity interest of below subsidiaries from third parties. Details of the acquired subsidiaries are as follows:

<i>Name of the company</i>	<i>Voting rights/ effective equity interests</i>	<i>Date of acquisition</i>	<i>Principal activities</i>
Yili Conch	100%/100%	15 August 2025	Manufacture and sale of clinker and cement products
Huocheng Conch Mining Co., Ltd. ("Huocheng Mining")	100%/100%	15 August 2025	Mining and selling aggregates
Yili Environmental Protection	100%/100%	15 August 2025	Industrial solid and hazardous waste treatment
Moyu Conch	100%/100%	15 August 2025	Manufacture and sale of clinker and cement products
Hetian Conch	100%/100%	15 August 2025	Manufacture and sale of clinker and cement products
Yutian Conch	100%/100%	15 August 2025	Manufacture and sale of clinker and cement products

In addition, other companies newly included in the consolidation scope by the Group through business combinations not under common control include PT Eternal Richway, PT SULUT SOLOG TAMBANG and Biru Persada. The aforementioned changes in the consolidation scope have no material impact on the financial statements.

(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:

	Yili Conch RMB'000	Huocheng Mining RMB'000	Yili Environmental Protection RMB'000	Moyu Conch RMB'000	Hetian Conch RMB'000	Yutian Conch RMB'000	Total RMB'000
Property, plant and equipment	314,426	5,165	66,670	907,210	82,596	167,891	1,543,958
Intangible assets	652	6,750	-	5,252	89,014	1,052	102,720
Deferred tax assets	-	-	-	1,998	227	-	2,225
Inventories	28,573	6	109	17,982	6,617	10,489	63,776
Trade and bills receivables	66	-	654	141	359	-	1,220
Prepayments and other receivables	24,327	300	7,118	29	60	60	31,894
Tax recoverable	146	228	7,373	-	-	-	7,747
Cash and cash equivalents	1,209	469	476	-	-	-	2,154
Trade and bills payables	44,468	261	253	48,329	11,396	10,283	114,990
Other payables and accruals	4,814	1,060	46	178	207	403	6,708
Contract liabilities	3,942	7,631	54	979	453	3,425	16,484
Current taxation	2,059	-	-	-	-	-	2,059
Bank loans and other borrowings	77,000	-	-	-	-	-	77,000
Long-term payables	-	-	-	-	33,684	-	33,684
Deferred tax liabilities	20,974	372	1,014	347	639	2,681	26,027
Net identifiable assets	216,142	3,594	81,033	882,779	132,494	162,700	1,478,742
Less: Non-controlling interests	-	-	-	-	-	-	-
Share of fair value of identifiable net assets	216,142	3,594	81,033	882,779	132,494	162,700	1,478,742

(11) Business combination (continued)

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

	Yili Conch	Huocheng Mining	Yili Environmental Protection	Moyu Conch	Hetian Conch	Yutian Conch	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Total cash consideration	237,401	3,289	82,124	887,733	131,258	154,658	1,496,463
Fair value of net identifiable assets	216,142	3,594	81,033	882,779	132,494	162,700	1,478,742
Goodwill arising from the business combination	21,259	-	1,091	4,954	-	-	27,304
Gain arising from bargain purchase	-	(305)	-	-	(1,236)	(8,042)	(9,583)

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 recognised above is expected to be deductible for tax purposes.

Revenue and profit or loss of the acquirees since the respective acquisition date included in the consolidated statement of profit or loss and other comprehensive income for the year are disclosed as below:

	Yili Conch	Huocheng Mining	Yili Environmental Protection	Moyu Conch	Hetian Conch	Yutian Conch	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year of the acquisition	2025	2025	2025	2025	2025	2025	
Contributed to Group							
Revenue	64,056	211	646	128,790	40,079	72,368	306,150
Net (loss)/profit	8,447	(15)	(1,944)	20,922	5,330	11,579	44,319

Had the acquisitions occurred on 1 January 2025, management estimates that the consolidated revenue of the Group for the year ended 31 December 2025 would have been RMB82,964,004,000 and the consolidated net profit for the year would have been RMB8,272,428,000. 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 2025.

(12) Contingent liabilities

On 31 December 2025, the Company provided guarantees for the bank loans of its subsidiaries, with a guarantee amount of RMB578,000,000 (31 December 2024: RMB 2,276,071,000). The directors of the Company consider that the Company will not have significant risks due to such guarantees. On 31 December 2025, subsidiaries of the Company provided guarantees for subsidiaries within the scope of the Group's consolidated financial statements with a guarantee amount of RMB340,290,000 (31 December 2024: RMB1,195,964,000). On 31 December 2025, the unexpired balance of the letter of guarantee issued by the company and its subsidiaries in the bank was RMB2,291,491,000.

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

Wuhu City, Anhui Province, the PRC

24 March 2026

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