



2025 INTERIM REPORT

Anhui Conch Cement Company Limited

(A Share: 600585 H Share: 00914)

1. The Board, the Directors, and the senior management members of the Company warrant that the information in this report, for which they jointly and severally accept legal liability, is truthful, accurate and complete, and does not contain any misrepresentation, misleading statement or material omission.
2. All Directors of the Company attended the second meeting of the tenth session of the Board.
3. This interim report is unaudited.
4. Mr. Yang Jun, the officer-in-charge of the Company, Mr. Yu Shui, the officer-in-charge of the accounting function, and Mr. Fan Zhan, the officer-in-charge of the accounting department, have declared that they warrant the financial statements contained herein are truthful, accurate and complete.
5. Interim profit appropriation proposal for 2025 as considered by the second meeting of the tenth session of the Board of the Company: a cash dividend of RMB0.24 per share (tax inclusive) will be distributed. No capitalization of common reserve fund was made.
6. Declaration of risks with respect to the forward-looking statements: the forward-looking statements concerning the future operation and development plan as disclosed in this report do not constitute any substantive commitment to investors. Investors are advised to be cautious of the investment risks.
7. During the Reporting Period, there was no appropriation of the Company's funds for non-operating purpose by the controlling shareholders of the Company and its related parties.
8. During the Reporting Period, no external guarantee was provided in violation of the established decision-making procedures.
9. There does not exist the situation that more than half of the Directors being unable to warrant the truthfulness, accuracy and completeness of the content of this report.
10. Unless otherwise stated, all financial data in this report are prepared in accordance with the PRC Accounting Standards, and all monetary amounts herein are denominated in RMB.

1. Definitions	3
2. Corporate Profile and Major Financial Indicators	6
3. Management Discussion and Analysis	13
4. Report of the Directors	36
5. Corporate Governance, Environmental and Social	45
6. Significant Events	55
7. Changes in Shareholdings and Shareholders	72
8. Information on Bonds	82
9. Financial Accounting Report (Unaudited)	85

Documents for Inspection	
(1)	Copies of financial reports bearing the signatures and seals of the officer-in-charge of the Company, the officer-in-charge of the accounting function and the officer-in-charge of the accounting department.
(2)	Originals of all the corporate documents and the announcements of the Company which were disclosed during the Reporting Period.
(3)	A copy of the 2025 interim report of the Company published on the website of the Stock Exchange.

1. Definitions

The following terms and expressions contained in this report shall, unless the context otherwise requires, have the meanings assigned to them as follows:

The Company/Conch Cement	: Anhui Conch Cement Company Limited
The Group	: the Company and its subsidiaries
Board	: the board of directors of the Company
Director(s)	: the director(s) of the Company
Audit Committee	: the audit committee of the Board
Remuneration and Nomination Committee	: the remuneration and nomination committee of the Board
Conch Holdings	: Anhui Conch Holdings Company Limited
Conch Tech Innovation Material	: Anhui Conch Technology Innovation Material Co., Ltd. (formerly known as Anhui Conch Investment Company Limited)
Conch Material Technology	: Anhui Conch Material Technology Co., Ltd., a company listed on the Stock Exchange (stock code: 2560)
Conch Design Institute	: Anhui Conch Construction Materials Design Institute Co., Ltd.
Conch New Material	: Conch (Anhui) Energy Saving and Environment Protection New Material Company Limited (formerly known as Wuhu Conch Profiles and Science Co., Ltd.), a company listed on the SZSE (stock code: 000619)
Conch Accelerants Manufacturing	: Anhui Conch Accelerants Manufacturing Engineering Technology Company Limited
Conch Accelerants Manufacturing High-tech Company	: Anhui Conch Accelerants Manufacturing High-tech Company Limited
Conch Capital	: Anhui Conch Capital Management Company Limited

1. Definitions

Conch Venture Enterprise	:	Wuhu Conch Venture Enterprise Limited
Conch Venture	:	China Conch Venture Holdings Limited, a company listed on the Stock Exchange (stock code: 0586)
Changjiang Plastic	:	Changjiang Conch Huangsheng Plastic Packaging Co., Ltd.
Haihui Company	:	Anhui Haihui Supply Chain Technology Co., Ltd.
Phnom Penh Conch	:	Conch KT Cement (Phnom Penh) Company Limited
Pingliang New Energy	:	Pingliang Conch New Energy Co., Ltd.
West Papua Conch	:	PT Conch West Papua Cement (formerly known as PT SDIC Papua Cement Indonesia)
Conch Environment Protection	:	China Conch Environment Protection Holdings Limited, a company listed on the Stock Exchange (stock code: 0587)
Huaxin Cement	:	Huaxin Cement Co., Ltd., a company listed on both the SSE (stock code: 600801) and the Stock Exchange (stock code: 6655)
Shangfeng Cement	:	Gansu Shangfeng Cement Co., Ltd., a company listed on the SZSE (stock code: 000672)
Tianshan Cement	:	Tianshan Material Co.,Ltd. (formerly known as Xinjiang Tianshan Cement Co., Ltd.), a company listed on the SZSE (stock code: 000877)
Xinli Finance	:	Anhui Xinli Finance Co., Ltd., a company listed on the SSE (stock code: 600318)
WCC	:	West China Cement Limited, a company listed on the Stock Exchange (stock code: 2233)
Wuhu Industry Investment	:	Wuhu Industry Investment Fund Company Limited
associate	:	has the meaning ascribed to it under the HKSE Listing Rules

1. Definitions

connected person	:	has the meaning ascribed to it under the HKSE Listing Rules
Reporting Period	:	the period from 1 January 2025 to 30 June 2025
PRC Accounting Standards	:	China Accounting Standards for Business Enterprises
A Shares	:	ordinary shares in the capital of the Company listed on the SSE, with a nominal value of RMB1.00 per share, which are subscribed for and traded in RMB
H Shares	:	foreign shares in the capital of the Company listed on the Stock Exchange, with a nominal value of RMB1.00 per share, which are subscribed for and traded in Hong Kong dollars
Stock Exchange	:	The Stock Exchange of Hong Kong Limited
HKSE Listing Rules	:	the Rules Governing the Listing of Securities on the Stock Exchange
SFO	:	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Model Code	:	Model Code for Securities Transactions by Directors of Listed Issuers under Appendix C3 to the HKSE Listing Rules
SSE	:	Shanghai Stock Exchange
SSE Listing Rules	:	the Rules Governing the Listing of Stocks on the SSE
SZSE	:	Shenzhen Stock Exchange
clinker	:	semi-finished products made in the manufacturing process of cement
Hong Kong	:	the Hong Kong Special Administrative Region of the PRC
RMB	:	Renminbi, the lawful currency of the PRC
PRC	:	the People's Republic of China
Company Law	:	the Company Law of the People's Republic of China
Articles	:	the articles of association of the Company

2. Corporate Profile and Major Financial Indicators

(1) Official Chinese name of the Company	:	安徽海螺水泥股份有限公司
Abbreviation in Chinese	:	海螺水泥
Official English name of the Company	:	ANHUI CONCH CEMENT COMPANY LIMITED
Abbreviation in English	:	ACC
(2) Legal Representative of the Company	:	Yang Jun
(3) Secretary to the Board (Joint Company Secretary)	:	Yu Shui
Phone number	:	0086 553 8398976
Fax number	:	0086 553 8398931
Joint Company Secretary (Hong Kong)	:	Leo P. Y. Chiu
Phone number	:	00852 2111 3220
Fax number	:	00852 2111 3299
Securities Affairs Representative	:	Wang Manbo
Phone number	:	0086 553 8398911
Fax number	:	0086 553 8398931
E-mail	:	dms@chinaconch.com

2. Corporate Profile and Major Financial Indicators

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|-----|--|---|---|
| (4) | Registered address of the Company | : | 39 Wenhua Road, Wuhu City, Anhui Province, the PRC |
| | Office address of the Company | : | 39 Wenhua Road, Wuhu City, Anhui Province, the PRC |
| | Postal code | : | 241000 |
| | Email address of the Company | : | dms@chinaconch.com |
| | Website of the Company | : | http://www.conch.cn |
| | Contact address in Hong Kong | : | 40/F, Jardine House, 1 Connaught Place, Central, Hong Kong |
| (5) | Media for disclosure of this report | : | Shanghai Securities Journal, Securities Times |
| | Websites of the stock exchanges for disclosure of this report | : | SSE: http://www.sse.com.cn
Stock Exchange: http://www.hkexnews.hk |
| | Locations where this report is available for inspection | : | Secretariat to the Board of the Company, SSE |
| (6) | Exchanges on which the Company's shares are listed: | | |
| | H Shares | : | Stock Exchange |
| | Stock code | : | 00914 |
| | Stock short name | : | Conch Cement |
| | A Shares | : | SSE |
| | Stock code | : | 600585 |
| | Stock short name | : | Conch Cement |

2. Corporate Profile and Major Financial Indicators

- (7) **International auditors** : Ernst & Young
Registered Public Interest Entity Auditor in accordance with the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
27/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
- PRC auditors** : Ernst & Young Hua Ming LLP
Room 01-12, 17/F, Ernst & Young Tower, Oriental Plaza, No.1 East Chang'an Avenue, Dongcheng District, Beijing, the PRC
- (8) **H Shares share registrar and transfer office** : Computershare Hong Kong Investors Service Limited
Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

(9) Accounting data prepared in accordance with the PRC Accounting Standards

Table 1:

Items	As at 30 June 2025 (RMB'000) (Unaudited)	As at 31 December 2024 (RMB'000)	Increase or decrease as at the end of the Reporting Period as compared to that at the end of the previous year (%)
Total assets	253,139,538	254,635,244	-0.59
Net assets attributable to equity shareholders of the Company	189,088,904	187,940,359	0.61

2. Corporate Profile and Major Financial Indicators

Table 2:

Items	Six months ended 30 June 2025 (RMB'000) (Unaudited)	Six months ended 30 June 2024 (RMB'000) (Unaudited)	Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)
Net cash flows generated from operating activities	8,286,544	6,870,679	20.61
Revenue	41,291,785	45,565,622	-9.38
Net profit attributable to equity shareholders of the Company	4,367,868	3,325,646	31.34
Net profit after extraordinary items attributable to equity shareholders of the Company	4,198,097	3,184,884	31.81
Basic earnings per share (RMB/share)	0.83	0.63	31.36
Diluted earnings per share (RMB/share)	0.83	0.63	31.36
Basic earnings per share after extraordinary items (RMB/share)	0.80	0.60	31.83
Weighted average return on net assets (%)	2.30	1.79	Increased by 0.51 percentage point
Weighted average return on net assets after extraordinary items (%)	2.21	1.71	Increased by 0.50 percentage point

2. Corporate Profile and Major Financial Indicators

Table 3:

Extraordinary gains and losses items for the Reporting Period	Amount (RMB'000) (Unaudited)
(1) Gains/losses from disposal of non-current assets, including the written-off portion of the provision for impairment of assets	-11,594
(2) Government subsidy (excluding government subsidy closely associated with the enterprise's normal business, granted in accordance with the State's policy and based on certain standards, and with a continuing effect on the gains and losses of the enterprise) included in the current income statement	271,872
(3) Gains/losses on changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and gains and losses on disposal of financial assets and financial liabilities, excluding effective hedging business associated with the Company's normal business	-72,331
(4) Investment income arising from holding other equity instruments and investment in financial assets held for trading	74,550
(5) Gains on entrusted investment or asset management	2,822
(6) Gains/losses from external entrusted loans	433
(7) Custody fee income obtained from entrusted operation	10,635
(8) Other non-operating income and expenses other than the above items	-87,743
(9) Effect of extraordinary items on income tax	-19,081
(10) Effect of extraordinary items on minority interests (after tax)	208
Total	169,771

2. Corporate Profile and Major Financial Indicators

(10) Financial summary prepared in accordance with the International Financial Reporting Standards (“IFRSs”)

Items	Six months ended 30 June 2025 (RMB'000) (Unaudited)	Six months ended 30 June 2024 (RMB'000) (Unaudited)	Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)
Revenue	41,291,785	45,565,622	-9.38
Net profit attributable to equity shareholders of the Company	4,631,022	3,486,319	32.83

Items	As at 30 June 2025 (RMB'000) (Unaudited)	As at 31 December 2024 (RMB'000)	Increase or decrease as at the end of the Reporting Period as compared to that at the end of the previous year (%)
Total assets	253,139,538	254,635,244	-0.59
Total liabilities	51,970,562	54,298,442	-4.29

2. Corporate Profile and Major Financial Indicators

(11) Explanations for differences between consolidated financial statements prepared in accordance with the PRC Accounting Standards and IFRSs respectively

	Net profit attributable to equity shareholders of the Company		Equity attributable to equity shareholders of the Company	
	Six months ended 30 June 2025 (RMB'000) (Unaudited)	Six months ended 30 June 2024 (RMB'000) (Unaudited)	As at 30 June 2025 (RMB'000) (Unaudited)	As at 31 December 2024 (RMB'000)
As reported in the statutory financial statements prepared in accordance with the PRC Accounting Standards	4,367,868	3,325,646	189,088,904	187,940,359
– Items not subject to “China Accounting Standards for Business Enterprises No.16 – Government Subsidy” and recognized on a deferred basis in accordance with IFRSs	6,202	8,056	-28,830	-35,032
– Difference arising from the implementation of “China Accounting Standards for Business Enterprises Interpretation No.3”	256,952	152,617	–	–
As reported in accordance with IFRSs	4,631,022	3,486,319	189,060,074	187,905,327

3. Management Discussion and Analysis

(1) OVERVIEW OF THE CEMENT INDUSTRY

In the first half of 2025, the State effectively implemented more proactive and promising macro policies. The national GDP increased by 5.3% period-on-period, and the main economic indicators performed well. The investment in infrastructure increased by 4.6% period-on-period, providing support to the demand for cement. The investment in the real estate development decreased by 11.2% period-on-period, continuing to undergo deep adjustment and drag down the cement market. National cement demand continued its downward trend. In the first half of the year, national cement output was 815 million tonnes, representing a period-on-period decrease of 4.3%, with a decrease of 5.7 percentage points in the decline rate as compared with the same period of the previous year. In the first half of the year, the overall industry profitability improved period-on-period. On a quarterly basis, the decline in cement demand slowed down in the first quarter due to the acceleration of issuance of special bonds and the recovery of the commencement rates of infrastructure projects. At the same time, enhanced industry self-discipline supported the rebound of prices and profitability period-on-period. The cement demand in the second quarter fell short of expectations, cement prices continued to decline, and the industry as a whole exhibited a pattern of “high in the earlier stage and low in the later stage with fluctuating downward movement”. *(Data source: National Bureau of Statistics, Digital Cement)*

(2) INTRODUCTION OF THE MAIN BUSINESS OF THE COMPANY

During the Reporting Period, the Group principally engaged in the production and sales of cement, commodity clinker, aggregate and concrete. Responding to the market demand, the Group's cement products mainly comprise 32.5-grade cement, 42.5-grade cement and 52.5-grade cement, which are widely used in large-scale national infrastructure construction projects such as railways, highways, airports and water conservancy projects as well as urban real estate development, cement products and the rural markets.

Cement belongs to the basic raw material industry and is a regional product, the sales of cement is limited by the mode of transportation and local cement prices, and its business model is different from that of daily consumer goods. The Group has adopted a sales model focusing on direct sales and supplemented by distribution. The Group has a relatively extensive marketing network, with over 500 marketing departments in the regions across the PRC and overseas where the Group has operation. Meanwhile, the Group continued to improve its marketing strategy by continuing to promote the construction of networks and waterway distribution channels in the regional markets along the river and coastal areas as well as central cities with concentrated demand, promoting the integrated development of full industrial chain of cement and consolidating the construction in the end markets, so as to further improve its marketing network and strengthen its market share.

3. Management Discussion and Analysis

In addition, the Company fully utilized the advantages of its main business resources, devoted itself to providing diversified products, actively extended the industrial chain by using its high-quality cement and aggregate, expanded into the business of consumption building materials, and created high-quality products such as ceramic tile glue and dry-mixed mortar.

During the Reporting Period, the Group continued to optimize its marketing plan domestically and overseas, steadily implemented international development strategies, proactively extended the upstream and downstream industrial chain and accelerated promotion and coordinated development of the new energy industry, the environmental protection industry and the digital industry.

(3) CHANGES IN CORE COMPETITIVENESS OF THE COMPANY DURING THE REPORTING PERIOD

Since its listing in 1997, the Company has been focusing on strengthening, optimizing and growing its core cement business by emphasizing independent innovation and technological innovation, vigorously pushing forward energy conservation and emission reduction and developing low-carbon recycling economy. After over 20 years of sustainable, healthy and steady development, the Company has created a unique “Conch Model”, and established relatively strong advantages in brand recognition, resources, technology, funding, market share, management, human resources, etc.

During the Reporting Period, through its continuous efforts in enhancing regional market operation, expanding upstream and downstream industrial chains, improving its cost management and control level, boosting technological innovation and promoting deep integration of digitization, green and low-carbon technology with the cement manufacturing industry, the Group has been further consolidating and enhancing its competitive advantages in the above areas, and continuously strengthening its core competitiveness.

(4) MANAGEMENT DISCUSSION AND ANALYSIS ON THE OPERATIONS

Analysis on the Operational Conditions for the First Half of 2025

1. Overview of operation development

In the first half of 2025, faced with the severe and complicated market environment, the Group remained goal-driven. It actively responded to adverse effects such as insufficient demand, intensified competition and market volatility, strengthened operational coordination, made efforts to expand the market, and promoted the reduction of operating costs, thereby achieving a period-on-period increase of 33.05% in total profits, showing strong operation resilience and laying a foundation for the sustained improvement in operation results of the Group.

3. Management Discussion and Analysis

During the Reporting Period, in accordance with the PRC Accounting Standards, the Group's revenue amounted to RMB41,292 million, representing a decrease of 9.38% from that of the corresponding period of the previous year; net profit attributable to equity shareholders of the Company amounted to RMB4,368 million, representing an increase of 31.34% from that of the corresponding period of the previous year; and earnings per share were RMB0.83, representing an increase of RMB0.20 from that of the corresponding period of the previous year. During the Reporting Period, in accordance with the IFRSs, revenue amounted to RMB41,292 million, representing a decrease of 9.38% from that of the corresponding period of the previous year; net profit attributable to equity shareholders of the Company amounted to RMB4,631 million, representing an increase of 32.83% from that of the corresponding period of the previous year; and earnings per share were RMB0.88, representing an increase of RMB0.22 from that of the corresponding period of the previous year.

The Group adhered to the “innovation-driven, digitally empowered, green-transformation” high-quality development route. During the Reporting Period, the Company deepened the innovation work of all employees and obtained 162 registered patents and 13 invention patents. The Company used AI digital tools for empowerment, covering more than 40 application scenarios in five categories, namely quality control, production optimization, equipment management, safety production and intelligent question and answer, realizing core values such as dynamic optimization of craftsmanship parameters, anomaly alerts with second's response rate and maximization of resource utilization, thereby injecting intelligent new engines into the Company's high-quality development. The Company continued to explore the construction of an integrated project consolidating power source, power grid, load and energy storage in the surrounding areas of cement enterprises, promoted the development of wind power, photovoltaic and energy storage projects, expanded the scale of green electricity and constructed the all-green electricity plant of Baimashan Cement Plant.

During the Reporting Period, the Group actively pushed forward the construction and development of projects, persisted in strengthening and refining its core business, and deeply extended the industrial chain. In terms of core cement business, the Group successfully entered into a contract for the Yaobai project in Xinjiang, further improving the regional market layout. Development of overseas projects was also steadily advanced. The acquisition of West Papua Conch has effectively enhanced the Company's market competitiveness in Indonesia. The production line of 5,000 tonnes of cement clinker per day in Phnom Penh Conch in Cambodia was completed and put into operation. In terms of the development of industrial chain, the Group built and expanded 4 aggregate manufactured sand projects, and added 8 commodity concrete projects through leasing and commissioned processing. At the same time, the Group accelerated the development of consumer building materials business and clean energy, whereby it completed 3 dry-mixed mortar and tile glue projects, grid-connected for a number of photovoltaic projects such as Pingliang New Energy's 100MW Wind Power Project and Changjiang Plastic, and successfully launched the new energy storage project in Naimanqi, Tongliao City, Inner Mongolia.

3. Management Discussion and Analysis

During the Reporting Period, the Group's production capacity of clinker was increased by 1.80 million tonnes (overseas), that of cement was increased by 4.00 million tonnes, that of aggregates was increased by 3.50 million tonnes, that of commodity concrete was increased by 5.25 million cubic meters, and the capacity of new energy power generator was increased by 200MW. As at the end of the Reporting Period, the Group's production capacity of clinker, cement, aggregates and commodity concrete in operation amounted to 276 million tonnes, 407 million tonnes, 167 million tonnes and 57.15 million cubic meters respectively, and the capacity of new energy power storage generator in operation amounted to 845MW.

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 corresponding period of the previous year (%)	Increase or decrease in operating cost over the corresponding period of the previous year (%)	Increase or decrease in gross profit margin over the corresponding period of the previous year
Building material industry (sale of self-produced products)	34,288,531	24,397,347	28.85	2.11	-5.63	Increased by 5.84 percentage points
Building material industry (trading business)	548,328	541,507	1.24	16.33	16.29	Increased by 0.03 percentage point

3. Management Discussion and Analysis

Principal activities by product

Product	Operating revenue RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the corresponding period of the previous year (%)	Increase or decrease in operating cost over the corresponding period of the previous year (%)	Increase or decrease in gross profit margin over the corresponding period of the previous year
Building material industry (sale of self-produced products) -42.5 grade cement ^{Note 1}	23,869,391	16,930,773	29.07	0.77	-7.63	Increased by 6.45 percentage points
Building material industry (sale of self-produced products) -32.5 grade cement	3,747,506	2,459,290	34.38	-3.37	-13.24	Increased by 7.47 percentage points
Building material industry (sale of self-produced products) - clinker	3,041,460	2,476,699	18.57	14.99	0.36	Increased by 11.87 percentage points
Building material industry (sale of self-produced products) - aggregate and manufactured sand	2,111,532	1,185,120	43.87	-3.63	3.69	Decreased by 3.97 percentage points
Building material industry (sale of self-produced products) - commodity concrete	1,518,642	1,345,465	11.40	28.86	24.67	Increased by 2.98 percentage points
Building material industry (trading business)	548,328	541,507	1.24	16.33	16.29	Increased by 0.03 percentage point

3. Management Discussion and Analysis

Principal activities by region

Region	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the corresponding period of the previous year (%)	Increase or decrease in operating cost over the corresponding period of the previous year (%)	Increase or decrease in gross profit margin over the corresponding period of the previous year
Building material industry (sale of self-produced products) – East China ^{Note 2}	10,127,098	7,848,045	22.50	13.55	8.36	Increased by 3.71 percentage points
Building material industry (sale of self-produced products) – Central China ^{Note 3}	8,978,220	6,349,510	29.28	-11.10	-18.09	Increased by 6.04 percentage points
Building material industry (sale of self-produced products) – South China ^{Note 4}	6,028,477	4,201,533	30.31	0.20	-9.16	Increased by 7.19 percentage points
Building material industry (sale of self-produced products) – West China ^{Note 5}	6,261,888	4,291,125	31.47	3.88	-7.74	Increased by 8.63 percentage points
Building material industry (sale of self-produced products) – Export	430,690	358,722	16.71	98.49	77.28	Increased by 9.96 percentage points
Building material industry (sale of self-produced products) – Overseas	2,462,158	1,348,412	45.23	7.06	-2.30	Increased by 5.24 percentage points
Building material industry (trading business)	548,328	541,507	1.24	16.33	16.29	Increased by 0.03 percentage point

3. Management Discussion and Analysis

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 corresponding period of the previous year (%)	Increase or decrease in operating cost over the corresponding period of the previous year (%)	Increase or decrease in gross profit margin over the corresponding period of the previous year
Building material industry	20,355,177	14,003,167	31.21	3.03	-4.55	Increased by 5.46 percentage points
– Direct sale						
Building material industry	14,481,682	10,935,687	24.49	1.31	-6.12	Increased by 5.98 percentage points
– Distribution						

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.

3. Management Discussion and Analysis

Sales by industry

During the Reporting Period, the Group's total net sales volume of cement and clinker amounted to 127 million tonnes, representing a period-on-period decrease of 0.09%. Revenue generated from principal activities amounted to RMB34,837 million, representing a period-on-period increase of 2.31%. Cost in principal activities amounted to RMB24,939 million, representing a period-on-period decrease of 5.24%. The consolidated gross profit margin of products recorded a period-on-period increase of 5.70 percentage points to 28.41%.

The Group's sales volume of self-produced cement and clinker products amounted to 126 million tonnes, representing a period-on-period decrease of 0.35%. Sales revenue from self-produced products amounted to RMB34,289 million, representing a period-on-period increase of 2.11%. Cost of sales of self-produced products amounted to RMB24,397 million, representing a period-on-period decrease of 5.63%. The consolidated gross profit margin of self-produced products recorded a period-on-period increase of 5.84 percentage points to 28.85%.

During the Reporting Period, the Group achieved a sales volume of 1.87 million tonnes for its cement and clinker trading business, representing a period-on-period increase of 21.03%. Revenue from trading business amounted to RMB548 million, representing a period-on-period increase of 16.33%. Cost of trading business increased by 16.29% period-on-period to RMB542 million.

Sales by product

During the Reporting Period, the gross profit margin of the Group's 42.5-grade cement, 32.5-grade cement and clinker increased by 6.45 percentage points, 7.39 percentage points and 10.73 percentage points period-on-period, respectively. Among which, the gross profit margin of the Group's self-produced 42.5-grade cement, 32.5-grade cement and clinker increased by 6.45 percentage points, 7.47 percentage points and 11.87 percentage points period-on-period, respectively. The consolidated gross profit margin of aggregates and manufactured sand decreased by 3.97 percentage points period-on-period to 43.87%; the consolidated gross profit margin of commodity concrete increased by 2.98 percentage points period-on-period to 11.40%.

3. Management Discussion and Analysis

Sales by region

During the Reporting Period, mainly affected by the period-on-period increase in selling prices of products and the period-on-period decrease in sales costs, the gross margin of self-produced products in various regions of China increased by varying degrees.

(2) Profit analysis

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

Items	Amount		Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)
	Six months ended 30 June 2025 (RMB'000) (Unaudited)	Six months ended 30 June 2024 (RMB'000) (Unaudited)	
Revenue from principal activities	34,836,859	34,050,641	2.31
Profit from operations	5,741,832	4,027,821	42.55
Profit before taxation	5,836,359	4,386,731	33.05
Net profit attributable to equity shareholders of the Company	4,367,868	3,325,646	31.34

During the Reporting Period, mainly affected by the increase in selling prices of products and the decrease in costs, the Group's profit from operations, profit before taxation and net profit attributable to equity shareholders of the Company recorded increases of 42.55%, 33.05% and 31.34% respectively, as compared to the corresponding period of the previous year.

3. Management Discussion and Analysis

(3) Analysis of costs and expenses

Consolidated costs of cement and clinker for the six months ended 30 June 2025 and their period-on-period changes

Items	Six months ended 30 June 2025		Six months ended 30 June 2024		Increase or decrease in costs	Increase or decrease in proportion of costs (percentage points)
	Unit costs	Proportion	Unit costs	Proportion		
	(RMB/tonne)	(%)	(RMB/tonne)	(%)		
	(Unaudited)		(Unaudited)			
Raw materials	31.86	18.29	31.95	17.03	-0.28	1.26
Fuel and power	96.36	55.32	111.73	59.57	-13.76	-4.25
Depreciation expense	16.58	9.52	15.91	8.48	4.21	1.04
Labor cost	12.94	7.43	11.32	6.04	14.31	1.39
Others	16.44	9.44	16.66	8.88	-1.32	0.56
Total	174.18	100	187.57	100	-7.14	-

Note: All cost items above represent the costs of the Group's self-produced products, excluding cost of the trading business.

3. Management Discussion and Analysis

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

Expenses for the period	Amount for the six months ended 30 June 2025 (RMB'000) (Unaudited)	Amount for the six months ended 30 June 2024 (RMB'000) (Unaudited)	Increase or decrease for the Reporting Period over the corresponding 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 corresponding period of the previous year (%)	Increase or decrease in the proportion over the revenue from principal activities (percentage points)
Selling expenses	1,634,828	1,564,328	4.51	4.69	4.59	0.10
Administrative expenses	2,965,172	2,701,815	9.75	8.51	7.93	0.58
Research and development expenses	308,663	519,216	-40.55	0.89	1.52	-0.63
Financial expenses (income is stated in negative)	-494,790	-442,984	-11.69	-1.42	-1.30	-0.12
Total	4,413,873	4,342,375	1.65	12.67	12.75	-0.08

During the Reporting Period, the Group's research and development expenses decreased by 40.55% as compared to the corresponding period of the previous year, which was mainly due to the period-on-period decrease in investment expenditures as the preliminary research and development projects related to energy-saving and efficiency-enhancing technology have entered the final stage.

3. Management Discussion and Analysis

(4) Financial position

Asset and liability position

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

Items	As at 30 June 2025 (RMB'000) (Unaudited)	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	62,700,268	24.77	70,229,348	27.58	-10.72
Financial assets held for trading	1,136,871	0.45	509,203	0.20	123.27
Accounts receivable	3,021,282	1.19	3,773,192	1.48	-19.93
Advance payment	782,536	0.31	944,849	0.37	-17.18
Inventories	8,235,285	3.25	8,108,520	3.18	1.56
Long-term equity investments	7,886,395	3.12	7,775,669	3.05	1.42
Investments in other equity instruments	1,627,411	0.64	1,506,953	0.59	7.99
Fixed assets	90,158,012	35.62	89,227,647	35.04	1.04
Construction in progress	6,987,621	2.76	9,355,746	3.67	-25.31
Right-of-use assets	835,266	0.33	737,454	0.29	13.26
Intangible assets	35,864,285	14.17	34,264,065	13.46	4.67
Total assets	253,139,538	100.00	254,635,244	100.00	-0.59
Short-term borrowings	5,959,857	2.35	5,748,688	2.26	3.67
Contract liabilities	2,513,018	0.99	2,569,305	1.01	-2.19
Long-term borrowings	7,796,172	3.08	10,086,381	3.96	-22.71
Bonds payables	12,500,000	4.94	11,500,000	4.52	8.70
Lease liabilities	229,784	0.09	240,355	0.09	-4.40
Total liabilities	51,936,325	20.52	54,257,807	21.31	-4.28
Total liabilities and equity	253,139,538	100.00	254,635,244	100.00	-0.59

3. Management Discussion and Analysis

As at the end of the Reporting Period, the Group's balance of financial assets held for trading increased by 123.27% as compared to that at the end of the previous year, which was mainly due to subscription of beneficiary certificate of securities companies during the Reporting Period; the balance of construction in progress decreased by 25.31% as compared to that at the end of the previous year, which was mainly due to the fact that part of the construction in progress has been transferred to fixed assets upon reaching its intended useable condition; the balance of long-term borrowings decreased by 22.71% as compared to that at the end of the previous year, which was mainly due to the repayment of certain borrowings due during the Reporting Period.

The Group's total assets prepared in accordance with the PRC Accounting Standards amounted to RMB253,140 million, representing a decrease of 0.59% as compared to that at the end of the previous year. Total liabilities amounted to RMB51,936 million, representing a decrease of 4.28% as compared to that at the end of the previous year. Among which, current liabilities amounted to RMB27,467 million, representing a decrease of 4.93% as compared to that at the end of the previous year; non-current liabilities amounted to RMB24,469 million, representing a decrease of 3.53% 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 20.52%, representing a decrease of 0.79 percentage point as compared to that at the end of the previous year.

Please refer to note 14 to the financial report prepared in accordance with the PRC Accounting Standards for information on the contingent liabilities of the Group.

As at the end of the Reporting Period, equity attributable to equity shareholders of the Company amounted to RMB189,089 million, representing an increase of 0.61% as compared to that at the end of the previous year; equity attributable to minority shareholders amounted to RMB12,114 million, representing a decrease of 2.60% as compared to that at the end of the previous year; as at the end of the Reporting Period, net assets per share attributable to equity shareholders of the Company amounted to RMB35.83.

3. Management Discussion and Analysis

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 RMB88,715 million and RMB27,467 million respectively, with a current ratio of 3.23:1 (end of last year: 3.25:1). The decrease in current ratio as compared to that at the end of the previous year was mainly due to the decrease in balance of current assets such as cash at bank and on hand and bills receivables during the Reporting Period. Total current assets and total current liabilities of the Group prepared in accordance with the IFRSs amounted to RMB88,715 million and RMB27,467 million respectively, with a net gearing ratio of 0.082 (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 RMB20,773 million, representing 8.21% of the total assets.

As at the end of the Reporting Period, subsidiaries of the Company pledged intangible assets and fixed assets with book values of approximately RMB50 million and RMB226 million respectively as security for borrowings from financial institutions. The deposits of RMB37 million and equity interest with a value of RMB81 million of the Company and subsidiaries have been frozen due to involvement in legal proceedings.

Save for the above-mentioned matters, no other assets of the Group were distressed, seized, mortgaged, 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.

3. Management Discussion and Analysis

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 30 June 2025 (RMB'000) (Unaudited)	As at 31 December 2024 (RMB'000)
Due within 1 year	7,544,498	7,486,649
Due after 1 year but within 2 years	2,135,120	4,196,626
Due after 2 years but within 5 years	4,363,954	4,585,404
Due after 5 years	1,297,097	1,304,351
Total	15,340,669	17,573,030

As at the end of the Reporting Period, balance of the Group's bank borrowings was RMB15,341 million, representing a decrease of RMB2,232 million as compared to that at the end of the previous year. The decrease was mainly attributable to the repayment of certain borrowings due during the Reporting Period. Please refer to note 10 to the financial report prepared in accordance with the PRC Accounting Standards for information on borrowings bearing fixed interest rate.

Other than 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.

3. Management Discussion and Analysis

Analysis of cash flow

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

	Six months ended 30 June 2025 (RMB'000) (Unaudited)	Six months ended 30 June 2024 (RMB'000) (Unaudited)	Changes (%)
Net cash flows generated from operating activities	8,286,544	6,870,679	20.61
Net cash flows generated from investing activities	-6,568,435	-1,622,370	-304.87
Net cash flows generated from financing activities	-4,462,242	-2,962,380	-50.63
Effect of exchange rate change on cash and cash equivalents	-21,841	560	-3,997.47
Net increase in cash and cash equivalents	-2,765,975	2,286,489	-220.97
Balance of cash and cash equivalents at the beginning of the period	16,337,147	11,572,016	41.18
Balance of cash and cash equivalents at the end of the period	13,571,172	13,858,505	-2.07

During the Reporting Period, the Group's net cash flows generated from operating activities amounted to RMB8,287 million, representing a period-on-period increase of RMB1,416 million. Such increase was mainly due to the period-on-period decrease in the cost and expenditure of procurement of raw material and fuel during the Reporting Period.

3. Management Discussion and Analysis

During the Reporting Period, the Group's net cash outflows from investing activities increased by RMB4,946 million as compared to that of the corresponding period of the previous year, which was mainly due to the decrease of recovery amount of the time deposits that have matured during the Reporting Period as compared to that of the corresponding period of the previous year.

During the Reporting Period, the Group's net cash outflows from financing activities increased by RMB1,500 million as compared to that of the corresponding period of the previous year, which was mainly due to the period-on-period reduction in the cash inflow from issuance of bonds during the Reporting Period.

3. Capital expenditure

During the Reporting Period, the capital expenditure of the Group amounted to approximately RMB6,210 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 30 June 2025 (RMB'000) (Unaudited)	As at 31 December 2024 (RMB'000)
Authorized and contracted for	10,570,318	11,040,741
Authorized but not contracted for	3,390,110	5,343,670
Total	13,960,428	16,384,411

4. Exchange rate risk and related hedging by financial instruments

During the Reporting Period, the payment incurred in the construction of overseas projects were principally made in local currencies, RMB and US dollars. Imported equipment, fire-resistant tiles and spare parts were settled primarily in US dollars and Euro, while cement, clinker and equipment for export were usually settled in RMB or US dollars. The purchase of raw materials and sales of commodities by overseas companies were mainly settled in local currencies. Any movement in the exchange rates of such foreign currencies against RMB will directly affect the project construction costs, material procurement costs and export sales revenue of the Group.

In order to effectively reduce foreign exchange risk to ensure that the risk level is overall under control, the Group made appropriate financing and foreign exchange receipt and payment arrangements based on the construction progress of overseas projects and adjusted its foreign exchange fund management plan on a timely basis. The Group actively leveraged a management model of fund pool to implement centralized management, allocation and utilization over foreign funds in domestic and overseas markets, so as to lower costs of exchange settlement and sales, effectively reducing financial expenses. The Group implemented a regional fund pool management model in the same country where the Group invested, so as to complement each other's capital advantage, enhance capital economies of scale and reduce loss from currency exchange. Meanwhile, the Group actively paid attention to the changes in exchange rates and interest rates in the invested countries, appropriately replaced high-interest loans and reduced the financing costs.

3. Management Discussion and Analysis

OUTLOOK FOR THE SECOND HALF OF THE YEAR

In the second half of 2025, the central government will continue to implement proactive and promising macro policies and continuously enrich the policy “toolkit”. In July, the meeting of the Political Bureau of the Central Committee of the CPC proposed to accelerate the issuance and use of government bonds, promote the “implementation of major national strategies and security capacity building in key areas” with high quality and carry out urban renewal, horizontally and vertically promote the construction of a unified national market, promote the continuous optimization of market competition order, manage the disorderly competition of enterprises according to laws and regulations, and promote the governance of the production capacities of key industries. The National Development and Reform Commission and the State Administration for Market Regulation are promoting the amendment of the Price Law, intending to stipulate the recognized criteria for unfair price behaviors such as low-price dumping. A new round of steady growth work plan for ten key industries, such as building materials, will be implemented soon, aiming at promoting key industries’ structure adjustment, supply optimization and backward production capacities elimination. On the demand side, China will continue to play a leading role in government investment. The promotion of major strategic engineering projects and urban renewal initiatives is expected to lead to more quantifiable outputs, and the infrastructure sector will continue to support the demand for cement. However, real estate market is still bottoming out, and the pressure on investment and construction persists, which is expected to continue to drag down the cement market demand. On the supply side, industry self-discipline and staggered production will still be important measures for supply control. At the same time, the government’s comprehensive management of “involuntary” competition will continue to be deepened, which will help standardizing the order of cement market, pushing forward the improvement of supply and demand relationship, and promoting a reasonable price recovery.

3. Management Discussion and Analysis

In the second half of the year, the Company will pay close attention to the development and changes of domestic and foreign macroeconomic situation and industrial policies, and carry out the following tasks in alignment with the annual targets:

In terms of business management, the Group will closely monitor market construction, consolidate its cost and management advantages. Firstly, the Group will strengthen the analysis of market supply and demand relationship, implement the marketing strategy of “one policy for one area, one policy for one enterprise, and differentiated policies”, thoroughly carry out the policy requirements of “anti-involution” and actively respond to industry self-discipline. In addition, the Group will actively promote the “cement+” integrated sales mode to improve the advantages of non-price competition means and build customers’ preferred brand by optimizing sales services and providing systematic solutions. Secondly, the Group will adhere to tapping the potential to increase efficiency, leverage comparative advantages of procurement, coordinate the utilization of domestic and foreign coal resources, and continuously increase the proportion of direct supply of raw materials and fuel and the proportion of use of alternative fuels. Thirdly, the Group will strengthen the management and control of all aspects of production and operation, and pay close attention to key indicators, optimize craftsmanship parameters and promote quality improvement and efficiency improvement of production and operation by gripping digitalization and intelligence as the starting point. Fourthly, the Group will push on the upgrading and transformation of technologies, the development and application of new technologies and the transformation of innovation achievements, comprehensively improve the level of safety and environmental protection management. At the same time, the Group will further strengthen the construction of compliance management system, optimize and refine the decision-making mechanism, and continuously promote the operation of the Group in a smooth and orderly manner.

3. Management Discussion and Analysis

In terms of investment development, the Group will focus on effective investments and strengthen its core business. Firstly, the Group will focus on its main responsibilities and business, seize the opportunity presented by the consolidation of the domestic cement industry market, seek merger and acquisition opportunities from the perspective of improving the layout of main business and enhancing market control. The Group will also accelerate the pace of overseas development, actively seek high-quality project vehicles, speed up the demonstration of the development feasibility of potential projects, and strive to implement overseas incremental projects as soon as possible. Secondly, the Group will deeply extend the upstream and downstream industrial chains, accelerate the early production and revenue generation of aggregate projects under construction, expedite the layout of commodity concrete business in central cities, and promote the development of consumer building materials from pilot projects to widespread adoption and full-scale commercialization. Thirdly, the Group will pay equal attention to the development scale and quality of new formats. In terms of digital industry, the Group will continue to tackle key problems in technology, play an active role in the digital intelligence transformation of the Company, and enhance its competitiveness in external markets. In terms of the new energy industry, the Group will focus on the positioning of “zero (low) carbon solution” providers, deeply explore internal new energy application scenarios, expand the scale of green electricity, and strive to build an all-green electricity demonstration factory. In terms of the environmental protection industry, the Group will focus on its main business and explore the layout of new markets for disposing solid hazardous wastes in non-cement kilns in central cities.

3. Management Discussion and Analysis

(5) IMPLEMENTATION OF THE ACTION PLAN FOR QUALITY AND EFFICIENCY IMPROVEMENT AND RETURN ENHANCEMENT

In order to actively respond to the Initiative on Carrying out the Special Action for Quality and Efficiency Improvement and Return Enhancement by Listed Companies in Shanghai issued by the SSE, with a view to practise the “investor-centered” development concept, earnestly fulfill the responsibilities and obligations of listed companies, and safeguard the interests of all shareholders, and based on the confidence and value recognition of the Company’s future development prospects, the Company formulated the Action Plan for Quality and Efficiency Improvement and Return Enhancement for 2024 in 2024, and evaluated its implementation. For details, please refer to the Announcement on the Action Plan for Quality and Efficiency Improvement and Return Enhancement for 2024 and the Evaluation Report on the Action Plan for Quality and Efficiency Improvement and Return Enhancement for 2024 published by the Company on the website of the SSE on 5 July 2024 and 25 March 2025 respectively. During the Reporting Period, based on the Action Plan for Quality and Efficiency Improvement and Return Enhancement, the Company formulated the Valuation Enhancement Plan for 2025 and carried out the following work:

- (1) The Company continued to consolidate the foundation of the core cement business, deeply extend the industrial chain and deeply cultivate the development of the core business. It gave full play to the sales advantages of industrial integration, improved the operational efficiency and reduced costs through lean management. In the first half of 2025, the Company realized a net profit attributable to equity shareholders of the Company of RMB4.368 billion, representing a period-on-period increase of 31.34%, and its operation remained resilient.
- (2) The Company adhered to the core of “digital empowerment of traditional manufacturing”, comprehensively promoted high-end and intelligent upgrading, and adopted the “AI+ cement building materials big model” as trial application in the production lines, covering more than 40 scenarios in five categories, namely quality control, production optimization, equipment management, safety production and AI-powered question and answer, which was a milestone in the process of digital transformation of the industry.
- (3) The Company attached great importance to shareholder returns, thereby it established a scientific, sustainable and stable shareholder return mechanism, and formulated the Profit Distribution and Return Plan to Shareholders for the Next Three Years (2025-2027), specifying that the aggregate of the Company’s annual cash dividend distribution amount and share repurchase amount (if any) for the next three years shall not be less than 50% of the net profit attributable to equity shareholders of the Company as reported in the audited consolidated statements (in accordance with the PRC Accounting Standards) of the Company for the year, so as to enhance the predictability of shareholder returns. At the same time, the Company implemented the distribution of the interim dividends of 2025 and increased the frequency of dividends distribution.

3. Management Discussion and Analysis

- (4) The Company opened and enriched the communication channels for investors, organized annual results presentation and roadshows on a regular basis, efficiently communicated with investors for 39 times online and offline, and provided professional and detailed responses to 32 questions on the SSE E-interactive platform. The Company also kept the investor hotline open, responded to investors' concerns in a timely manner and effectively delivered the Company's value.
- (5) The Company deepened its corporate governance and standardized operation. According to the regulatory requirements of the SSE and the Stock Exchange and the provisions of the latest laws, regulations and normative documents, the Company revised and improved governance documents including the Articles, the Rules of Procedures for Shareholders' Meetings and the Rules of Procedure for the Board Meetings. The Company also streamlined the governance structure, cancelled the establishment of the supervisory committee and supervisors, added a staff Director, and successfully completed the change of session of the Board.
- (6) The Company continued to advocate and actively practise the concept of ESG (Environment, Society and Governance), implemented the latest ESG regulatory requirements of the Shanghai and Hong Kong stock exchanges, actively carried out the construction of the management system for tackling climate change, and promoted the steady implementation of the carbon emission reduction route of "carbon emission reduction at source, carbon emission decrease in the process, carbon sequestration at terminal". The Company also thoroughly implemented the national rural revitalization strategy, and made great efforts to strengthen communication among stakeholders and continuously enhance value recognition. During the Reporting Period, the Company's MSCI ESG rating was upgraded to "BBB" and won a number of honors including the 2024 ESG A+ Rating of Building Materials Industry by the China Building Materials Federation.

4. Report of the Directors

(1) PRINCIPAL INVESTMENTS DURING THE REPORTING PERIOD

1. Establishment, deregistration and capital increase of subsidiaries during the Reporting Period

- (1) In March 2025, the Company and Ma'anshan Yuanda Commercial Concrete Co., Ltd. (hereinafter referred to as "Yuanda Commercial Concrete") jointly invested in and established Ma'anshan Conch New Building Material Co., Ltd. with a registered capital of RMB45 million, of which the Company contributed RMB31.5 million, accounting for 70% of its registered capital, and Yuanda Commercial Concrete contributed RMB13.5 million, accounting for 30% of its registered capital.
- (2) In May 2025, Anhui Conch New Energy Co., Ltd. (hereinafter referred to as "Conch New Energy"), a wholly-owned subsidiary of the Company, and Contemporary Amperex Technology Co., Limited (hereinafter referred to as "CATL") jointly invested in and established Tongliao Conch New Energy Co., Ltd. with a registered capital of RMB600 million, of which Conch New Energy contributed RMB390 million, accounting for 65% of its registered capital, and CATL contributed RMB210 million, accounting for 35% of its registered capital.
- (3) During the Reporting Period, the Company completed the deregistration of its subsidiary Hefei Taitong New Energy Investment Co., Ltd. Deregistration of such company will not have adverse impact on the production, operation and the results of the Company as a whole.
- (4) During the Reporting Period, the Company made additional capital contribution of USD49.66 million to Conch International Holdings (HK) Limited (hereinafter referred to as "Conch HK"), a wholly-owned subsidiary of the Company. After such capital increase, the registered capital of Conch HK became USD552.76 million, and the Company's equity interest therein remained unchanged.
- (5) During the Reporting Period, the Company and Conch HK made additional capital contribution of USD97.38 million to West Papua Conch in proportion to their respective shareholdings of 49% and 51%. After such capital increase, the registered capital of West Papua Conch became USD264.67 million, and shareholdings of both parties therein remained unchanged.

Note: Companies established, deregistered, and whose capital contribution amounts were increased during the Reporting Period do not include project companies of Conch Environment Protection.

4. Report of the Directors

2. Investment in securities

As at the end of the Reporting Period, the details of the Group's shareholdings in other listed companies were set out as follows:

Stock code	Stock short name	Investment costs	Percentage of shareholding at the beginning of the Reporting Period	Percentage of shareholding at the end of the Reporting Period	Carrying amount at the beginning of the Reporting Period	Gain or loss on changes in fair value during the Reporting Period	Accumulated changes in the fair value recognized in equity	Amount purchased during the Reporting Period	Amount sold during the Reporting Period	Investment gain or loss recognized during the Reporting Period	Carrying amount at the end of the Reporting Period
			(%)	(%)	(RMB)	(RMB)	(RMB)	(RMB)	(RMB)	(RMB)	(RMB)
2233	WCC	1,960,606,127	29.67	29.67	3,602,533,886	-	-	-	-	182,040,833	3,700,275,341
0587	Conch Environment Protection	2,825,641,178	21.21	21.21	873,415,379	-	-	-	-	-	873,415,379
600318	Xinli Finance	30,656,524	4.8	1.41	208,670,732	-	30,518,064	-	167,755,902	-	71,432,894
0586	Conch Venture	1,923,031,472	4.99	4.99	553,707,227	-	185,852,423	-	-	24,513,533	739,559,650
6655	Huaxin Cement	1,146,289,177	4.46	4.46	672,799,279	-	71,843,031	-	-	42,629,141	744,642,310
000672	Shangfeng Cement	178,166,549	1.21	1.21	89,943,383	2,939,327	-	-	-	7,407,102	92,882,710
000877	Tianshan Cement	999,999,999	1.04	1.04	419,259,259	-75,555,556	-	-	-	-	343,703,703
Total		9,064,391,026	-	-	6,420,329,145	-72,616,229	288,213,518	-	167,755,902	256,590,609	6,565,911,987

Notes:

- (1) Xinli Finance, Conch Venture and Huaxin Cement held by the Group were included in "investments in other equity instruments", WCC and Conch Environment Protection held by the Group were included in "long-term equity investments", and Shangfeng Cement and Tianshan Cement held by the Group were included in "financial assets held for trading".
- (2) The funds utilized by the Group for the above securities investments were mainly its own funds.

3. Major investments during the Reporting Period

During the Reporting Period, the Group did not have major investment project with a total investment amount exceeding 10% of the audited net assets of the Company of the previous year. For details of the investment projects of the Group during the Reporting Period, please refer to the paragraph headed “1. Overview of operation development” under the section headed “(4) Management Discussion and Analysis on the Operations – Analysis on the Operational Conditions for the First Half of 2025” in Chapter 3 “Management Discussion and Analysis” in this report as well as item 15 under note 5 to the financial report prepared in accordance with the PRC Accounting Standards.

4. Principal majority-owned subsidiaries and invested companies

As at the end of the Reporting Period, the Company had 473 subsidiaries, 10 jointly-controlled entities, and invested in 7 associates and 3 partnerships. During the Reporting Period, there was no single subsidiary or invested company in which the Company’s share of its net profit or investment income respectively accounted for more than 10% of the net profit of the Company.

5. Cooperation and Investment with Private Equity Fund

- (1) In 2021, the Company, China National Building Material Private Equity Fund Management (Beijing) Co., Ltd. (general partner and fund manager, hereinafter referred to as “CNBM Private Equity Fund”) and other limited partners jointly invested in and established CNBM (Anhui) New Materials Industrial Investment Fund Partnership (Limited Partnership) (hereinafter referred to as the “Industrial Investment Fund”), with an initial fund scale amounting to RMB15 billion. The Company, as a limited partner, shall make capital contribution of RMB1.6 billion. In addition, CNBM Private Equity Fund and some partners or their related parties jointly invested in and established CNBM (Anhui) New Materials Fund Management Co., Ltd. (hereinafter referred to as “CNBM (Anhui) Management Company”), with a registered capital of RMB50 million, of which the Company contributed RMB3,809,524, accounting for 7.62% of its registered capital. After the establishment of CNBM (Anhui) Management Company, it was admitted to the Industrial Investment Fund and acted as its general partner and executive partner. The Industrial Investment Fund has completed the registration procedures for corporate establishment with the State Administration for Market Regulation and the filing of private funds with the Asset Management Association of China.

4. Report of the Directors

In 2022, in order to give full play to the enthusiasm of the team of Industrial Investment Fund, CNBM (Anhui) Management Company and the core management members of the team jointly invested in and established Hefei Weiyu Equity Investment Partnership (Limited Partnership) (hereinafter referred to as “Hefei Weiyu”). CNBM (Anhui) Management Company and Hefei Weiyu entered into the Agreement on Transfer of the General Partner Shares of CNBM (Anhui) New Materials Industrial Investment Fund Partnership (Limited Partnership), according to which CNBM (Anhui) Management Company transferred its general partner shares of RMB15 million to Hefei Weiyu at a price of RMB4.5 million (corresponding to the committed capital contribution of RMB15 million and the paid-in capital contribution of RMB4.5 million). After completion of the above transfer, Hefei Weiyu was admitted to the Industrial Investment Fund as a limited partner after consideration and approval by the partners’ meeting of Industrial Investment Fund. After the change of partners of the Industrial Investment Fund, the partners re-signed the Partnership Agreement of CNBM (Anhui) New Materials Industrial Investment Fund Partnership (Limited Partnership). The registration procedures for corporate change in relation to the admission of Hefei Weiyu to the Industrial Investment Fund, and the change procedures for filing of private funds with the Asset Management Association of China have been completed.

The Industrial Investment Fund has completed the first phase of fundraising of RMB15 billion, of which the Company has made actual paid-in capital contribution amount of RMB1.6 billion. For details, please refer to the provisional announcements No. 26, 29, 37 and 47 as disclosed by the Company on the website of the SSE in 2021, the provisional announcement No. 1 published by the Company on the website of the SSE in January 2023 and the provisional announcement No. 8 published by the Company on the website of the SSE in January 2024.

4. Report of the Directors

- (2) In 2023, the Company (as a limited partner) jointly invested in Anhui Conch Haitong Industrial Internet Master Fund Partnership (Limited Partnership) (hereinafter referred to as “Industrial Internet Master Fund”) with one general partner (namely, Haitong Capital Co., Ltd.) and five other limited partners (namely, Conch Capital, Wuhu Industrial Investment, Wuhu High New Industrial Development Fund Company Limited, Wuhu Jinghu Zhenye Investment Fund Company Limited and Ningbo Shangyi Software Company Limited), with a total capital contribution amount of RMB5 billion, of which RMB1.5 billion shall be contributed by the Company. The partnership will not be accounted for as a subsidiary of the Company and its financial results will not be consolidated into the accounts of the Company. The Industrial Internet Master Fund has a term of 11 years (which may be extended for a total period of up to 2 years) and its business scope includes engaging in activities such as equity investment, investment management and asset management as a private fund. The primary mode of investment is setting up new sub-funds with other partners or investing in established sub-funds, with a focus on projects with strong growth potential within the “Industrial Internet+” ecological platform, including intelligent manufacturing, industrial platforms, industrial software, industrial supply chains, industrial application solutions, industrial Internet hardware, blockchain, cloud computing, Internet of Things, artificial intelligence, 5G and other fields.

The Industrial Internet Master Fund has completed the registration procedures of the changes of partners and registered capital with the State Administration for Market Regulation, and the filing of private equity funds with the Asset Management Association of China. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 6 June 2023 and 26 June 2023, and the announcements published by the Company on the website of the SSE on 7 June 2023, 27 June 2023 and 28 September 2023, respectively.

4. Report of the Directors

- (3) In 2023, the Company (as a limited partner) jointly invested in Anhui Conch Goldstone Innovation Development Investment Fund Partnership (Limited Partnership) (hereinafter referred to as the “Innovation Development Investment Fund”) with two general partners (namely, Goldstone Investment Co., Ltd. and CITIC Private Equity Fund Management Company Limited) and five other limited partners (namely, Conch Capital, Wuhu Industrial Investment, CITIC City West Science and Innovation Corridor (Hangzhou) Equity Investment Fund Partnership (Limited Partnership), Anhui Expressway Company Limited and Goldstone Runze (Zibo) Investment Consultation Partnership (Limited Partnership)), with a total capital contribution amount of RMB5 billion, of which RMB1 billion shall be contributed by the Company. The partnership will not be accounted for as a subsidiary of the Company and its financial results will not be consolidated into the accounts of the Company. The Innovation Development Investment Fund has a term of eight years (which may be extended for a total period of up to 2 years) and its business scope includes engaging in activities such as equity investment, investment management and asset management as a private equity fund. The scope of its investment mainly covers strategic emerging industries and high-tech industries, including new energies, new materials, carbon technology, digital industry, green environmental protection and intelligent transportation.

The Innovation Development Investment Fund has completed the registration procedures of the changes of partners and registered capital with the State Administration for Market Regulation, and the filing of private equity funds with the Asset Management Association of China. For details, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 8 September 2023, and the announcements published on the website of the SSE on 9 September 2023 and 8 November 2023, respectively.

The Company will fulfill information disclosure obligation on a timely basis in strict accordance with the relevant requirements including the SSE Listing Rules and the Guidelines of Self-regulation of Companies Listed on Shanghai Stock Exchange No. 5 – Transactions and Related Party Transactions (《上海證券交易所上市公司自律監管指引第5號—交易與關聯交易》) according to the subsequent progress of the Industrial Investment Fund, the Industrial Internet Master Fund and the Innovation Development Investment Fund.

4. Report of the Directors

(2) IMPLEMENTATION OF THE 2024 PROFIT DISTRIBUTION PROPOSAL OF THE COMPANY

On 29 May 2025, the profit distribution proposal for the year 2024 was considered and approved at the 2024 annual general meeting of the Company. Based on the Company's total number of issued shares of 5,299,302,579 shares registered on the record date for the implementation of equity distribution, less 22,242,535 A Shares in the Company's designated securities account for repurchase, a cash dividend of RMB0.71 (tax inclusive) per share was paid to all the shareholders of the Company, totaling RMB3,746,712,631.24 (tax inclusive). As at the date of publication of this report, the above dividend was paid to all the shareholders whose names were recorded in the register of members on the relevant record date.

(3) INTERIM DIVIDEND

On 29 May 2025, the authorization to the Board for formulating and implementing the Interim Profit Appropriation Proposal for 2025 was considered and approved at the 2024 annual general meeting of the Company. Conditional on the realisation of profit by the Company in the first half of 2025, with a positive figure of the cumulated undistributed profit, and the cash flow can meet the requirements of normal operations and sustainable development, in comprehensive consideration of factors including the Company's operational development and shareholders' investment returns, the total amount of interim cash dividends for 2025 shall not exceed 30% of the net profit attributable to shareholders of the company as reported in the consolidated statements (in accordance with the PRC Accounting Standards) for that period.

Pursuant to the scope of above authorisation, the Board decided to distribute an interim dividend of RMB0.24 per share (tax inclusive) for 2025. 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 report less 22,242,535 A Shares in the Company's designated securities account for repurchase, the total payment for interim dividend for 2025 will be RMB1,266.49 million (tax inclusive), representing 29% of the net profit attributable to ordinary shareholders of the Company as reported in the 2025 interim consolidated statements (unaudited).

Except for the above profit appropriation plan, the Company did not implement the capitalization of capital reserve fund.

4. Report of the Directors

As far as the Company is aware, as at the date of publication of this report, there was no arrangement under which any shareholder has waived or agreed to waive any interim dividend proposed to be distributed for the year 2025.

According to the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) and the relevant implementation rules, and the Notice on Issues relating to Withholding and Payment of Corporate Income Tax by Chinese Resident Enterprise over Dividends Distributable to the Holders of Foreign H-Shares Who are Non-resident Enterprises (Guoshuihan [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated by the State Administration of Taxation on 6 November 2008, the Company is required to withhold and pay corporate income tax at the rate of 10% upon distribution of the interim dividend to non-resident enterprise shareholders whose names appear on the H Shares register of members of the Company (including HKSCC Nominees Limited, other nominees, trustees or other entities and organizations, who will be regarded as non-resident enterprise shareholders).

According to the relevant provisions under the Notice on Tax Policies for Shanghai-Hong Kong Stock Connect Pilot Programme (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》) and the Notice on Tax Policies for Shenzhen-Hong Kong Stock Connect Pilot Programme (Cai Shui [2016] No. 27) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]27號)》), enterprise income tax will be levied according to law on dividend income (which shall be included in its total income) received by mainland corporate investors from investing in H shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, among which, enterprise income tax will be exempted according to law for dividend income received by mainland resident enterprises that hold H shares for at least 12 consecutive months. The Company shall not withhold income tax on dividends payable by mainland corporate investors, and such enterprises shall report and make tax payment by themselves. The Company shall withhold individual income tax at the rate of 20% with respect to dividends received by mainland individual investors for investing in H shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. For dividends received by mainland securities investment funds investing in H shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, individual income tax shall be levied on dividends derived therefrom.

4. Report of the Directors

Pursuant to the Notice on Issues relating to Collecting Individual Income Tax after Repealing the Document of Guoshuifa [1993] No. 045 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) promulgated by the State Administration of Taxation and the letter entitled “Tax Arrangements on Dividends Paid to Hong Kong Residents by Mainland Companies” issued by the Stock Exchange, overseas resident individual holders of the shares issued in Hong Kong by domestic non-foreign invested enterprises are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax treaties entered into between the countries to which their identity belong and China and the tax arrangements between the Mainland China and Hong Kong (Macau). The Company shall determine the identity of individual holders of H Shares whose names appear on the H Shares register of members of the Company on 15 September 2025 (Monday) based on their registered addresses. The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual holders of H Shares and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual holders of H Shares or any disputes over the withholding mechanism or arrangements. The relevant arrangements are detailed as follows:

- (1) For individual holders of H Shares who are Hong Kong or Macau residents and whose country of domicile has entered into a tax treaty with China stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual holders of H Shares for distribution of dividend.
- (2) For individual holders of H Shares whose country of domicile has entered into a tax treaty with China stipulating a dividend tax rate of less than 10%, shareholders shall determine by themselves whether they are eligible to the treaty benefits. Those who wish to enjoy treaty benefits shall submit to the Company the information required under the Announcement of the State Administration of Taxation published in relation to the Administrative Measures on Stipulated Treatment Entitled by Non-residents Tax Payers (Guo Shui Zong [2019] No. 35) 《國家稅務總局關於發佈〈非居民納稅人享受協定待遇管理辦法〉的公告》(國稅總[2019]35號) before 19 September 2025. If the information is considered to be true and complete upon review, the Company will withhold and pay individual income tax at the treaty tax rate on behalf of the individual holders of H Shares for distribution of dividend. Otherwise, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual holders of H Shares for distribution of dividend. Shareholders who are entitled to but have not enjoyed the treaty treatment and overpay taxes as a result thereof may, by themselves or through the Company, apply to competent tax authorities for the refund of overpaid taxes within the time limit stipulated in the tax levying related laws.
- (3) For individual holders of H Shares whose country of domicile has entered into a tax treaty with China stipulating a dividend tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the actual applicable tax rate stipulated in the relevant tax treaty on behalf of the individual holders of H Shares.

5. Corporate Governance, Environmental and Social

(1) CORPORATE GOVERNANCE

Since the listing of the Company on the Stock Exchange and the SSE in 1997 and 2002 respectively, the Company has been continuously improving its corporate governance structure, perfecting the internal management and control systems and regulating its operations in accordance with the relevant domestic and overseas listing rules and regulatory requirements. General meeting of the Company and the Board and the supervisory committee have clearly defined power and duties, each assuming and performing its specific responsibilities and making its own decisions in an independent, efficient and transparent manner.

The general meeting is the body with the highest authority in the Company and operates in accordance with the Rules of Procedures of General Meeting. During the Reporting Period, the Company's legal advisers as to the PRC law were present in witness of the convention of general meetings and legal advice was issued in connection therewith to ensure that decision-making procedures and contents of the general meetings are legal and valid and that shareholders can fully exercise their own rights.

The Board is the decision-making body for business operation of the Company, which is accountable to the general meeting. It operates in accordance with the Articles and the Rules of Procedures of Board Meeting. With a diligent, prudent and responsible attitude, the Directors formulate and implement various resolutions of general meetings, make scientific decisions and facilitate the healthy and stable development of the Company.

The supervisory committee is the monitoring body of the Company, accountable to the general meeting. Since 29 May 2025, pursuant to the relevant laws, regulations and normative documents, such as the newly revised Company Law that came into effect on 1 July 2024, and the Guidelines for the Articles of Association of Listed Companies (2025 Revision) issued by the China Securities Regulatory Commission and combined with the Company's actual situation, the Company no longer set up the supervisory committee or the supervisor, and the functions and powers of the supervisory committee provided in the Company Law shall be exercised by the Audit Committee.

5. Corporate Governance, Environmental and Social

(2) AUDIT COMMITTEE

The Audit Committee has been established by the Board of the Company. The terms of reference adopted by the Audit Committee complied with all the requirements under the applicable code provisions in relation to terms of reference of the audit committee set out in Part 2 of Appendix C1 to the HKSE Listing Rules. The Audit Committee is responsible for the review and supervision of financial reporting procedures and the internal control system of the Group as well as giving advice and recommendation to the Board. This 2025 interim results report of the Company has been reviewed by the Audit Committee.

(3) CHANGE IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT MEMBERS

On 14 March 2025, in order to meet the Company's need of compliance management, upon the recommendation of the Remuneration and Nomination Committee, the Board unanimously agreed to appoint Mr. Yu Shui as the general legal counsel and the chief compliance office of the Company.

The terms of office of the Directors of the ninth session of the Board of the Company expired during the Reporting Period. Upon the approval at the 2024 annual general meeting of the Company held on 29 May 2025, Mr. Yang Jun, Mr. Zhu Shengli, Mr. Li Qunfeng, Mr. Yu Shui and Mr. Wu Tiejun were appointed as executive Directors of the tenth session of the Board of the Company; Mr. Qu Wenzhou, Ms. Ho Shuk Yee, Samantha and Ms. Han Xu were appointed as independent non-executive Directors of the tenth session of the Board of the Company; and upon election by the staff representative meeting, Mr. Fan Zhan was appointed as a staff Director of the tenth session of the Board of the Company. The terms of office of the above persons took effect from 29 May 2025 until the expiry date of the tenth session of the Board (expected to be 30 May 2028).

On 29 May 2025, the first meeting of the tenth session of the Board was held by the Company, and the Directors unanimously elected Mr. Yang Jun as the chairman of the tenth session of the Board of the Company and Mr. Zhu Shengli as the deputy chairman of the tenth session of the Board of the Company.

On 29 May 2025, owing to the expiry of the term of office, Ms. Zhang Yunyan ceased to act as an independent non-executive Director of the Company and hold relevant positions in special committees of the Board. After the expiration of the term of office and the retirement of the supervisors (namely Mr. He Chengfa, Mr. Chen Yongbo and Mr. Liu Tiantian) of the ninth session of the supervisory committee on 29 May 2025, the Company no longer set up the supervisory committee nor the position of supervisor. The Board expressed its heartfelt gratitude to the above retired Director and supervisors for their positive contribution to the operation and development of the Company during their tenure of services.

5. Corporate Governance, Environmental and Social

On 11 August 2025, the Board received a written resignation report from Mr. Li Qunfeng, applying for resignation from his position as the general manager (i.e. chief executive officer) of the Company due to adjustment of his own work commitments and scope of duties. His resignation took effect on the same date. Upon the recommendation of the Remuneration and Nomination Committee, on the same date, the Board unanimously agreed to appoint Mr. Yu Shui as the general manager (i.e. chief executive officer) of the Company.

Save for the aforesaid, during the Reporting Period and as at the date of publication of this report, there was no other change of Directors, Supervisors and senior management members nor their respective information which is required to be disclosed under Rule 13.51B(1) of the HKSE Listing Rules.

(4) STOCK OPTION INCENTIVE SCHEME

During the Reporting Period, the Group did not formulate or implement any stock option incentive scheme.

(5) ENVIRONMENTAL INFORMATION OF THE LISTED COMPANY AND ITS MAJOR SUBSIDIARIES INCLUDED IN THE LIST OF ENTERPRISES WHOSE ENVIRONMENTAL INFORMATION IS DISCLOSED IN ACCORDANCE WITH THE LAW

As at the end of the Reporting Period, 95 subsidiaries and branch companies of the Group were included in the list of enterprises whose environmental information is disclosed in accordance with the law by relevant environmental protection departments of the government. Particulars are set out in the following table:

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
1	Baimashan Cement Plant of Anhui Conch Cement Company Limited	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
2	Ningguo Cement Plant of Anhui Conch Cement Company Limited	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
3	Anhui Xuancheng Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
4	Anhui Chizhou Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
5	Anhui Conch Siam Refractory Material Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
6	Anhui Tongling Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
7	Wuhu Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
8	Anhui Zongyang Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
9	Anhui Digang Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home

5. Corporate Governance, Environmental and Social

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
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10	Quanjiao Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
11	Suzhou Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
12	Anhui Changfeng Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
13	Lu'an Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
14	Chaohu Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
15	Anhui Huaining Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
16	Bozhou Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
17	Bengbu Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
18	Feixi Conch New Material Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
19	Yingde Conch Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
20	Guangdong Qingxin Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
21	Yangchun Conch Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
22	Guangdong Qingyuan Guangying Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
23	Guangdong Conch Hongfeng Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
24	Hainan Changjiang Conch Cement Co., Ltd.	https://hnsthb.hainan.gov.cn/yfpl/#/gkwz/jcym
25	Zhanjiang Conch Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
26	Jiangxi Ganjiang Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
27	Nanchang Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
28	Yiyang Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
29	Fenyi Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
30	Ganzhou Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
31	Beiliu Conch Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
32	Xingye Kuiyang Conch Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
33	Xing'an Conch Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
34	Guangxi Lingyun Tonghong Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
35	Fusui Xinning Conch Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
36	Longan Conch Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
37	Jianghua Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index

5. Corporate Governance, Environmental and Social

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
38	Lianyuan Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
39	Shaoyang Yunfeng New Energy Technology Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
40	Linxiang Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
41	Shuangfeng Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
42	Hunan Yiyang Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
43	Qiyang Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
44	Shimen Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
45	Hunan Province Yunfeng Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
46	Hunan Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
47	Chongqing Conch Cement Co., Ltd.	http://183.66.66.47:10001/eps/index/enterprise-search
48	Basu Conch Cement Co., Ltd.	http://220.182.43.203:18073/idp-province/#/home/
49	Dazhou Conch Cement Co., Ltd.	https://103.203.219.138:8082/eps/index/enterprise-search
50	Bazhong Conch Cement Co., Ltd.	https://103.203.219.138:8082/eps/index/enterprise-search
51	Liangping Conch Cement Co., Ltd.	http://183.66.66.47:10001/eps/index/enterprise-search
52	Guangyuan Conch Cement Co., Ltd.	https://103.203.219.138:8082/eps/index/enterprise-search
53	Tongren Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
54	Guiding Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
55	Zunyi Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
56	Guiyang Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
57	Qianxinan Resource Development Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search

5. Corporate Governance, Environmental and Social

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
58	Shuicheng Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
59	Guizhou Liukuanguan Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
60	Guizhou New Shuanglong Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
61	Ma'anshan Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
62	China Cement Plant Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
63	Zhenjiang Beigu Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
64	Yangzhou Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
65	Taizhou Yangwan Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
66	Huai'an Chuzhou Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
67	Huai'an Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
68	Jiangsu Baling Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
69	Jining Conch Cement Co., Ltd.	http://221.214.62.226:8090/EnvironmentDisclosure/
70	Wenshan Conch Cement Co., Ltd.	http://183.224.17.39:10097/ynyfpl/frontal/index.html#/home/index

5. Corporate Governance, Environmental and Social

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
71	Yunnan Zhuangxiang Cement Co., Ltd.	http://183.224.17.39:10097/ynyfpl/frontal/index.html#/home/index
72	Tengchong Tengyue Cement Co., Ltd.	http://183.224.17.39:10097/ynyfpl/frontal/index.html#/home/index
73	Longling Conch Cement Co., Ltd.	http://183.224.17.39:10097/ynyfpl/frontal/index.html#/home/index
74	Baoshan Conch Cement Co., Ltd.	http://183.224.17.39:10097/ynyfpl/frontal/index.html#/home/index
75	Yingjiang Yunhan Cement Co., Ltd.	http://183.224.17.39:10097/ynyfpl/frontal/index.html#/home/index
76	Baoji Zhongxi Fenghuangshan Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
77	Naimanqi Hongji Cement Co., Ltd.	http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplHomeNew/index.js&cantonCode=150000
78	Inner Mongolia Yuexing Environmental Protection Technology Co., Ltd.	http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplHomeNew/index.js&cantonCode=150000
79	Baoji Zhongxi Jinlinghe Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
80	Linxia Conch Cement Co., Ltd.	https://zwfw.sthj.gansu.gov.cn/revealPubVue/#/home
81	Shaanxi Tongchuan Fenghuang Construction Materials Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
82	Pingliang Conch Cement Co., Ltd.	https://zwfw.sthj.gansu.gov.cn/revealPubVue/#/home
83	Qianxian Conch Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
84	Liquan Conch Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
85	Qianyang Conch Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
86	Nantong Haimen Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
87	Taicang Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js

5. Corporate Governance, Environmental and Social

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
88	Zhangjiagang Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
89	Jiande Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
90	Taizhou Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
91	Yueqing Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
92	Ningbo Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
93	Shaoxing Shangyu Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
94	Ninghai Qiangjiao Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
95	Xiangshan Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search

During the Reporting Period, the Group comprehensively implemented the national environmental protection policy, strictly executed the requirements of various environmental protection laws, regulations and standards, continuously strengthened environmental protection management, constantly increased effort for environmental protection, and accelerated the ultra-low emission transformation of its subsidiaries. The emission of various pollutants from its subsidiaries met relevant national and local emission standards. The subsidiaries that are included in the list of enterprises whose environmental information is disclosed in accordance with the law in the place where they operate have made disclosure for annual environmental information on relevant websites in accordance with the requirements including the Administrative Measures for the Legal Disclosure of Environmental Information of Enterprises.

5. Corporate Governance, Environmental and Social

(6) CONSOLIDATING AND EXPANDING ACHIEVEMENTS IN POVERTY ALLEVIATION AND RURAL REVITALIZATION

The Group has always regarded supporting rural revitalization as an important part of fulfilling its corporate social responsibility. Based on the actual situation and giving full play to its corporate advantages, the Group made every effort to engage in consolidating and expanding the achievements in poverty alleviation and rural revitalization work.

During the Reporting Period, the Group continued to thoroughly implement various decisions and plans of the State and the Anhui Provincial Government on poverty alleviation, earnestly fulfilled the responsibilities for providing assistance in certain areas in Anhui Province, including Jianglaojia Village in Jiangji Town of Lixin County, Wangren Town of Lixin County, Zhong Village in Banqiaotou Town of Jixi County, and Pingding Village in Yanqiao Town of Wuwei City. The Group adhered to take various measures according to local conditions: Firstly, the Company implemented industrial and consumption assistance, helped to sell and promote agricultural and sideline products with the amount of nearly RMB200,000, helped to improve the quality and expand the scale of distinctive agricultural products planting and breeding projects, and constantly explored the diversified development of rural industries. Secondly, the Company carried out hardship relief and difficulty resolution service activities, organized holiday visits to 275 households, conducted dynamic monitoring and household visits to nearly 1000-person times, and timely understood and solved the difficulties and needs of local residents. Thirdly, the Company strengthened the support of revitalization by talents, encouraged and guided adolescents to develop in rural areas, identified and recruited local talents, whereby, the Group held five sessions of targeted professional training, implemented distance education for elderly schools every quarter, and strove to cultivate high-quality farmers. Fourthly, the Company promoted the construction of livable villages, donated medical and teaching equipment to improve the local medical and education level, implemented renovations to the ground of nursing homes and community squares to eliminate hidden dangers for residents' mobility. The Group organized more than 20 centralized campaigns to improve the living environment, so as to continuously improve the appearance of villages.

5. Corporate Governance, Environmental and Social

By giving full play to its industrial characteristics and investing and building factories in rural areas, the Group plays a relatively strong and positive role in increasing local financial tax revenue, promoting employment of rural population and boosting rural economic development. At the same time, the Group drives the flow of production factors such as technology, equipment, manpower and capital, thus injecting new momentum for rural revitalization. Adhering to the business tenet of “the highest quality and the sincerest service”, the Group strives to provide high-quality cement products for the construction of new villages, improves the conditions for infrastructure construction such as roads, water resources and power supply and builds a favorable living environment in rural areas. In addition, during the daily production and operation process, the Group adheres to respecting nature, adapting nature and protecting nature, firmly establishes and practices the concept of “lucid waters and lush mountains are invaluable assets” and strictly keeps the ecological redlines. Oriented at the ecological environment-friendly and effective use of resources, the Group continuously carries out restoration treatment towards ecological environment, attaches great importance to the preservation of biodiversity and persistently promotes the construction of green factory and green mines. The Group also makes great effort to build digital and intelligent mines and pushes forward the changes of production and life style, so as to build villages with a pleasant living environment featuring natural and beautiful landscape, stable and sound ecosystem, and harmony between humankind and nature, thus promoting a healthy cycle of ecological and economic growth, and assisting rural revitalization by green, low-carbon, and sustainable development.

6. Significant Events

(1) APPROPRIATION OF FUNDS OF THE COMPANY FOR NON-OPERATING PURPOSE BY CONTROLLING SHAREHOLDERS AND OTHER RELATED PARTIES DURING THE REPORTING PERIOD

During the Reporting Period, there was no appropriation of the Company's funds for non-operating purpose by its controlling shareholders and other related parties.

(2) NON-COMPLIANCE IN PROVIDING GUARANTEES

During the Reporting Period, no external guarantee was provided in violation of the established decision-making procedures by the Company.

(3) ANALYSIS AND EXPLANATION ON REASONS AND IMPACTS OF CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

During the Reporting Period, the accounting policies and accounting estimates of the Company remained unchanged.

(4) MATERIAL LITIGATION, ARBITRATION AND NEGATIVE MEDIA INQUIRY

During the Reporting Period, the Group was not involved in any litigation, arbitration and negative media inquiry which might have a material impact on the Group's business operation and management, nor were any of the current Directors and members of senior management of the Company involved in any material litigation or arbitration.

(5) EVENTS REGARDING INSOLVENCY AND RESTRUCTURING

During the Reporting Period, there was no event regarding insolvency or restructuring of the Group.

(6) ACQUISITIONS OR DISPOSALS OF MATERIAL ASSETS AND EQUITY

During the Reporting Period, the Group had not conducted any acquisitions and disposals of material assets or equity.

6. Significant Events

(7) CONNECTED TRANSACTIONS

During the Reporting Period, the following significant connected transactions of the Group were subsisting under the SSE Listing Rules and the HKSE Listing Rules:

1. Connected transactions or continuing connected transactions related to daily operations

(1) Transactions with Conch Holdings – use of trademarks

On 23 September 1997, the Company and Conch Holdings, being its controlling shareholder, entered into a trademark licensing agreement (the “Trademark Licensing Agreement”), pursuant to which the Company has been granted a license to use certain permitted trademarks (including trademarks of “海螺” and “CONCH”) on permitted products in permitted regions for the period as set out in the Trademark Licensing Agreement. The validity period of the Trademark Licensing Agreement is provided to be the same as the validity period of the permitted trademarks, and where the validity period of the permitted trademarks is extended, the validity period of the Trademark Licensing Agreement in respect of the trademarks would be extended automatically. On 22 March 2018, the Company and Conch Holdings entered into a supplemental agreement to the Trademark Licensing Agreement, pursuant to which it was agreed that the annual fees paid by the Company to Conch Holdings in respect of the use of the trademarks consist of fixed license fee and variable license fee, of which the fixed license fee is RMB15 million per annum, and the variable license fee is a license fee for the use of the permitted trademarks by the companies (not being wholly-owned subsidiaries of the Company) in which the Company holds not less than 20% shares, equity interest or registered capital, at an amount to be determined according to the sales volume of cement and clinker.

During the Reporting Period, the fees payable by the Company to Conch Holdings in respect of the use of the trademarks amounted to RMB23.11 million. Pursuant to the HKSE Listing Rules and the SSE Listing Rules, no announcements were required to be made in respect of such connected transaction, nor was such connected transaction subject to the independent shareholders’ approval requirement.

6. Significant Events

(2) *Transactions with Haihui Company – receiving supply chain logistic transportation service*

On 27 December 2024, the Company and Haihui Company entered into the Supply Chain Logistic Transportation Service Contract, with a validity period from 1 January 2025 to 31 December 2025. Pursuant to the contract, Haihui Company will provide supply chain logistic transportation service for the Group's cement, clinker, aggregate, commodity concrete, coal and other products. The aggregate transaction amount (i.e. the annual cap) shall be RMB3 billion.

The aggregate transaction amount under the Supply Chain Logistic Transportation Service Contract was mainly determined after taking into account the reasonable estimation of the transportation volume (with reference to the production and transportation volume of various products in 2024, and the estimation of further increase in the production and transportation volume of commodity concrete for the year of 2025 due to the Group's promotion of the commodity concrete business development) according to the Group's production plans for cement, clinker, aggregate, commodity concrete and other products for the year of 2025, and the transportation unit price of various types of products, as determined through open tender to be conducted by the relevant subsidiaries or branch companies of the Company through Haihui Company. During the process of open tender through Haihui Company, the relevant subsidiaries or branch companies of the Company shall, based on factors including the quantity of consigned products, mode of transportation and transportation distance, review and compare the transportation quotations offered by not less than three independent third party qualified carriers who submitted a bid; and the bidder who offered the lowest price shall be selected. The relevant subsidiaries or branch companies of the Company may further negotiate with the successful bidder on an arm's length basis, with the aim to further lower the transportation unit price as quoted in the successful bid. In addition, the Company had also made reference to the historical transaction amount for provision of similar services by Haihui Company to the Group from 2022 to 2024 when determining the aggregate transaction amount under the Supply Chain Logistic Transportation Service Contract.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Supply Chain Logistic Transportation Service Contract was RMB1,168 million.

6. Significant Events

Haihui Company is a non-wholly owned subsidiary of the Company. As at the date of entering into the Supply Chain Logistic Transportation Service Contract, the Company, Conch New Material and Beijing Huitong Tianxia IOT Technology Co., Ltd. held 75.6%, 20% and 4.4% of the registered capital of Haihui Company respectively. Conch New Material was a subsidiary of Conch Holdings. Accordingly, Conch New Material was an associate of Conch Holdings and hence a connected person of the Company. Pursuant to Chapter 14A of the HKSE Listing Rules, Haihui Company was a connected subsidiary of the Company and hence a connected person of the Company. The transactions contemplated under the Supply Chain Logistic Transportation Service Contract thus constituted continuing connected transactions for the Company. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 27 December 2024. According to the SSE Listing Rules, Haihui Company was not a connected party of the Company, and hence the aforementioned transactions did not constitute connected transactions for the Company as prescribed under the SSE Listing Rules.

(3) *Transactions with Conch Material Technology – procurement of admixtures*

① Procurement of Cement Admixtures Contract

On 23 December 2024, the Company and Conch Material Technology entered into the Procurement of Cement Admixtures (Grinding Aids) Contract (the “Procurement of Cement Admixtures Contract”), with a validity period from 1 January 2025 to 31 December 2025. Pursuant to the contract, the Group will procure cement admixtures from Conch Material Technology. The annual cap for the transactions under the Procurement of Cement Admixtures Contract shall be RMB720 million.

6. Significant Events

The annual cap for the transactions under the Procurement of Cement Admixtures Contract was determined mainly based on the estimated total procurement quantity of cement admixtures according to the Group's cement production plan for the year of 2025, and the unit price of the products as determined based on the results of the open tender. In conducting the open tender of the Company, a total of three suppliers (one of which being Conch Material Technology and the other two being independent third parties) participated in this open tender. The tenders were rated based on technical evaluation and commercial evaluation. According to the overall rating results based on the technical evaluation and commercial evaluation, Conch Material Technology has been selected as one of the Group's cement admixture suppliers. In addition, when determining the annual cap for the transactions under the Procurement of Cement Admixtures Contract, the Company had also made reference to the historical transaction amounts for purchase of same products by the Group from Conch Material Technology from 2022 to 2024.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Procurement of Cement Admixtures Contract was RMB293 million.

② Procurement of Concrete and Other Admixtures Framework Agreement

On 23 December 2024, the Company and Conch Material Technology entered into the Procurement of Concrete and Other Admixtures Framework Agreement, with a validity period from 1 January 2025 to 31 December 2025. Pursuant to the contract, the Group intended to procure concrete admixtures and other admixtures such as coupling agent and chromium remover ("Concrete Admixtures and Other Admixtures") from Conch Material Technology. The annual cap for the transactions under the Procurement of Concrete and Other Admixtures Framework Agreement shall be RMB60 million.

6. Significant Events

The annual cap for the transactions under the Procurement of Concrete and Other Admixtures Framework Agreement was determined mainly based on the estimated total procurement quantity of Concrete Admixtures and Other Admixtures according to the Group's concrete and cement production plan for the year of 2025, and the unit prices of the products as determined based on the results of the tender or price enquiry and comparison and upon arm's length negotiation between the parties. The unit prices of the admixture products shall be determined by the parties by one of the following manners: (i) by tender: the Group shall conduct open tenders or invite tenders from at least three potential suppliers (including Conch Material Technology and other independent third parties) offering similar admixture products. The tenders would be rated based on technical evaluation and commercial evaluation. The successful tenderer shall achieve the highest or best overall rating results of the technical evaluation and commercial evaluation; or (ii) by price enquiry and comparison and upon negotiation: the Group shall obtain fair market prices of the products by conducting price inquiry and comparison from at least three potential suppliers (including Conch Material Technology and other independent third parties) offering similar admixture products. Potential suppliers shall be comprehensively reviewed based on various factors and the supplier shall be selected based on its optimal overall price-performance value and its reliability in terms of secured supply. After making reference to the prices of similar admixture products procured by the Group from Conch Material Technology and independent third party suppliers for the year 2024, the Group and Conch Material Technology shall determine the unit prices of the products after arm's length negotiations on normal commercial terms. In addition, when determining the annual cap for the transactions under the Procurement of Concrete and Other Admixtures Framework Agreement, the Company had also made reference to the historical transaction amounts for procurement of Concrete Admixtures and Other Admixtures by the Group from Conch Material Technology from 2022 to 2024.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Procurement of Concrete and Other Admixtures Framework Agreement was RMB33.90 million.

6. Significant Events

As at the date of entering into the Procurement of Cement Admixtures Contract and the Procurement of Concrete and Other Admixtures Framework Agreement, Conch Holdings held 100% shares in Conch Tech Innovation Material. Conch Tech Innovation Material held 48.62% shares in Conch Material Technology. Therefore, Conch Material Technology was an associate of Conch Holdings and hence a connected person of the Company. The transactions contemplated under the Procurement of Cement Admixtures Contract and the Procurement of Concrete and Other Admixtures Framework Agreement thus constituted continuing connected transactions for the Company under Chapter 14A of the HKSE Listing Rules. For details, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 23 December 2024. According to the SSE Listing Rules, Conch Material Technology was also a connected party of the Company and the transactions under the above two contracts also constituted connected transactions as prescribed under the SSE Listing Rules. As the transaction amounts under the above two contracts had not reached 0.5% of the Company's latest audited net assets, and the transactions contemplated under the Procurement of Cement Admixtures Contract were conducted by way of open tender, the Company was not required to publish an ad hoc announcement for the aforesaid transactions on the website of the SSE according to the SSE Listing Rules.

(4) *Transactions with Conch Accelerants Manufacturing High-tech Company – procurement of combustion accelerants, melting accelerants and desulfurizers*

① Combustion Accelerants Sales and Purchase Contract

On 31 December 2024, the Company and Conch Accelerants Manufacturing High-tech Company entered into the Combustion Accelerants Sales and Purchase Contract, with a validity period from 1 January 2025 to 31 December 2025. Pursuant to the contract, the Group will procure combustion accelerants from Conch Accelerants Manufacturing High-tech Company. The aggregate contract amount (i.e. the annual cap) under the Combustion Accelerants Sales and Purchase Contract shall be not more than RMB56.70 million.

6. Significant Events

The aggregate contract amount under the Combustion Accelerants Sales and Purchase Contract was mainly determined based on the estimated total procurement quantity of combustion accelerants according to the Group's production plan for clinker and the utilisation plan of alternative fuel for the year of 2025, and the unit price of the combustion accelerants products which was determined based on the following factors: (i) the Company conducted price inquiry from three independent third party suppliers offering similar products, and such price quotations were not lower than the unit price of combustion accelerants products supplied to the Group by Conch Accelerants Manufacturing High-tech Company; and (ii) after making reference to the selling prices of similar products offered by Conch Accelerants Manufacturing High-tech Company to two of its independent third party customers recently, and such prices were not lower than the unit price of combustion accelerants products supplied to the Group by Conch Accelerants Manufacturing High-tech Company. In addition, when determining the aggregate contract amount under the Combustion Accelerants Sales and Purchase Contract, the Company had also made reference to the historical transaction amounts for procurement of combustion accelerants by the Group from Conch Accelerants Manufacturing and Conch Accelerants Manufacturing High-tech Company from 2022 to 2024.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Combustion Accelerants Sales and Purchase Contract was RMB12.07 million.

② Melting Accelerants Sales and Purchase Contract

On 31 December 2024, the Company and Conch Accelerants Manufacturing High-tech Company entered into the Melting Accelerants Sales and Purchase Contract, with a validity period from 1 January 2025 to 31 December 2025. Pursuant to the contract, the Group will procure melting accelerants from Conch Accelerants Manufacturing High-tech Company. The aggregate contract amount (i.e. the annual cap) under the Melting Accelerants Sales and Purchase Contract shall be not more than RMB15.50 million.

6. Significant Events

The aggregate contract amount under the Melting Accelerants Sales and Purchase Contract was mainly determined based on the estimated total procurement quantity of melting accelerants according to the Group's production plan for clinker for the year of 2025, and the unit price of melting accelerant products which was determined based on the following factors: (i) the Group has set a standard consumption amount of melting accelerants and a benchmark coal-saving amount for each tonne of clinker during the production process. The unit price for procurement of melting accelerants was determined based on the cost of benchmark coal-saving amount and the standard consumption amount of melting accelerants. In order to protect the interests of the Group, the settlement price of the melting accelerants shall be adjusted downwards in a timely manner based on the actual coal-saving results, to ensure that the consumption cost would not exceed the cost of actual savings in coal consumption; and (ii) after making reference to the selling prices of similar products provided by Conch Accelerants Manufacturing High-tech Company to two of its independent third party customers recently, which were not lower than the unit price of melting accelerants products supplied to the Group by Conch Accelerants Manufacturing High-tech Company. In addition, when determining the aggregate contract amount under the Melting Accelerants Sales and Purchase Contract, the Company had also made reference to the historical transaction amounts for procurement of melting accelerants by the Group from Conch Accelerants Manufacturing and Conch Accelerants Manufacturing High-tech Company from 2023 to 2024.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Melting Accelerants Sales and Purchase Contract was RMB12.55 million.

③ Desulfurizer Procurement Framework Agreement

On 31 December 2024, the Company and Conch Accelerants Manufacturing High-tech Company entered into the Desulfurizer Procurement Framework Agreement, with a validity period from 1 January 2025 to 31 December 2025. Pursuant to the contract, the Group will procure desulfurizers from Conch Accelerants Manufacturing High-tech Company. The aggregate transaction amount (i.e. the annual cap) under the Desulfurizer Procurement Framework Agreement was estimated to be not more than RMB120 million.

6. Significant Events

The estimated aggregate transaction amount under the Desulfurizer Procurement Framework Agreement was mainly determined based on the estimated total procurement quantity of desulfurizers according to the Group's production plan for clinker for the year of 2025, and the unit prices of the products as determined based on the results of the tender or price enquiry and comparison and upon arm's length negotiation between the parties. The unit prices of desulfurizers shall be determined by the parties to the contract by one of the following manners: (i) by tender: the Group shall conduct open tenders or invite tenders from at least three potential suppliers (including Conch Accelerants Manufacturing High-tech Company and other independent third parties) offering similar products. The tenders would be rated based on technical evaluation and commercial evaluation. The successful tenderer shall achieve the highest or best overall rating results of the technical evaluation and commercial evaluation; or (ii) by price enquiry and comparison and upon negotiation: the Group shall obtain fair market prices of the products by conducting price inquiry and comparison from at least three potential suppliers (including Conch Accelerants Manufacturing High-tech Company and independent third parties) offering similar products. Potential suppliers shall be comprehensively reviewed based on various factors and the supplier shall be selected based on its optimal overall price-performance value and its reliability in terms of secured supply. The Group and Conch Accelerants Manufacturing High-tech Company shall determine the unit prices of the products after arm's length negotiations on normal commercial terms. In addition, when determining the annual cap for the transactions under the Desulfurizer Procurement Framework Agreement, the Company had also made reference to the historical transaction amounts for procurement of desulfurizers by the Group from Conch Accelerants Manufacturing High-tech Company for the year of 2024 and expected increase in use of relevant products in 2025.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Desulfurizer Procurement Framework Agreement was RMB30.50 million.

6. Significant Events

As at the date of entering into the above three contracts, Conch Holdings held 100% equity interests in Conch Tech Innovation Material. Conch Tech Innovation Material held 100% equity interests in Conch Accelerants Manufacturing, and Conch Accelerants Manufacturing held 100% equity interests in Conch Accelerants Manufacturing High-tech Company. Therefore, Conch Accelerants Manufacturing High-tech Company was an associate of Conch Holdings and hence a connected person of the Company. The transactions contemplated under the above three contracts thus constituted continuing connected transactions for the Company under Chapter 14A of the HKSE Listing Rules. For details, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 31 December 2024. According to the SSE Listing Rules, Conch Accelerants Manufacturing High-tech Company was also a connected party of the Company and the transactions under the above contracts also constituted connected transactions for the Company as prescribed under the SSE Listing Rules. However, as the aggregated transaction amounts of three contracts had not reached 0.5% of the Company's latest audited net assets, the Company was not required to publish an ad hoc announcement for the aforesaid transactions on the website of the SSE.

2. Transactions with Conch Design Institute – engineering project design and technology service, mine infrastructure project engineering design and construction service, SCR denitration technology modification service

(1) Engineering Project Design and Technology Service

On 23 May 2025, the Company and Conch Design Institute entered into the Engineering Project Design and Technology Service Contract, pursuant to which Conch Design Institute shall provide engineering design and/or technology modification services for projects such as aggregate, manufactured sand, commodity concrete, clinker lines, grinding stations, slag powder transit projects, roller press technology modification projects and comprehensive projects of certain subsidiaries of the Company, as well as large-scale special modification projects and engineering consulting service of the Company. The contract price shall be not more than RMB121.88 million.

6. Significant Events

The contract price of the Engineering Project Design and Technology Service Contract was determined with reference to the requirements of the Engineering Survey Design Fee Standard (2002 Revised Version) (《工程勘察設計收費標準》(2002年修訂本)) (the “Engineering Survey Design Fee Standard”) jointly promulgated by the National Development and Reform Commission of the PRC and the Ministry of Housing and Urban-Rural Development of the PRC, and the Information on the Cost Components of Engineering Survey Service (2022 Edition) (《工程勘察服務成本要素信息(2022版)》) published by China Engineering & Consulting Association, as well as the characteristics of the Group’s engineering construction projects, and the scale, investment amount, scope of design and technology indicators of each project, and as agreed between both parties on the basis of equality and mutual benefit. The Company had also made enquiries and compared the prices offered by two independent third party service providers and the price offered to the Group by Conch Design Institute has significant advantage.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Engineering Project Design and Technology Service Contract was RMB0.396 million. If including the performance of relevant contracts entered into in previous years, the accumulated transaction amounts (inclusive of tax) relating to engineering project design and technology services between the Group and Conch Design Institute during the Reporting Period amounted to RMB46.07 million.

(2) *Mine Infrastructure Project Engineering Design and Construction Service*

On 7 February 2025, Qingyuan Guangying Mining Industry Co., Ltd. (“Guangying Mining Industry”, as the principal), a subsidiary of the Company, entered into the Engineering General Contract for the Cement-applied Limestone Mine Infrastructure Project at Baishuidong Mining Area, Shitan Town, Qingxin District, Qingyuan City, Guangdong Province (《廣東省清遠市清新區石潭鎮白水洞礦區水泥用石灰岩礦基建項目工程總承包合同》) (the “Mine Infrastructure Project Engineering General Contract”) with Tongguan Mines Construction Co., Ltd of Tongling Nonferrous Metals Group (“Tongguan Mines Construction”) and Conch Design Institute (as the contractors), pursuant to which Conch Design Institute and Tongguan Mines Construction agreed to provide engineering design and construction service for the cement-applied limestone mine infrastructure project of Guangying Mining Industry. The contract price amounted to approximately RMB37.10 million.

6. Significant Events

The contract price of the Mine Infrastructure Project Engineering General Contract was determined based on the results of an open tender. Guangying Mining Industry selected its service providers of mine infrastructure project engineering design and construction by way of open tender. Conch Design Institute (together with Tongguan Mines Construction as the joint contractors) and two independent third party service providers participated in the open tender. Comprehensive assessment method had been adopted for evaluation of tenders. The engineering design and construction qualification of the service providers participating in the tender were primarily reviewed. Indicators such as their main construction proposal and technical indicators, comprehensive competency of project management personnel, corporate business performance and service fee quotes were also scored. Upon evaluation, Conch Design Institute (together with Tongguan Mines Construction as the joint contractors) obtained the highest overall score, and were selected as the service providers of mine infrastructure project engineering design and construction for Guangying Mining Industry.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Mine Infrastructure Project Engineering General Contract was RMB7.99 million.

(3) SCR Denitration Technology Modification Service

On 11 November 2024, the Company and Conch Design Institute entered into the SCR Denitration Project Engineering Design and Equipment Supply Contract (《SCR脱硝项目工程设计和设备供货合同》) (the “SCR Denitration Technology Modification Service Contract”), pursuant to which Conch Design Institute agreed to provide engineering design, technology calibration, equipment supply and adjustment services for the SCR denitration technology modification projects for three clinker production lines of certain subsidiaries of the Company. The contract price amounted to RMB17.55 million.

The contract price of the SCR Denitration Technology Modification Service Contract was determined with reference to the requirements under the Engineering Survey Design Fee Standard, as well as the project scale, scope of design, technology indicators, and the market prices for SCR denitration technology modification services, and as agreed between both parties on the basis of equality and mutual benefit. The Company had also made enquiries with two independent third party providers for the price of providing the same kind of services and conducted comparisons and the price offered to the Company by Conch Design Institute had significant advantage.

6. Significant Events

During the Reporting Period, no transaction amount was incurred by the Group in connection with the SCR Denitration Technology Modification Service Contract. If including the performance of relevant contracts entered into in previous years, the accumulated transaction amounts (inclusive of tax) relating to SCR denitration technology modification services between the Company and Conch Design Institute during the Reporting Period amounted to RMB22.91 million.

Conch Design Institute is a wholly-owned subsidiary of Conch Holdings. Pursuant to Chapter 14A of the HKSE Listing Rules, Conch Design Institute is an associate of Conch Holdings and hence a connected person of the Company. Therefore, pursuant to Chapter 14A of the HKSE Listing Rules, the transactions contemplated under the Engineering Project Design and Technology Service Contract, the Mine Infrastructure Project Engineering General Contract and the SCR Denitration Technology Modification Service Contract constituted connected transactions for the Company. For details about the above three contracts, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 23 May 2025. According to the SSE Listing Rules, Conch Design Institute is also a connected party of the Company and the transactions under the above three contracts also constituted connected transactions as prescribed under the SSE Listing Rules. However, as the aggregate contract amount of the contracts (including the above three contracts) entered into by the Group with Conch Design Institute within 12 consecutive months accounted for less than 0.5% of the Company's latest audited net assets, and the transactions contemplated under the Mine Infrastructure Project Engineering General Contract were conducted under open tender, the Company was not required to publish an ad hoc announcement for the said connected transactions on the website of the SSE.

6. Significant Events

(8) MATERIAL CONTRACTS

1. During the Reporting Period or during the previous periods and subsisting in the Reporting Period, the Group was not involved in any material entrustment, contracting or leasing of assets of other companies, nor were any other companies involved in any entrustment, contracting or leasing of assets of the Company.

2. Guarantees

During the Reporting Period, all the external guarantees of the Group were in compliance with the approval procedures of the Board and/or the general meeting of the Company. The guarantees provided by the subsidiaries of the Company to other subsidiaries of the Company amounted to RMB90 million in aggregate, all being guarantees for collateral liabilities, details of which are as follows:

No.	Guaranteed company	Guarantor	Shareholding proportion of the guarantor	Amount guaranteed by the guarantor (RMB'000)	Guaranteed period	Date of guarantee contract	Name of creditor
1	Wuhu Conch Environmental Protection Technology Co., Ltd.	Anhui Conch Environment Group Co., Ltd.	100%	80,000	3 years	2025.1.9	Huishang Bank, Wuhu Beijing Road Branch
2	Fujian Sanming Haizhong Environmental Protection Technology Co., Ltd.	Anhui Haizhong Environmental Company Limited	100%	10,000	1 year	2025.6.24	Industrial Bank, Sanming Branch
Total				90,000			

Note: The guarantors provided full guarantee on a 100% basis for the guaranteed companies.

6. Significant Events

During the Reporting Period, the Company did not provide any external guarantees, and the aggregate amount of guarantees provided by the Company's subsidiaries to subsidiaries which are within the scope of the consolidated financial statements of the Group was RMB90 million.

As at the end of the Reporting Period, the balance of guarantee provided by the Company to subsidiaries which are within the scope of the consolidated financial statements of the Group was RMB814.00 million, the balance of the external guarantees provided by the Company's subsidiaries (including guarantees provided to subsidiaries within the scope of the financial statements and to joint ventures) was RMB416.99 million, and the aggregate amount of guarantees amounted to RMB1,230.99 million, representing 0.61% of the net assets of the Group as at the end of the Reporting Period, of which the aggregate balance of guarantees provided to subsidiaries amounted to RMB1,206.99 million and that to joint ventures amounted to RMB24.00 million.

During the Reporting Period, the amount of guarantees provided by the Group to companies with a gearing ratio of over 70% amounted to RMB80 million.

As at the end of the Reporting Period, save for the provision of guarantee to Yunfu Guangjia Haizhong Environmental Protection Technology Co., Ltd., a joint venture, the Group did not provide guarantee for its controlling shareholders, de facto controllers, other related parties of the Company and any unincorporated entities or individuals. Save for the guarantees as disclosed above, the Group did not provide any other guarantees or pledges, nor did the Group have any other significant contingent liabilities.

6. Significant Events

(9) PENALTIES AND/OR REMEDIES IN RELATION TO THE COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT MEMBERS, CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

During the Reporting Period, none of the Company, its then and current Directors, supervisors, senior management members, controlling shareholders and de facto controllers was subject to any penalties and/or remedies by competent authorities.

(10) STATUS OF INTEGRITY OF THE COMPANY, ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

During the Reporting Period, none of the Company, its controlling shareholders and de facto controllers failed to perform any obligations from effective legal instruments of the court or settle any due debt of large amount.

(11) NO EVENT THAT MIGHT IMPOSE MATERIAL IMPACTS

Since the publication of the annual report of the Company for the year ended 31 December 2024, since the end of the Reporting Period and up to the date of publication of this interim report, there has been no event or changes to the affairs of the Group that might impose material impacts on the Group.

7. Changes in Shareholdings and Shareholders

(1) TOTAL NUMBER OF SHARES AND SHAREHOLDING STRUCTURE

There was no change in the total number of shares and the shareholding structure of the Company during the Reporting Period, as detailed below:

Class of shares			Increase/decrease (+, -)			(Unit: Share)	
	Before change		Transfer			After change	
			Issue of				
	Number	Percentage	new shares	from capital reserve	Subtotal	Number	Percentage
		(%)					(%)
1. Shares subject to trading							
restrictions	-	-	-	-	-	-	-
1. State-owned legal person shares	-	-	-	-	-	-	-
2. Other domestic shares	-	-	-	-	-	-	-
2. Shares not subject to trading							
restrictions	5,299,302,579	100	-	-	-	5,299,302,579	100
1. RMB-denominated ordinary shares (i.e. A Shares)	3,999,702,579	75.48	-	-	-	3,999,702,579	75.48
2. Overseas-listed foreign shares (i.e. H Shares)	1,299,600,000	24.52	-	-	-	1,299,600,000	24.52
3. Total number of shares	5,299,302,579	100	-	-	-	5,299,302,579	100

7. Changes in Shareholdings and Shareholders

(2) SHAREHOLDERS

As at the end of the Reporting Period, the total number of registered shareholders of the Company was 224,128, of which 118 were registered holders of H Shares. The shareholdings of the top ten registered shareholders of the Company (excluding shares lent through refinancing) as at the end of the Reporting Period are set out as follows:

Name of registered 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 shares	Pledged, marked or frozen Status	Number (share)
1. 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	84,500	1,298,056,090	24.49	H Share	Unknown	Unknown
3. Hong Kong Securities Clearing Company Limited	Foreign legal person	19,139,448	193,124,391	3.64	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	1,299,216	42,769,827	0.81	A Share	Unknown	Unknown
8. China Construction Bank Corporation – E Fund CSI 300 Trading Open-end Index Initiating Securities Investment Fund	Others	1,897,030	30,481,214	0.58	A Share	Unknown	Unknown
9. Industrial and Commercial Bank of China Limited – ChinaAMC CSI 300 Trading Open-end Index Securities Investment Fund	Others	3,358,361	22,351,448	0.42	A Share	Unknown	Unknown
10. Bank of China Limited – Harvest CSI 300 Trading Open-end Index Securities Investment Fund	Others	1,265,000	19,264,340	0.36	A Share	Unknown	Unknown

7. Changes in Shareholdings and Shareholders

Notes:

- (1) During 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, mark, freezing or trust.
- (2) As at the end of the Reporting Period, HKSCC Nominees Limited held 1,298,056,090 H Shares, representing 24.49% 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 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, there were 22,242,535 A Shares held in the Company's designated securities account for repurchase, 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.

7. Changes in Shareholdings and Shareholders

(3) SUBSTANTIAL SHAREHOLDERS

As at the end of the Reporting Period, the following persons (other than Directors or chief executive of the Company) held interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder	Number of ordinary shares held	Nature of interest	Percentage of shareholding of the relevant class of shares	Percentage of shareholding of all issued shares
Conch Holdings	1,928,870,014 A Shares (long position) (Note 1)	Beneficial owner	48.23% (Note 2)	36.40%
Anhui Provincial Investment Group Holding Co., Ltd.	1,928,870,014 A Shares (long position) (Note 1)	Interest of a controlled corporation	48.23% (Note 2)	36.40%
Conch Venture Enterprise	1,928,870,014 A Shares (long position) (Note 1)	Interest of a controlled corporation	48.23% (Note 2)	36.40%
Conch Venture	1,928,870,014 A Shares (long position) (Note 1)	Interest of a controlled corporation	48.23% (Note 2)	36.40%
Taiwan Cement Corporation	116,568,000 H Shares (long position) (Note 4)	Interest of a controlled corporation	8.97% (Note 3)	2.20%
JPMorgan Chase & Co.	104,807,406 H Shares (long position) (Note 5)	Beneficial owner/ Investment manager/Person having a security interest in shares/ Approved lending agent	8.06% (Note 3)	1.98%

7. Changes in Shareholdings and Shareholders

Name of shareholder	Number of ordinary shares held	Nature of interest	Percentage of shareholding of the relevant class of shares	Percentage of shareholding of all issued shares
JPMorgan Chase & Co.	14,071,141 H Shares (short position) (Note 5)	Beneficial owner	1.08% (Note 3)	0.27%
The Capital Group Companies, Inc.	91,410,000 H Shares (long position) (Note 6)	Interest of a controlled corporation	7.03% (Note 3)	1.72%
Lazard Asset Management LLC	74,057,798 H Shares (long position) (Note 7)	Investment manager	5.70% (Note 3)	1.40%
Artisan Partners Asset Management Inc.	65,889,556 H Shares (long position) (Note 8)	Interest of a controlled corporation	5.07% (Note 3)	1.24%
Artisan Partners Holdings LP	65,889,556 H Shares (long position) (Note 9)	Interest of a controlled corporation	5.07% (Note 3)	1.24%
Artisan Partners Limited Partnership	65,889,556 H Shares (long position) (Note 10)	Investment manager	5.07% (Note 3)	1.24%

Notes:

- (1) Anhui Provincial Investment Group Holding Co., Ltd. ("Anhui Provincial Investment Group") and Conch Venture Enterprise held 51% and 49% of the equity interests in Conch Holdings, respectively. Conch Venture Enterprise is wholly owned by Anhui Conch Venture New Energy-saving Building Material Co., Ltd. ("CV New Building Material"), which is in turn wholly owned by China Conch Venture Holdings (HK) Limited ("CV HK"). CV HK is wholly owned by China Conch Venture Holdings International Limited ("CV International"). CV International is a wholly-owned subsidiary of Conch Venture. Pursuant to the SFO, Anhui Provincial Investment Group, Conch Venture Enterprise, CV New Building Material, CV HK, CV International and Conch Venture were deemed to have interests in the entire number of shares of the Company held by Conch Holdings.

7. Changes in Shareholdings and Shareholders

- (2) The total number of domestic shares in issue was 3,999,702,579 shares, all of which were A Shares.
- (3) The total number of H Shares in issue was 1,299,600,000 shares.
- (4) Based on the disclosure of interests form submitted by Taiwan Cement Corporation on 12 December 2008 in respect of the relevant event that occurred on 11 December 2008, 38,856,000 H Shares were held by Taiwan Cement Corporation through certain of its subsidiaries. Assuming that the company has not disposed of any shares, upon implementation of the proposal of capitalization of capital reserve fund by the Company in 2010 and 2011, Taiwan Cement Corporation held 116,568,000 H Shares of the Company correspondingly.
- (5) Based on the disclosure of interests form submitted by JPMorgan Chase & Co. on 2 July 2025 in respect of the relevant event that occurred on 27 June 2025, these shares were held through certain subsidiaries of JPMorgan Chase & Co.. Of the 104,807,406 H Shares (long position), 16,952,857 shares were held in the capacity of beneficial owner; 7,060,925 shares were held in the capacity of investment manager; 124,895 shares were held in the capacity of person having a security interest in shares; 80,668,729 shares (securities in lending pool) were held in the capacity of approved lending agent. 14,071,141 H Shares (short position) were held in the capacity of beneficial owner.
- (6) Based on the disclosure of interests form submitted by The Capital Group Companies, Inc. on 27 June 2025 in respect of the relevant event that occurred on 25 June 2025, these shares were held through certain subsidiaries of The Capital Group Companies, Inc. in the capacity of interest of a controlled corporation.
- (7) Based on the disclosure of interests form submitted by Lazard Asset Management LLC on 7 March 2025 in respect of the relevant event that occurred on 28 February 2025, these shares were held in the capacity of investment manager.
- (8) Based on the disclosure of interests form submitted by Artisan Partners Asset Management Inc. on 5 June 2025 in respect of the relevant event that occurred on 2 June 2025, these shares were held through certain subsidiaries of Artisan Partners Asset Management Inc. in the capacity of interest of a controlled corporation.
- (9) Based on the disclosure of interests form submitted by Artisan Partners Holdings LP on 5 June 2025 in respect of the relevant event that occurred on 2 June 2025, these shares were held through certain subsidiaries of Artisan Partners Holdings LP in the capacity of interest of a controlled corporation.
- (10) Based on the disclosure of interests form submitted by Artisan Partners Limited Partnership on 5 June 2025 in respect of the relevant event that occurred on 2 June 2025, these shares were held in the capacity of investment manager.

Save for the aforesaid shareholders, as at the end of the Reporting Period, the Company was not aware of any interests and short positions as recorded in the register required to be kept pursuant to section 336 of the SFO.

7. Changes in Shareholdings and Shareholders

(4) PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company (including sales of treasury shares (as defined in the HKSE Listing Rules)).

On 3 November 2023, the Board considered and approved the Resolution on the Plan of Repurchase of A Shares of the Company through Centralized Price Bidding (hereinafter referred to as the “Repurchase”). The Company has completed the Repurchase in February 2024 and has repurchased 22,242,535 A Shares in total. As of the end of the Reporting Period, by virtue of the implementation of the Repurchase, the number of treasury shares held by the Company was 22,242,535 A Shares. The above treasury shares will be sold through centralized price bidding under the trading system of the SSE in accordance with relevant laws, regulations and normative documents. If the Company fails to complete the above sale 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.

(5) ISSUE OF PREFERENCE SHARES AND PRE-EMPTIVE RIGHTS

During the Reporting Period, the Company did not issue preference shares. Under the Articles and the laws of the PRC, the Company is not required to offer to its existing shareholders pre-emptive right to subscribe for new shares in proportion to their shareholdings.

(6) NUMBER OF SHARES OF THE COMPANY HELD BY CURRENT AND FORMER DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT MEMBERS DURING THE REPORTING PERIOD AND CHANGES

Name	Position	Number of shares held as at 31 December 2024	Increase/ decrease in number of shares during the Reporting Period	Number of shares held as at 30 June 2025
		(share)	(share)	(share)
Liu Tiantian	Staff representative Supervisor (ceased to serve on 29 May 2025)	63,500 (H Shares)	–	63,500 (H Shares)
Xu Yue	Assistant to the general manager	600 (A Shares)	–	600 (A Shares)

7. Changes in Shareholdings and Shareholders

Save as disclosed above, none of the Directors, supervisors and senior management members of the Company held or traded any share of the Company during the Reporting Period.

(7) INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at the end of the Reporting Period, the interests and short positions held by 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 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, are set out below ^{Note 1}:

Name	Position	The Company/ name of associated corporation	Nature of interest	Number of shares held (share)	Percentage of shareholding of the total issued shares
Li Qunfeng	Executive Director and general manager (ceased to serve as the general manager from 11 August 2025)	Conch Environment Protection	Beneficial owner Interest held jointly with other persons ^{Note 2}	2,050,000 479,345,879	0.11% 26.24%

Notes:

- (1) Upon the expiry of the term of office and retirement of supervisors of the ninth session of the supervisory committee of the Company on 29 May 2025, the Company no longer set up the supervisory committee or the positions of supervisors.
- (2) 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, the Company and other concert parties shall be deemed to be interested in shares of Conch Environment Protection held by each other.

7. Changes in Shareholdings and Shareholders

Save as disclosed above, as at 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 the shares, underlying shares, debentures of the Company or its associated corporations (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 corporations 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.

(8) CORPORATE GOVERNANCE CODE

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.

(9) MODEL CODE

The Company has adopted a code of practice regarding Directors' securities transactions on terms no less exacting than the required standard in the Model Code. Having made specific enquiries by the Company, all Directors of the Company confirmed that each of them has complied with the required standards as set out in the Model Code and the Company's code of conduct in relation to securities transactions by Directors during the Reporting Period.

(10) STAFF AND REMUNERATION

As at the end of the Reporting Period, the Group had 48,507 employees with a total remuneration of approximately RMB4.438 billion, which represents the total amount of remuneration of employees for the Reporting Period.

During the Reporting Period, the Group implemented an annual remuneration system for its middle and senior management members whose annual remunerations were assessed with reference to the Group's production volume, sales volume, efficiency, costs, environmental protection, production safety and other key indicators of organizational performance and individual performance according to the tenure system and contract management, while a position and performance based remuneration system is implemented for its professional technical management staff and general staff. By setting up a position-based and performance-linked assessment management system, remunerations were assessed based on position indicators and performance of their duties and responsibilities.

7. Changes in Shareholdings and Shareholders

During the Reporting Period, based on the three-tier training management systems at its head office, regional entities and subsidiaries, the Group fully integrated internal and external resources to provide diversified trainings for employees. The headquarters of the Group continued to introduce training resources provided by external educational enterprises, launched a series of lectures on “Conch Lecture Hall – Innovation Leadership” to provide professional knowledge training for the cadres and employees, thus effectively improving their comprehensive operation and management ability. The Group has concentrated its advantageous resources to build a talent training center, thereby continuously promoting professional and efficient development of trainings. During the Reporting Period, 28 specialized training sessions were organized with a growing number of participants. In light of the business needs and actual needs of employees, the Group’s regional entities and subsidiaries provided necessary onboard trainings and knowledge and skills improvement trainings. The Group adhered to the coordinated development of international development and talent localization, providing strong talent support for its overseas expansion. During the Reporting Period, specialized training for mid-level foreign personnel was conducted in Indonesia.

(11) CHANGE IN CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

During the Reporting Period, there was no change in controlling shareholders and de facto controllers of the Company.

8. Information on Bonds

(I) DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES ON THE INTER-BANK BOND MARKET

Name of bond	Short name	Code	Issuance date	Value date	Maturity date	Balance of bond (RMB billion)	Interest rate (%)	Mode of repayment of principal and interest	Trading market	Investor suitability arrangements (if any)	Trading mechanism	Whether the risk of termination of listing exists
First Tranche of Green Medium-term Notes of Anhui Conch Cement Company Limited for Year 2024	24 Conch Cement MTN001 (Green)	102481853	2024.4.26	2024.4.29	2027.4.29	1.5	2.20	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
Second Tranche of Green Medium-term Notes of Anhui Conch Cement Company Limited for Year 2024	24 Conch Cement MTN002 (Green)	102481812	2024.4.25	2024.4.29	2027.4.29	1.5	2.20	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
Third Tranche of Medium-term Notes of Anhui Conch Cement Company Limited for Year 2024	24 Conch Cement MTN003	102484129	2024.9.12	2024.9.18	2029.9.18	3.5	2.12	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
Fourth Tranche of Medium-term Notes of Anhui Conch Cement Company Limited for Year 2024	24 Conch Cement MTN004	102484128	2024.9.12	2024.9.18	2029.9.18	3.5	2.10	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
First Tranche of Green Medium-term Notes of Anhui Conch Environment Protection Group Co., Ltd. for Year 2024	24 Conch Environment Protection GN001	132480069	2024.8.5	2024.8.7	2029.8.7	1.5	2.13	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
First Tranche of Green Medium-term Notes of Anhui Conch Environment Protection Group Co., Ltd. for Year 2025	25 Conch Environment Protection GN001	132580034	2025.4.23	2025.4.25	2028.4.25	1.0	1.80	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No

8. Information on Bonds

(II) MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

Major indicators	30 June 2025 (Unaudited)	31 December 2024	Increase or decrease at the end of the Reporting Period as compared to that at the end of the previous year (%)	Reason for the change
Current ratio (%)	322.99	324.52	-1.53	Mainly due to the decrease in the balance of current assets such as cash at bank and on hand during the Reporting Period
Quick ratio (%)	272.58	288.17	-15.59	Mainly due to the decrease in the balance of current assets such as cash at bank and on hand during the Reporting Period
Gearing ratio (%)	20.52	21.31	-0.79	Mainly due to the decrease in total liabilities

8. Information on Bonds

Major indicators	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)	Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)	Reason for the change
Net profit after extraordinary items attributable to equity shareholders of the Company (RMB'000)	4,198,097	3,184,884	31.81	Mainly due to the period-on-period increase in profit before taxation as a result of the increase in the selling price of products and the decrease in costs
EBITDA/total debts ratio	0.20	0.19	8.61	Mainly due to the period-on-period increase in profit before taxation
Interest coverage ratio	16.68	10.80	54.44	Mainly due to the period-on-period increase in profit before taxation and the period-on-period decrease in interest expenses
Cash interest coverage ratio	22.41	15.49	44.62	Mainly due to the period-on-period increase in net cash flows generated from operating activities and the period-on-period decrease in interest expenses
EBITDA interest coverage ratio	28.31	19.89	42.31	Mainly due to the period-on-period increase in profit before taxation and the period-on-period decrease in interest expenses
Loan repayment rate (%)	100	100	–	–
Interest payment ratio (%)	100	100	–	–

9. Financial Accounting Report (Unaudited)

Consolidated statement of profit or loss

for the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Revenue	3	41,291,785	45,565,622
Cost of sales and services rendered		(31,399,928)	(37,394,092)
Gross profit		9,891,857	8,171,530
Other income	4	1,215,408	1,238,101
Selling and marketing costs		(1,634,828)	(1,564,328)
Administrative expenses		(2,718,004)	(2,572,953)
Research and development costs		(308,663)	(519,216)
Impairment loss on property, plant and equipment		(296,657)	–
Profit from operations		6,149,113	4,753,134
Finance costs	5(a)	(332,477)	(402,997)
Share of profits of associates		184,788	152,627
Share of profits of joint ventures		99,920	47,674
Profit before taxation	5	6,101,344	4,550,438
Income tax	6	(1,440,813)	(1,003,172)
Profit for the period		4,660,531	3,547,266
Attributable to:			
Equity shareholders of the Company		4,631,022	3,486,319
Non-controlling interests		29,509	60,947
Profit for the period		4,660,531	3,547,266
Earnings per share	7		
Basic		RMB0.88	RMB0.66
Diluted		RMB0.88	RMB0.66

The notes on pages 95 to 132 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 20(a).

9. Financial Accounting Report (Unaudited)

Consolidated statement of profit or loss and other comprehensive income

for the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Profit for the period	4,660,531	3,547,266
Other comprehensive income for the period (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)	251,475	106,666
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	50,794	(25,215)
Shares of other comprehensive income of investees	(31,368)	(6,381)
Other comprehensive income for the period	270,901	75,070
Total comprehensive income for the period	4,931,432	3,622,336
Attributable to:		
Equity shareholders of the Company	4,900,642	3,545,137
Non-controlling interests	30,790	77,199
Total comprehensive income for the period	4,931,432	3,622,336

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Consolidated statement of financial position

at 30 June 2025 – unaudited
(Expressed in Renminbi Yuan)

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Non-current assets			
Property, plant and equipment			
– Investment properties	8	64,722	66,978
– Other property, plant and equipment	9	106,344,136	107,951,772
Intangible assets		27,750,186	26,181,623
Goodwill		1,364,610	1,451,587
Interest in associates		5,775,150	5,737,374
Interests in joint ventures		2,111,244	2,038,295
Loans and receivables	10	373,075	381,045
Long-term prepayments	8	1,660,807	2,696,777
Financial assets measured at FVOCI	11	1,627,411	1,506,953
Deferred tax assets		1,610,264	1,486,466
Time deposits		15,557,708	11,142,845
Amounts due from related parties	23(d)	185,048	231,495
		164,424,361	160,873,210
Current assets			
Inventories	13	8,235,285	8,108,521
Other financial assets		2,102,822	–
Assets held for sale		–	11,442
Trade and bills receivables	14	9,370,891	11,023,115
Time deposits		1,351,360	–
Financial assets measured at fair value through profit and loss (FVPL)	12	1,136,871	509,203
Prepayments and other receivables	15	3,269,582	3,361,857
Amounts due from related parties	23(d)	144,001	183,693
Tax recoverable		404,097	334,855
Restricted cash deposits		1,034,318	1,033,408
Bank deposits with original maturity over three months		48,094,779	52,858,793
Cash and cash equivalents	16	13,571,171	16,337,147
		88,715,177	93,762,034

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Consolidated statement of financial position (Continued)

at 30 June 2025 – unaudited
(Expressed in Renminbi Yuan)

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Current liabilities			
Trade and bills payables	17	5,220,583	5,816,206
Other payables and accruals		10,381,912	10,958,894
Current portion of long-term payables		106,604	102,665
Current portion of corporate bonds	19	162,350	101,404
Contract liabilities		2,506,564	2,569,098
Bank loans and other borrowings	18	7,544,498	7,486,649
Lease liabilities		33,765	30,932
Amounts due to related parties	23(d)	717,695	938,654
Current taxation		792,985	887,590
		27,466,956	28,892,092
Net current assets			
		61,248,221	64,869,942
Total assets less current liabilities			
		225,672,582	225,743,152
Non-current liabilities			
Corporate bonds	19	12,500,000	11,500,000
Bank loans and other borrowings	18	7,796,172	10,086,381
Lease liabilities		229,784	240,355
Long-term payables		718,368	694,716
Deferred income		1,329,147	1,095,482
Deferred tax liabilities		1,805,446	1,703,301
Provisions		124,689	86,115
		24,503,606	25,406,350
NET ASSETS			
		201,168,976	200,336,802

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Consolidated statement of financial position (Continued)

at 30 June 2025 – unaudited
(Expressed in Renminbi Yuan)

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
CAPITAL AND RESERVES			
Share capital		5,299,303	5,299,303
Reserves		183,760,771	182,606,024
Total equity attributable to equity shareholders of the Company		189,060,074	187,905,327
Non-controlling interests		12,108,902	12,431,475
TOTAL EQUITY		201,168,976	200,336,802

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Consolidated statement of changes in equity

for the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi Yuan)

Note	Share capital	Treasury shares	Share premium	Capital reserve	Exchange reserve	Statutory surplus reserve	Fair value reserve (non-recycling)	Share of other comprehensive income of investees	Other reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2024	5,299,303	(339,160)	9,987,109	417,209	(754,119)	2,649,654	(1,557,573)	(36,571)	402,583	169,201,102	185,269,537	12,640,828	197,910,365
Acquisition of subsidiaries under common control	-	-	91,919	-	-	-	-	-	-	(23,875)	68,044	(15,477)	52,567
Balance at 1 January 2024	5,299,303	(339,160)	10,079,028	417,209	(754,119)	2,649,654	(1,557,573)	(36,571)	402,583	169,177,227	185,337,581	12,625,351	197,962,932
Changes in equity for the six months ended 30 June 2024:													
Profit for the period	-	-	-	-	-	-	-	-	-	3,486,319	3,486,319	60,947	3,547,266
Other comprehensive income	-	-	-	-	(41,467)	-	106,666	(6,381)	-	-	58,818	16,252	75,070
Total comprehensive income	-	-	-	-	(41,467)	-	106,666	(6,381)	-	3,486,319	3,545,137	77,199	3,622,336
Capital contribution received from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	69,150	69,150
Purchase of own shares	-	(161,428)	-	-	-	-	-	-	-	-	(161,428)	-	(161,428)
Dividends declared by non-wholly owned subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	(135,190)	(135,190)
Dividends approved in respect of the previous year 20(a)	-	-	-	-	-	-	-	-	-	(5,065,978)	(5,065,978)	-	(5,065,978)
Acquisition of non-controlling interests in subsidiaries	-	-	500	-	-	-	-	-	-	-	500	(500)	-
Disposal of interest in subsidiaries shares without losing control	-	-	(925)	-	-	-	-	-	-	-	(925)	14,709	13,784
Share of change of capital reserve of the investees	-	-	-	(24,735)	-	-	-	-	-	-	(24,735)	-	(24,735)
Acquisition of subsidiaries under common control	-	-	(126,400)	-	-	-	-	-	-	-	(126,400)	-	(126,400)
Others	-	-	(80)	-	-	-	-	-	-	-	(80)	-	(80)
Safety production fund	-	-	-	-	-	-	-	-	152,617	(152,617)	-	-	-
Balance at 30 June 2024	5,299,303	(500,588)	9,952,123	392,474	(795,586)	2,649,654	(1,450,907)	(42,952)	555,200	167,444,951	183,503,672	12,650,719	196,154,391

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Consolidated statement of changes in equity (Continued)

for the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi Yuan)

Note	Share capital	Treasury shares	Share premium	Capital reserve	Exchange reserve	Statutory surplus reserve	Fair value reserve (non-recycling)	Share of other comprehensive income of investees	Other reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 30 June 2024													
and 1 July 2024	5,299,303	(500,588)	9,952,123	392,474	(795,586)	2,649,654	(1,450,907)	(42,952)	555,200	167,444,951	183,503,672	12,650,719	196,154,391
Changes in equity for the six months ended 31 December 2024:													
Profit for the period	-	-	-	-	-	-	-	-	-	4,565,635	4,565,635	(86,343)	4,479,292
Other comprehensive income	-	-	-	-	(93,941)	-	36,535	(156,732)	-	-	(214,138)	3,791	(210,347)
Total comprehensive income	-	-	-	-	(93,941)	-	36,535	(156,732)	-	4,565,635	4,351,497	(82,552)	4,268,945
Dividends declared by non-wholly owned subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	(243,792)	(243,792)
Capital contribution received from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	110,204	110,204
Acquisition of a subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(243)	(243)
Acquisition of non-controlling interests	-	-	1,619	-	-	-	-	-	-	-	1,619	(2,861)	(1,242)
Disposal of interest in subsidiaries shares without losing control	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of change of capital reserve of the investees	-	-	-	48,459	-	-	-	-	-	-	48,459	-	48,459
Transfer of fair value reserve upon the disposal of financial assets at FVOCI	-	-	-	-	-	-	(10,297)	-	-	10,297	-	-	-
Others	-	-	80	-	-	-	-	-	-	-	80	-	80
Safety production fund	-	-	-	-	-	-	-	-	186,705	(186,705)	-	-	-
Balance at 31 December 2024	5,299,303	(500,588)	9,953,822	440,933	(889,527)	2,649,654	(1,424,669)	(199,684)	741,905	171,834,178	187,905,327	12,431,475	200,336,802

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Consolidated statement of changes in equity (Continued)

for the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi Yuan)

Note	Share capital	Treasury shares	Share premium	Capital reserve	Exchange reserve	Statutory surplus reserve	Fair value reserve (non-recycling)	Share of other comprehensive income of investees	Other reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 31 December 2024 and 1 January 2025	5,299,303	(500,588)	9,953,822	440,933	(889,527)	2,649,654	(1,424,669)	(199,684)	741,905	171,834,178	187,905,327	12,431,475	200,336,802
Changes in equity for the six months ended 30 June 2025:													
Profit for the period	-	-	-	-	-	-	-	-	-	4,631,022	4,631,022	29,509	4,660,531
Other comprehensive income	-	-	-	-	49,513	-	251,475	(31,368)	-	-	269,620	1,281	270,901
Total comprehensive income	-	-	-	-	49,513	-	251,475	(31,368)	-	4,631,022	4,900,642	30,790	4,931,432
Capital contribution received from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	63,423	63,423
Dividends declared by non-wholly owned subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	(416,786)	(416,786)
Dividends approved in respect of the previous year 20(a)	-	-	-	-	-	-	-	-	-	(3,746,713)	(3,746,713)	-	(3,746,713)
Share of change of capital reserve of the investees	-	-	-	818	-	-	-	-	-	-	818	-	818
Transfer of fair value reserve upon the disposal of financial assets at FVOCI	-	-	-	-	-	-	(109,572)	-	-	109,572	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-
Safety production fund	-	-	-	-	-	-	-	-	256,951	(256,951)	-	-	-
Balance at 30 June 2025	5,299,303	(500,588)	9,953,822	441,751	(840,014)	2,649,654	(1,282,766)	(231,052)	998,856	172,571,108	189,060,074	12,108,902	201,168,976

Consolidated statement of changes in equity

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Condensed consolidated cash flow statement

for the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi Yuan)

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Operating activities		
Cash generated from operations	9,961,606	8,048,117
– Income tax paid	(1,675,063)	(1,177,438)
– Interest paid	(301,517)	(440,602)
Net cash generated from operating activities	7,985,026	6,430,077
Investing activities		
Payments for purchase of property, plant and equipment, land use rights and intangible assets	(4,063,163)	(5,712,049)
Proceeds from sale of financial assets measured at FVPL	–	245,000
Proceeds from the sale of financial assets measured at FVOCI	167,756	–
Proceeds from maturity of bank deposits over three months	9,027,417	12,661,995
Payments of new bank deposits with maturity over three months	(9,456,151)	(9,653,785)
Payment for the purchase of financial assets measured at FVPL	(700,000)	–
Payment for the Other financial assets	(2,100,000)	–
Interest received	425,992	877,467
Payment for acquisitions of subsidiaries	(6,746)	(89,146)
New advances to third parties	(20,228)	(24,072)
Other cash flows arising from investing activities	156,687	72,220
Net cash used in investing activities	(6,568,436)	(1,622,370)

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Condensed consolidated cash flow statement (Continued)

for the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi Yuan)

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Financing activities		
Capital element and interest element of lease rentals paid	(27,229)	(23,716)
Proceeds from new bank loans and other borrowings	5,793,483	6,298,090
Repayments of bank loans and other borrowings	(7,046,382)	(6,629,981)
Dividends paid to equity shareholders of the Company	(3,746,713)	(4,859,493)
Dividends paid to non-controlling interests of subsidiaries	(110,615)	(100,202)
Capital contribution from non-controlling interests	63,423	69,149
Payment for acquisition of companies under common control	–	(126,400)
Repayment to former shareholder of subsidiaries related to business combination	–	(1,500)
Payment for repurchase of shares	–	(161,428)
Proceeds from issue of corporate bonds	1,000,000	3,000,000
Other cash flow arising from/(used in) financing activities	(86,692)	13,704
Net cash used in financing activities	(4,160,725)	(2,521,777)
Net increase/(decrease) in cash and cash equivalents	(2,744,135)	2,285,930
Effect of foreign exchange rate changes	(21,841)	560
Cash and cash equivalents at 1 January	16,337,147	11,572,016
Cash and cash equivalents at 30 June	13,571,171	13,858,506

The notes on pages 95 to 132 form part of this interim financial report.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report of Anhui Conch Cement Company Limited (the “Company”) and its subsidiaries (collectively the “Group”) has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34 “*Interim Financial Reporting*” adopted by the International Accounting Standards Board (“IASB”). It was authorised for issue on 26 August 2025.

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

This interim financial report is unaudited, but has been reviewed by the Audit Committee of the Company.

The financial information relating to the financial year ended 31 December 2024 that is included in this interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Statutory annual consolidated financial statements for the year ended 31 December 2024 are available from the Company’s registered office. The independent auditors have expressed an unqualified opinion on those financial statements in their report dated 24 March 2025.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

- Amendments to IAS 21, Lack of Exchangeability

The nature and impact of the amended IFRS Accounting Standards are described below:

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 with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

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:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Sales and trading of clinker and cement products	34,836,859	34,050,641
– Sales and trading of other materials	5,113,479	9,750,975
– Service income	1,341,447	1,764,006
	41,291,785	45,565,622

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(a) Revenue (continued)

(i) Disaggregation of revenue (continued)

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 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.

(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 above information 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:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year:		
Sales and trading of clinker and cement products	2,569,305	2,885,306

(a) Revenue

(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.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mix of two business lines, cement and cement related business and solid and hazardous waste treatment business, of which cement and cement related business is organised by geography. 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.

(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 impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment revenue are priced with reference to prices charged to external parties for similar orders.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

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 six months ended 30 June 2025 and 30 June 2024 is set out below.

For the six months ended 30 June 2025

	Cement and cement related						Solid and hazardous waste		Total
	Eastern China	Central China	Southern China	Western China	Overseas	Elimination	Subtotal	treatment	Elimination
	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	10,366,461	9,126,558	6,165,954	6,285,038	2,892,848	-	34,836,859	-	-
Sales and trading of other materials	1,428,212	3,196,538	243,655	167,518	40,643	-	5,076,566	36,913	-
Service income	31,696	600,543	7,879	9,880	6,973	-	656,971	684,476	-
Revenue from external customers	11,826,369	12,923,639	6,417,488	6,462,436	2,940,464	-	40,570,396	721,389	-
Disaggregated by timing of revenue recognition									
Point in time	11,796,070	12,826,445	6,413,975	6,461,663	2,933,491	-	40,431,644	36,913	-
Over time	30,299	97,194	3,513	773	6,973	-	138,752	684,476	-
Revenue from external customers	11,826,369	12,923,639	6,417,488	6,462,436	2,940,464	-	40,570,396	721,389	-
Inter-segment revenue	2,986,012	10,857,032	247,757	92,455	174,900	(14,322,710)	35,446	55,795	(91,241)
Reportable segment revenue	14,812,381	23,780,671	6,665,245	6,554,891	3,115,364	(14,322,710)	40,605,842	777,184	(91,241)
Reportable segment profit (profit before taxation)	729,649	5,845,794	836,652	465,482	231,501	(2,237,232)	5,871,846	(35,487)	-

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

For the six months ended 30 June 2025

	Cement and cement related							Solid and hazardous waste		
	Eastern	Central	Southern	Western						
	China	China	China	China	Overseas	Elimination	Subtotal	treatment	Elimination	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Interest income	9,445	1,139,877	3,631	9,019	43,545	(209,014)	996,503	2,964	-	999,467
Interest expense	(4,031)	(124,798)	(14,031)	(20,898)	(208,690)	100,874	(271,574)	(60,903)	-	(332,477)
Depreciation and amortisation for the period	(265,065)	(1,850,223)	(614,778)	(998,455)	(353,055)	-	(4,081,576)	(220,240)	-	(4,301,816)
Reportable segment assets (including interests in associates and joint ventures)	18,088,085	221,913,604	39,566,828	29,465,202	20,773,070	(86,914,890)	242,891,899	10,247,639	-	253,139,538
Investments in associates and joint ventures	-	4,113,372	-	-	3,700,275	-	7,813,647	72,748	-	7,886,395
Additions to non-current segment assets during the period	135,907	6,409,244	845,564	374,076	123,372	-	7,888,163	64,828	-	7,952,991
Reportable segment liabilities	8,342,443	43,903,214	20,194,937	10,361,855	16,550,368	(53,686,052)	45,666,765	6,269,560	-	51,936,325

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

For the six months ended 30 June 2024

	Cement and cement related						Solid and hazardous waste		
	Eastern China	Central China	Southern China	Western China	Overseas	Elimination	Subtotal	treatment	Elimination
	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	8,928,195	10,178,471	6,286,244	6,341,587	2,316,144	-	34,050,641	-	-
Sales and trading of other materials	2,594,088	4,199,652	492,002	2,274,427	146,252	-	9,706,421	44,554	-
Service income	99,050	852,120	28,360	10,830	14,193	-	1,004,553	759,453	-
Revenue from external customers	11,621,333	15,230,243	6,806,606	8,626,844	2,476,589	-	44,761,615	804,007	-
Disaggregated by timing of revenue recognition									
Point in time	11,608,031	15,164,763	6,804,856	8,622,265	2,462,497	-	44,662,412	44,554	-
Over time	13,302	65,480	1,750	4,579	14,092	-	99,203	759,453	-
Revenue from external customers	11,621,333	15,230,243	6,806,606	8,626,844	2,476,589	-	44,761,615	804,007	-
Inter-segment revenue	3,028,951	13,338,103	74,057	127,574	54,325	(16,587,363)	35,647	-	(35,647)
Reportable segment revenue	14,650,284	28,568,346	6,880,663	8,754,418	2,530,914	(16,587,363)	44,797,262	804,007	(35,647)
Reportable segment profit (profit before taxation)	618,908	3,234,895	543,968	530,331	73,576	(692,004)	4,309,674	77,057	-

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

For the six months ended 30 June 2024

	Cement and cement related							Solid and hazardous waste		
	Eastern China	Central China	Southern China	Western China	Overseas	Elimination	Subtotal	treatment	Elimination	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Interest income	7,883	1,278,904	14,586	13,086	32,076	(285,447)	1,061,088	2,389	-	1,063,477
Interest expense	(6,461)	(106,731)	(34,280)	(35,622)	(267,781)	100,679	(350,196)	(52,801)	-	(402,997)
Depreciation and amortisation for the period	(275,456)	(1,651,025)	(588,127)	(975,284)	(303,486)	27,865	(3,765,513)	(267,403)	-	(4,032,916)
Reportable segment assets (including interests in associates and joint ventures)	13,395,231	185,365,468	32,085,130	29,180,313	19,572,446	(46,073,781)	233,524,807	10,209,704	-	243,734,511
Investments in associates and joint ventures	-	3,929,584	-	3,650,188	258,418	-	7,838,190	78,072	-	7,916,262
Additions to non-current segment assets during the period	372,509	1,689,302	1,241,507	607,154	1,619,810	-	5,530,282	184,842	-	5,715,124
Reportable segment liabilities	2,517,983	20,579,073	12,732,530	5,685,130	14,065,346	(14,126,199)	41,453,863	6,076,760	-	47,530,623

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(c) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Revenue		
Reportable segment revenue	55,705,736	62,188,632
Inter-segment revenue	(14,413,951)	(16,623,010)
Consolidated revenue	41,291,785	45,565,622
Profit		
Reportable segment profit (profit before taxation)	8,073,591	5,078,735
Inter-segment profit	(2,237,232)	(692,004)
Differences between CAS and IFRS*	264,985	163,707
Consolidated profit before taxation	6,101,344	4,550,438
	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Assets		
Reportable segment assets	340,054,428	289,808,292
Inter-segment assets	(86,914,890)	(46,073,781)
Consolidated total assets	253,139,538	243,734,511
Liabilities		
Reportable segment liabilities	105,622,377	61,656,822
Inter-segment liabilities	(53,686,052)	(14,126,199)
Difference between CAS and IFRS*	34,237	49,497
Consolidated total liabilities	51,970,562	47,580,120

* 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.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 OTHER INCOME

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Interest income on financial assets measured at amortised cost	999,467	1,063,477
Subsidy income*	437,429	570,106
Net loss on disposal of property, plant and equipment	(11,594)	(4,781)
Net realised and unrealised (loss)/gain on financial assets measured at FVPL	(62,102)	(282,628)
Dividend income from financial assets measured at FVOCI	67,143	65,428
Net foreign exchange gain	(165,633)	(209,896)
Others	(49,302)	36,395
	1,215,408	1,238,101

* Subsidy income mainly comprised 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:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Interest on bank loans and other borrowings	363,778	438,181
Interest on lease liabilities	6,063	5,306
Interest expense on financial liabilities not at FVPL	369,841	443,487
Less: interest expense capitalised into construction-in-progress*	(37,364)	(40,490)
	332,477	402,997

* The borrowing costs have been capitalized at rate of 2.20%~3.85% for the six months ended 30 June 2025 (six months ended 30 June 2024: 2.40%~4.30%).

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

5 PROFIT BEFORE TAXATION (CONTINUED)

(b) Staff costs:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Salaries, wages and other benefits	3,863,013	3,428,202
Contributions to defined contribution retirement plans	415,896	446,285
Annuity	158,721	167,152
	4,437,630	4,041,639

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 described above.

(c) Other items:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Depreciation of investment property and other property, plant and equipment	3,800,880	3,623,545
Amortisation of intangible assets	500,935	409,371
Cost of inventories*	29,757,423	35,771,206

* Cost of inventories included staff costs and depreciation expenses which amount is also included in the respective total amounts disclosed separately above or in note 5(b) for each of these types of expenses.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 INCOME TAX

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Current tax		
Provision for the period	1,474,693	1,156,036
Deferred tax		
Origination and reversal of temporary differences	(33,880)	(152,864)
	1,440,813	1,003,172

No provision for Hong Kong Profits Tax was made for the six months ended 30 June 2025 and 2024 as the Group did not earn any income which is subject to Hong Kong Profits Tax.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 INCOME TAX (CONTINUED)

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:

Subsidiaries' Name	Tax rates
Pingliang Conch Cement Co., Ltd. ("Pingliang Conch") 平涼海螺水泥有限責任公司 (Note (i))	15%
Dazhou Conch Cement Co., Ltd. ("Dazhou Conch") 達州海螺水泥有限責任公司 (Note (i))	15%
Guangyuan Conch Cement Co., Ltd. ("Guangyuan Conch") 廣元海螺水泥有限責任公司 (Note (i))	15%
Liquan Conch Cement Co., Ltd. ("Liquan Conch") 禮泉海螺水泥有限責任公司 (Note (i))	15%
Guiyang Conch Panjiang Cement Co., Ltd. ("Guiyang Conch") 貴陽海螺盤江水泥有限責任公司 (Note (i))	15%
Guiding Conch Panjiang Cement Co., Ltd. ("Guiding Conch") 貴定海螺盤江水泥有限責任公司 (Note (i))	15%
Chongqing Conch Cement Co., Ltd. ("Chongqing Conch") 重慶海螺水泥有限責任公司 (Note (i)) (Note(ii))	15%
Zunyi Conch Panjiang Cement Co., Ltd. ("Zunyi Conch") 遵義海螺盤江水泥有限責任公司 (Note (i))	15%
Qianyang Conch Cement Co., Ltd. ("Qianyang Conch") 千陽海螺水泥有限責任公司 (Note (i))	15%
Bazhong Conch Cement Co., Ltd. ("Bazhong Conch") 巴中海螺水泥有限責任公司 (Note (i))	15%
Wenshan Conch Cement Co., Ltd. ("Wenshan Conch") 文山海螺水泥有限責任公司 (Note (i))	15%
Shuicheng Conch Panjiang Cement Co., Ltd. ("Shuicheng Conch") (Note(i)) 水城海螺盤江水泥有限責任公司 (Note (i))	15%
Linxia Conch Cement Co., Ltd. ("Linxia Conch") 臨夏海螺水泥有限責任公司 (Note (i))	15%
Guizhou Liukuangruian Cement Co., Ltd. ("Liukuangruian") 貴州六礦瑞安水泥有限公司 (Note (i))	15%
Qianxian Conch Cement Co., Ltd. ("Qianxian Conch") 乾縣海螺水泥有限責任公司 (Note (i))	15%
Qianxinan Resource Development Co., Ltd. ("Qianxinan") 黔西南州發展資源開發有限公司 (Note (i))	15%
Tengchong Tengyue Cement Co., Ltd. ("Tengchong Tengyue") 騰沖市騰越水泥有限公司(Note (i))	15%

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 INCOME TAX (CONTINUED)

Subsidiaries' Name	Tax rates
Liangping Conch Cement Co., Ltd. ("Liangping Conch")	
梁平海螺水泥有限責任公司 (Note (i)) (Note (ii))	15%
Tongren Conch Panjiang Cement Co., Ltd. ("Tongren Conch")	
銅仁海螺盤江水泥有限責任公司 (Note (i))	15%
Yunnan Zhuangxiang Cement Co., Ltd. ("Zhuangxiang Conch")	
雲南壯鄉水泥股份有限公司 (Note (i))	15%
Baoji Zhongxi Fenghuangshan Cement Co., Ltd. ("Fenghuangshan")	
寶雞眾喜鳳凰山水泥有限公司 (Note (i))	15%
Baoji Zhongxi Jinlinghe Cement Co., Ltd. ("Jinlinghe")	
寶雞眾喜金陵河水泥有限公司 (Note (i))	15%
Guangxi Lingyun Tonghong Cement Co., Ltd. ("Lingyun Tonghong")	
廣西凌雲通鴻水泥有限公司 (Note (i))	15%
Baoshan Conch Cement Co., Ltd. ("Baoshan Conch")	
保山海螺水泥有限責任公司 (Note (i))	15%
Hami Hongyi Building Material Co., Ltd. ("Hami Building Material")	
哈密弘毅建材有限責任公司 (Note (i))	15%
Yingjiangyunhan Cement Co., Ltd. ("Yingjiangyunhan")	
盈江縣允罕水泥有限責任公司 (Note (i))	15%
Kunming Conch Cement Co., Ltd. ("Kunming Conch")	
昆明海螺水泥有限公司 (Note (i))	15%
Ganzhou Conch Cement Co., Ltd. ("Ganzhou Conch")	
贛州海螺水泥有限責任公司 (note (i))	15%
Shaanxi Tongchuan Fenghuang Building Material Co., Ltd. ("Fenghuang Building Material")	
陝西銅川鳳凰建材有限公司 (Note (i))	15%
Zunyi Haihui New Materials Co., Ltd. ("Zunyi Haihui")	
遵義海匯新材料有限責任公司 (Note (i))	15%
Bazhong Conch Building Material Co., Ltd. ("Bazhong Building Material")	
巴中海螺建材有限責任公司 (Note (i))	15%
Naiman Hongji Cement Co., Ltd. ("Hongji Cement")	
奈曼旗宏基水泥有限公司 (Note (i))	15%
Chongqing Fuling Conch Building Materials Co., Ltd. ("Fuling Coach")	
重慶涪陵海螺建材有限公司 (Note(i))	15%
Guangyuan Conch New Materials Co., Ltd. ("Guangyuan New Materials")	
廣元海螺新材料有限責任公司 (Note (i))	15%
Guiyang Conch Green Building Materials Co., Ltd. ("Guiyang Green Building Materials")	
貴陽海螺綠色建材有限責任公司 (Note (i))	15%
Liuzhi Conch Yixin Green New Building Materials Co., Ltd ("Liuzhi New Building Materials")	
六枝海螺溢鑫綠色新型建材有限公司 (Note (i))	15%
Certain subsidiaries of China Conch Environment Protection Holdings Co., Ltd.	
("Conch Environment Protection")	
中國海螺環保控股有限公司之部分附屬公司 (Note(i))	15%

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 INCOME TAX (CONTINUED)

Subsidiaries' Name	Tax rates
Anhui Wuhu Conch Construction and Installation Engineering Co., Ltd. ("Conch Construction")	
安徽蕪湖海螺建築安裝工程有限責任公司 (Note (ii))	15%
Anhui Conch Siam Refractory Material Co., Ltd. ("Refractory Material")	
安徽海螺暹羅耐火材料有限公司 (Note (ii))	15%
Anhui Jinggong Testing and Inspection Center Co., Ltd. ("Jinggong Testing")	
安徽精公檢測檢驗中心有限公司 (Note(ii))	15%
Anhui Haibo Intelligent Technology Co., Ltd. ("Haibo Intelligent")	
安徽海博智能科技有限責任公司 (Note(ii))	15%
Shanghai Zhizhi Technology Co., Ltd. ("Shanghai Zhizhi")	
上海智質科技有限公司 (Note(ii))	15%
Anhui Xuancheng Conch Cement Co., Ltd. ("Xuancheng Conch")	
安徽宣城海螺水泥有限公司 (Note(ii))	15%
Anhui Zongyang Conch Cement Co., Ltd ("Zongyang Conch")	
安徽樅陽海螺水泥股份有限公司 (Note(ii))	15%
Anhui Conch Zhongnan Intelligent Robot Co., Ltd ("Zhongnan Intelligent")	
安徽海螺中南智能機器人有限責任公司 (Note(ii))	15%
Anhui Conch Information Technology Engineering Co., Ltd ("Conch IT Engineering")	
安徽海螺信息技術工程有限責任公司 (Note(ii))	15%
Xiangshan Conch Cement Co., Ltd. ("Xiangshan Conch")	
象山海螺水泥有限責任公司 (Note (ii))	15%
Yangchun Conch Cement Co., Ltd. ("Yangchun Conch")	
陽春海螺水泥有限責任公司 (Note (ii))	15%
Anhui Zhizhi Engineering Technology Co., Ltd. ("Anhui Zhizhi")	
安徽智質工程技術有限公司 (Note (ii))	15%
Hainan Changjiang Conch Cement Co., Ltd.	
海南昌江海螺水泥有限公司 (Note(v))	15%
Changjiang Conch Huasheng Plastic Packaging Co., Ltd.	
昌江海螺華盛塑膠包裝有限公司 (Note(v))	15%

Notes:

- (i) Pursuant to Notice No.23 issued by the Ministry of Finance, State Administration of Taxation, National Development and Reform Commission of 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%.

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.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 INCOME TAX (CONTINUED)

Notes: (continued)

Refractory Material obtained a high and new technology enterprise certification in 2019 and obtained a renewed certification in 2022. Accordingly, it is entitled to a preferential income tax rate of 15% from October 2022 to October 2025.

Jingcong 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. Accordingly, it is entitled to a preferential income tax rate of 15% from October 2022 to October 2025.

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

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

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

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

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.

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.

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.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 INCOME TAX (CONTINUED)

Notes: (continued)

- (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, electric power, water conservancy and other projects stipulated in the Catalogue of Enterprise Income Tax Preferential for Public Infrastructure Projects. The preferential policy allows full exemption from PRC income tax for the first three years starting from the initial year of production and operation and 50% of the standard tax rates will be levied for the following three years.
- (v) According to Caishui [2025] No. 3, “The Notice on Extension 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 substantive operation will be subject to enterprise income tax at a reduced rate of 15%.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 INCOME TAX (CONTINUED)

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

Subsidiaries' Name	Tax rates
Conch International Holdings (HK) Limited. ("Conch International"), a subsidiary in Hong Kong	16.5%
Luangprabang Conch Cement Co., Ltd. ("Luangprabang Conch"), a subsidiary in Laos	20%
Vientian Conch Cement CO.,Ltd.("Vientian Conch") a subsidiary in Laos	20%
Conch Cement Volga Limited Liability Company ("Volga Conch"), a subsidiary in Russia	20%
Conch KT Cement (Phnom Penh) Company Limited ("Phnom Penh Conch"), a subsidiary in Cambodia (note (i))	–
PT Conch Cement Indonesia ("Indonesia Conch") a subsidiary in Indonesia	22%
PT Conch South Kalimantan Cement ("Indonesia South Conch") a subsidiary in Indonesia	22%
PT Conch International Trade Indonesia ("Indonesia International Trade Conch") a subsidiary in Indonesia	22%
PT Conch Maros South Sulawesi Mine ("South Sulawesi Conch") a subsidiary in Indonesia	22%
PT Conch Maros Cement Indonesia ("Maros Conch") a subsidiary in Indonesia	22%
PT Conch Barru Cement Indonesia ("Barru Conch") a subsidiary in Indonesia	22%
PT Conch North Sulawesi Cement ("North Sulawesi Conch") a subsidiary in Indonesia	22%
PT Conch West Kalimantan Trade Cement ("West Kalimantan Conch") a subsidiary in Indonesia	22%
Tonga Conch Mining Co., Ltd. ("Tonga Mining") a subsidiary in Indonesia	22%
Beisu Conch Mining Co., Ltd. ("Beisu Mining") a subsidiary in Indonesia	22%
PT Eternal Richway ("Richway") a subsidiary in Indonesia	22%
PT Solusindo Nusantara. ("Solusindo") a subsidiary in Indonesia	22%
PT.Kalomang Biru Persada("Biru Conch") a subsidiary in Indonesia	22%
Battambang Conch Cement Company Limited ("Battambang Conch"). a subsidiary in Cambodia	20%
Qarshi Conch Cement Limited Liability Company ("Qarshi Conch"), a subsidiary in Uzbekistan	15%
Tashkent Conch Cement Joint Venture Co., Ltd. ("Tashkent Conch"), a subsidiary in Uzbekistan	15%
Shangfeng Bridge of Friendship Co., Ltd., a subsidiary in Uzbekistan	15%
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%

Notes:

- (i) Phnom Penh Conch was accredited as a Qualified Investment Project by the Cambodian Development Council. According to local investment laws, it can enjoy income tax incentive for 9 years from the year in which the company generates its revenue and income tax exemption for 3 years from the commencement of production, followed by 2 years at a 5% tax rate, 2 years at a 10% tax rate, and 2 years at a 15% tax rate. Phnom Penh Conch commences production in 2025 and enjoys income tax exemption.
- (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.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2025 is based on the profit attributable to equity shareholders of the Company of RMB4,631,022,000 (six months ended 30 June 2024: RMB3,486,319,000) and the weighted average number of shares in issue during the six months ended 30 June 2025 of 5,277,060,000 shares (six months ended 30 June 2024: 5,277,710,000 shares).

(b) Diluted earnings per share

The Company had no dilutive potential ordinary shares outstanding during the six months ended 30 June 2025 and 2024, therefore, diluted earnings per share is the same as the basic earnings per share.

8 INVESTMENT PROPERTIES AND LONG-TERM PREPAYMENTS

(a) Investment properties

During the six months ended 30 June 2025, the Group had no new operating lease rental of investment property (six months ended 30 June 2024: RMB14,271,000).

During the six months ended 30 June 2025, the Group did not terminate any leased properties (six months ended 30 June 2024: Nil).

The rental income earned by the Group from its investment properties during the six months ended 30 June 2025 and 2024 was immaterial.

(b) Long-term prepayments

During the six months ended 30 June 2025, the decrease in long-term prepayments was mainly due to transfer of prepaid assets to Intangible assets, Other property, plant and equipment.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

9 OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 June 2025, the Group entered into a number of lease agreements for use of land, office buildings, and therefore recognised additions of right-of-use assets of RMB138,470,000 (six months ended 30 June 2024: RMB332,769,000).

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2025, the Group acquired property, plant and equipment with a cost of RMB3,436,144,000 (six months ended 30 June 2024: RMB6,009,225,000).

Items of property, plant and equipment with a carrying amount of RMB107,739,000 were disposed of during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB47,562,000), resulting in a net loss on disposal of RMB11,595,000 (six months ended 30 June 2024: a net loss on disposal of RMB4,781,000).

10 LOANS AND RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Loans and receivables	837,078	873,078
Less: current portion of non-current loans and receivables (note 15)	(464,003)	(492,033)
	373,075	381,045

As at 30 June 2025, loans and receivables of the Group mainly represent advances made to local government authorities.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

11 FINANCIAL ASSETS MEASURED AT FVOCI

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Financial assets measured at FVOCI (non-recycling)			
– Listed equity securities (Non- trading purpose)	(i)	1,555,635	1,435,177
– Unlisted equity investment (Non- trading purpose)	(ii)	71,776	71,776
		1,627,411	1,506,953

Note (i): Financial assets measured at FVOCI – listed equity securities held by the Group are shares in Anhui Xinli Finance Co., Ltd. which is listed on the Shanghai Stock Exchange (“SSE”), China Conch Venture Holdings Limited and Huaxin Cement Co., Ltd. which are listed on Hong Kong Stock Exchanges (“HKEX”). The fair values of these investments are measured with reference to the respective quoted market prices as at 30 June 2025 and 31 December 2024.

Note (ii): As at 30 June 2025, the fair value of the unlisted equity investment is approximately the same as its cost.

12 FINANCIAL ASSETS MEASURED AT FVPL

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Current Financial assets measured at FVPL			
Income certificate	(i)	700,285	–
Listed equity securities at FVPL	(ii)	436,586	509,203
		1,136,871	509,203

Note (i): As at 30 June 2025, the balance represents investments in short-term wealth management products. The principal amounts of wealth management products are RMB700,000,000 (2024: Nil) in total, and they bear interests at floating rates. They were classified as financial assets at FVPL at 30 June 2025 as their contractual cash flows are not solely payments of principal and interest.

Note (ii): Financial assets measured at FVPL – listed equity securities held by the Group are shares in Gansu Shangfeng Cement Co., Ltd. and Tianshan Material Co.,Ltd.. which are listed on the SSE. These listed equity securities are held for trading purpose. The fair values of these investments are measured with reference to the respective quoted market prices as at 30 June 2025.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

13 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Raw materials	3,111,737	3,005,974
Work in progress	266,915	282,315
Finished goods	4,529,118	4,516,617
Spare parts	327,515	303,615
	8,235,285	8,108,521

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	Six months ended 30 June 2025 RMB'000	2024 RMB'000
Carrying amount of inventories sold	29,757,423	35,771,206

All of the inventories are expected to be recovered within one year.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

14 TRADE AND BILLS RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade debtors	3,076,945	3,826,496
Less: loss allowance for doubtful debts	(145,220)	(140,367)
	2,931,725	3,686,129
Bank acceptance notes receivable, carried at amortised cost	4,599,720	5,836,134
Finance company acceptance notes receivable, carried at amortised cost	173,458	75,179
Commercial acceptance notes receivable, carried at amortised cost	1,532	1,700
Bank acceptance notes receivable, carried at FVOCI	1,664,456	1,423,973
	9,370,891	11,023,115

(a) Ageing analysis

The following ageing analysis of trade debtors (net of loss allowance) are based on invoice date as of the statement of financial position date:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	9,140,956	10,804,762
1 year or above	229,935	218,353
	9,370,891	11,023,115

Trade debtors are 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 receivable are due within 1 year from the date of issuance.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

14 TRADE AND BILLS RECEIVABLES (CONTINUED)

(b) Endorsed and discounted bank acceptance notes

The Group discounted bank acceptance bills to certain banks in Mainland China or endorsed them to the Group's suppliers and derecognised them("derecognised notes"). As at 30 June 2025, bills discounted or endorsed but not yet due of the group and derecognised are RMB4,522,068,000 (31 December 2024: RMB5,100,571,000). As at 30 June 2025, these undue notes receivable are shorter than one year.

According to the Bills Law of the PRC, if the accepting banks refused to make payment, the bearer of the bill may exercise the right of recourse against any one, several or all of the bill debtors, including the Group, without regard to the order of the debtors of the bill of exchange (the "continuous involvement"). The Group management considered that the risks and rewards of ownership of these undue bills have been substantially transferred, and therefore derecognised them and the settled accounts payable associated with it in full and recognised discount fees. The maximum exposures to loss and undiscounted cash flows from its continuous involvement and repurchases are equal to their carrying value. The Group management considered that the fair value of the continuous involvement is not material.

As at 30 June 2025, undue bank acceptance notes receivable of RMB342,764,000 (2024: RMB630,376,000) endorsed to its suppliers to settle the trade payables were not derecognised because management believed that the credit risks of ownership had not substantially transferred. All these undue bank acceptance notes receivable were due within 1 year.

As at 30 June 2025, undue bank acceptance notes receivable of RMB559,904,000 (2024: RMB983,932,000) discounted to banks were not derecognised because management believed that the credit risks of ownership had not substantially transferred. The short-term bank loan was recognised accordingly. All these undue bank acceptance notes receivable were due within 1 year.

(c) Bank acceptance notes receivable, carried at FVOCI

Due to the requirement of cash management, the Group endorsed part of the bank acceptance notes receivable to the suppliers. The business model of bank acceptance notes management is for the purpose of collecting cash flow of contracts and sales. Therefore, the Group classified bank acceptance notes receivable of RMB1,664,456,000 (2024: RMB1,423,973,000) as bank acceptance notes receivable carried at FVOCI.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

15 PREPAYMENTS AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Purchase prepayments	886,538	1,031,589
Current portion of loans and receivables (note 10)	464,003	492,033
Value-added tax recoverable and other tax prepayment	970,977	1,103,375
Other receivables	1,095,558	864,860
Less: Impairment allowance	(147,494)	(130,000)
	3,269,582	3,361,857

All of the prepayments and other receivables are expected to be recovered within one year.

16 CASH AND CASH EQUIVALENTS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Cash at bank and on hand	13,551,637	16,335,940
Other cash and cash equivalents	19,534	1,207
Cash and cash equivalents in the consolidated statement of financial position and cash flow statement	13,571,171	16,337,147

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

17 TRADE AND BILLS PAYABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade payables	5,062,109	5,544,098
Bills payables	158,474	272,108
	5,220,583	5,816,206

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

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year (inclusive)	5,220,583	5,816,206
	5,220,583	5,816,206

Bills payables are due within 1 year from the date of issuance.

18 BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings are as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Bank loans		
– unsecured	13,066,584	14,773,458
– secured	1,714,166	1,818,307
– bills discounted	559,920	981,265
	15,340,670	17,573,030

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

18 BANK LOANS AND OTHER BORROWINGS (CONTINUED)

At 30 June 2025 and 31 December 2024, the bank loans and other borrowings were repayable as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year or on demand	7,544,498	7,486,649
After 1 year but within 2 years	2,135,120	4,196,626
After 2 years but within 5 years	4,363,954	4,585,404
After 5 years	1,297,098	1,304,351
Total non-current bank loans	7,796,172	10,086,381
	15,340,670	17,573,030

19 CORPORATE BONDS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Medium-term Bonds	12,662,350	11,601,404
Less: Bonds Payable Due within One Year	(162,350)	(101,404)
	12,500,000	11,500,000

According to the Notice of Acceptance of Registration issued by the National Association of Financial Market Institutional Investors, it is agreed the registration of the Company's medium-term notes with a total amount of RMB10 billion, and the registration amount is valid for two years from the date of signing the Notice of Acceptance of Registration (October 14, 2022). The Company publicly issued four green medium-term notes in the national inter-bank bond market in 2024, and issued medium-term notes of RMB10 billion at face value with a term of 3-5 years, the coupon rate is 2.10% -2.20% and the interest is paid annually.

According to the Notice of Acceptance of Registration issued by the National Association of Financial Market Institutional Investors, it is agreed the registration and issuance of medium-term notes of no more than RMB3 billion by Anhui Conch Environmental Protection Group Co., Ltd. The registered amount is valid for two years from the date of signing the Notice of Acceptance of Registration (that is, July 25, 2024). Conch Environmental Protection Group publicly issued the first phase of green medium-term notes in 2024 in the national inter-bank bond market on August 5, 2024, and issued medium-term notes of RMB1.5 billion at face value with a term of five years, a coupon rate of 2.13% and annual interest payment. Conch Environmental Protection Group publicly issued the first phase of green medium-term notes in 2025 in the national inter-bank bond market on April 23, 2025, and issued medium-term notes of RMB1 billion at face value with a term of five years, a coupon rate of 1.8% and annual interest payment.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

20 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

Dividends payable to equity shareholders attributable to the previous financial year, approved and paid during the interim period:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.71 (2024: RMB.96) per ordinary share	3,746,713	5,065,978

On 26 August 2025, the board of directors declared an interim dividend of RMB 0.24 (six months ended 30 June 2024: Nil) per ordinary share, amounting to a total of approximately RMB1,266,494,411 (six months ended 30 June 2024: Nil)

(b) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for equity shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of the adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is calculated as bank loans and other borrowings plus unaccrued proposed dividends, less cash and cash equivalents. Adjusted capital represents total equity attributable to equity shareholders of the Company, less unaccrued proposed dividends.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

20 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) Capital management (continued)

During 2025, the Group's strategy, which was unchanged from 2024, was to maintain the adjusted net debt-to-capital ratio at a range considered reasonable by management. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The Group's adjusted net debt-to-capital ratio at the end of the current and previous reporting periods was as follows:

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Current liabilities:			
Bank loans	18	7,544,498	7,486,649
Lease liabilities		33,765	30,932
Corporate bonds	19	162,350	101,404
Current portion of long-term payables		106,604	102,665
Non-current liabilities:			
Bank loans	18	7,796,172	10,086,381
Lease liabilities		229,784	240,355
Long-term payables		718,368	694,716
Corporate bonds	19	12,500,000	11,500,000
Total debt		29,091,541	30,243,102
Add: Proposed dividends		1,266,494	3,746,713
Less: Cash and cash equivalents	16	(13,571,171)	(16,337,147)
Adjusted net debt		16,786,864	17,652,668
Total equity		201,168,976	200,336,802
Less: Proposed dividends		(1,266,494)	(3,746,713)
Adjusted capital		199,902,482	196,590,089
Adjusted net debt-to-capital ratio		8.40%	8.98%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial instruments carried at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1: Fair values measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3: Fair value measured using significant unobservable inputs

	Fair value measurements 30 June 2025 categorised into			
	Fair value At 30 June 2025 RMB'000	Quoted prices in active market for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurement				
Financial assets:				
Financial assets measured at FVPL:				
– Income certificate	700,285	–	700,285	–
– Listed equity securities	436,586	436,586	–	–
Financial assets measured at FVOCI:				
– Listed equity securities	1,555,635	1,555,635	–	–
– Unlisted equity securities	71,776	–	–	71,776
– Bank acceptance notes	1,664,456	–	1,664,456	–
Non-Recurring fair value measurement				
– Assets held for sale	–	–	–	–
	4,428,738	1,992,221	2,364,741	71,776

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments carried at fair value (continued)

	Fair value measurements as At 31 December 2024 using			
	Fair value At 31 December 2024 RMB'000	Quoted prices in active market for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurement				
Financial assets:				
Financial assets measured at FVPL:				
– Structured deposits				
– Wealth management product issued by bank				
– Listed equity securities	509,203	509,203	–	–
Financial assets measured at FVOCI:				
– Listed equity securities	1,435,177	1,435,177	–	–
– Unlisted equity securities	71,776	–	–	71,776
– Bank acceptance notes	1,423,973	–	1,423,973	–
Non-Recurring fair value measurement				
– Assets held for sale	11,442	–	11,442	–
	3,451,571	1,944,380	1,435,415	71,776

During the years ended 30 June 2025 and 31 December 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

For wealth management products issued by banks that are measured at FVPL, the fair value is determined by net value of the products on the balance sheet date that published by commercial banks.

For structured deposits issued by banks that are measured at FVPL, the fair value is determined by calculating based on the discounted cash flow method.

For bank acceptance notes that are measured at FVOCI, the fair value is estimated as the present value of the future cash flows, discounted at the market interest rates at the end of the reporting period.

For assets held for sale, that are measured at FVPL, the fair value is sales determined by reference to the selling price on market and sales order agreed with an independent third party.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments carried at fair value (continued)

Valuation techniques and inputs used in Level 3 fair value measurements

The fair value of unlisted equity securities is determined based on medium market multiples (e.g. price-to-earnings ratio, price-to-sales ratio) of comparable companies or comparable transactions with a discount for lack of marketability as appropriate. Since the operating and financial status of the invested company has not undergone major changes, the fair value of unlisted equity securities is approximate to the cost of obtaining the equity securities.

(b) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2025 and 31 December 2024.

22 COMMITMENTS

Capital commitments outstanding at 30 June 2025 not provided for in the interim financial report.

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Contracted for	10,570,318	11,040,741
Authorised but not contracted for	3,390,110	5,343,670
	13,960,428	16,384,411

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

23 MATERIAL RELATED PARTY TRANSACTIONS

(a) Related parties information

Name of related party	Nature of relationship
Anhui Conch Holdings Company Limited ("Conch Holdings") 安徽海螺集團有限責任公司	Substantial shareholder of the Company
China Conch Venture Holdings Limited ("China Conch Venture") 中國海螺創業控股有限公司	Major shareholder of Conch Holdings
Conch (Anhui) Energy Saving and Environment Protection New Material Co., Ltd. and its subsidiaries ("Conch Energy Saving and its subsidiaries") 海螺(安徽)節能環保新材料股份有限公司及其附屬公司	Subsidiary of Conch Holdings
Wuhu Conch International Hotel Co., Ltd. ("WH Conch Hotel") 蕪湖海螺國際大酒店有限公司	Subsidiary of Conch Holdings
Anhui Conch Construction Materials Design Centre Co., Ltd. ("Conch Design Institute") 安徽海螺建材設計研究院有限責任公司	Subsidiary of Conch Holdings
Anhui Conch Material Technology Co., Ltd. and its subsidiaries ("Conch New Materials") 安徽海螺材料科技股份有限公司及其附屬公司	Subsidiary of Conch Holdings
Wuhu Conch Trading Co., Ltd. ("WH Trading") 蕪湖海螺貿易有限公司	Subsidiary of Conch Holdings
Anhui Conch Science and Technology Innovation Materials Co., Ltd. and its subsidiaries("Conch Innovation Materials and its subsidiaries") 安徽海螺科創材料有限責任公司及其附屬公司	Subsidiary of Conch Holdings
Anhui International Trade Group Holding Co., Ltd. ("Anhui International Trade and its subsidiaries") 安徽國貿集團控股有限公司及其附屬公司	Subsidiary of Conch Holdings
Anhui Conch Capital Management Company Limited ("Conch Capital") 安徽海螺資本管理有限公司	Subsidiary of Conch Holdings
Anhui Conch Industry Technology Research Institute Co., Ltd. 安徽海螺產業技術研究院有限公司	Subsidiary of Conch Holdings
Anhui Conch Kawasaki Engineering Co., Ltd. and its subsidiaries ("CK Engineering and its subsidiaries") 安徽海螺川崎工程有限公司及其附屬公司	Subsidiary of China Conch Venture
Anhui Conch Kawasaki Energy Conservation Equipment Manufacturing Co., Ltd. ("CK Equipment") 安徽海螺川崎節能設備製造有限公司	Subsidiary of China Conch Venture

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

23 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Related parties information (continued)

Name of related party	Nature of relationship
Yangzhou Haichang Port Industrial Co., Ltd. ("HC Port") 揚州海昌港務實業有限責任公司	Subsidiary of China Conch Venture
Anhui Conch Venture New Energy-saving Construction Material Co., Ltd. ("Conch Venture Green") 安徽海創新型節能建築材料有限責任公司	Subsidiary of China Conch Venture
Bozhou Conch Venture New Energy-saving Construction Material Co., Ltd. ("Bozhou Conch Venture Green") 亳州海創新型節能建築材料有限責任公司	Subsidiary of China Conch Venture
Anhui Conch Venture Green Energy and its subsidiaries 安徽海創綠能環保有限公司及其附屬公司	Subsidiary of China Conch Venture
Wuhu Conch Venture Enterprise Limited ("Conch Venture Wuhu") 蕪湖海創實業有限責任公司	Subsidiary of China Conch Venture
WH Electric Conch Clean Energy ("Clean Energy") 蕪湖市綠能清潔能源有限公司	Joint venture of the subsidiary of Conch Holdings
Anhui Conch Kawasaki Equipment Manufacturing Co., Ltd. ("Conch Kawasaki Equipment") 安徽海螺川崎裝備製造有限公司	Joint venture of the Company
PT Conch West Papua Cement ("West Papua Conch") (note(ii)) 西巴布亞海螺水泥有限公司	Joint venture of the Company prior to 27 December 2024
Sino-Myanmar International 中緬(蕪湖)國際貿易有限公司	Joint venture of the Company
Myanmar Conch Cement Company Limited ("Myanmar Conch") 緬甸海螺水泥有限公司	Joint venture of the Company
Myanmar Conch Cement (Yangon) Company Limited ("Yangon Conch") 緬甸海螺(仰光)水泥有限公司	Joint venture of the Company
Huaibei Xiangshan Cement Company Limited ("Xiangshan Cement") 淮北相山水泥有限責任公司及其附屬公司	Joint venture of the Company
Jiande Haicheng New Materials Co., Ltd 建德海誠新型材料有限公司	Joint venture of the Company

Note: (i) On 27 December 2024, the Group obtained control over West Papua Conch through a business combination not under common control, thereby establishing West Papua Conch as a subsidiary of the Group.

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

23 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions between the Group and related parties

The Group has entered into the following material related party transactions:

(i) Transactions with Conch Holdings

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Receiving services and purchase of goods	21,645	27,020
Provision of services and sales of goods	19,247	2,440

(ii) Transactions with other related parties

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Sales of goods	51,572	193,469
Provision of services	52,066	73,783
Purchase of property, plant and equipment	237,485	358,431
Purchase of raw materials	473,098	653,524
Interest expense on lease liabilities	678	—
Receiving services	126,342	225,299

(iii) Loan guarantees provided to other related parties

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Yunfu Guangjia	24,000	24,000
	24,000	24,000

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

23 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Key management personnel remuneration

Remuneration for key management personnel of the Group is as follows:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Short-term employee benefits	2,716	2,855
Post-employment benefits	268	301
	2,984	3,156

The above remuneration is disclosed in “staff costs” (see note 5(b)).

(d) Amounts due from/to related parties

(i) Due from related parties

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Conch Kawasaki Equipment	127,137	111,383
Conch Design Institute	6,777	32,071
CK Equipment	8,094	15,287
Myanmar Conch	27,726	24,458
Anhui Conch Venture Green Energy and its subsidiaries	69,920	10,119
CK Engineering and its subsidiaries	48,158	73,051
Xiangshan Cement	4,168	6,718
Other related parties	37,069	142,101
	329,049	415,188

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

23 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Amounts due from/to related parties (continued)

(ii) Due to related parties

(a) Lease liabilities due to related parties

	At 30 June 2025 (Note i) RMB'000	At 31 December 2024 (Note i) RMB'000
Conch Innovation Materials and its subsidiaries	36,763	37,472
HC Port	835	1,253
	37,598	38,725

Note i: The amount of lease liabilities due to related parties are included in total lease liabilities.

(b) Other amounts due to related parties

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Conch Kawasaki Equipment	148,548	123,305
CK Equipment	9,742	33,820
CK Engineering and its subsidiaries	59,437	111,719
Conch Design Institute	43,215	70,942
Other related parties	456,753	598,868
	717,695	938,654

9. Financial Accounting Report (Unaudited)

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

24 CONTINGENT LIABILITIES

On June 30, 2025, our company provided a guarantee for the bank loan of our subsidiaries, with a guarantee amount of RMB814,000,000(December 31, 2024: RMB2,276,071,475). On June 30, 2025, a subsidiary of our company provided guarantees for subsidiaries within the scope of our group's consolidated financial statements, with a guarantee amount of RMB392,992,160 (December 31, 2024: RMB1,195,963,726). The directors of our company believe that our company will not bear significant risks due to such guarantees.

On June 30, 2025, our company provided a guarantee for the bank loan of associates, with a guarantee amount of RMB24,000,000 (December 31, 2024: RMB24,000,000).

25 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of reporting period, the directors proposed a final dividend. Further details are disclosed in note 20(a).