

Huaxin Cement Co., Ltd.
Announcement on Forecast of Half Year Results for the Year 2023

To the best of our knowledge, the Board of Directors of the Company and its members confirm that there is no material false or misleading statement or material omission in this announcement and shall be severally and jointly liable for the truthfulness, accuracy and completeness of its content.

The major financial data and indicators of Huaxin Cement Co., Ltd. (the "Company") for the first half year of 2023 as set out in this announcement have not been audited by any accounting firm. The final data will be formally disclosed in the 2023 interim report of the Company. Investors are reminded of the investment risks.

I. Major financial data and indicators for the first half year of 2023

Unit: RMB

Item	The current reporting period	The corresponding period of last year	Increase/decrease (%)
Operating revenue	15,831,572,500	14,389,448,963	10.02
Operating profit	1,760,441,304	2,201,890,080	-20.05%
Profit before income tax	1,738,266,841	2,166,050,666	-19.75%
Net profit attributable to equity shareholders of the Company	1,192,560,395	1,586,839,657	-24.85
Net profit after extraordinary items attributable to equity shareholders of the Company	1,170,459,422	1,536,019,187	-23.80
Basic earnings per share (RMB/share)	0.58	0.77	-24.68
Weighted average return on net	4.24	5.75	Decrease by 1.51 percentage points

assets (%)			
	As at the end of 30, June 2023	As at 1January, 2023	Increase/decrease (%)
Total assets	65,736,586,935	64,241,676,265	2.33
Equity attributable to equity shareholders of the Company	27,718,775,757	27,446,305,028	0.99
Share capital	2,096,599,855	2,096,599,855	-
Net assets per share attributable to equity shareholders of the Company	13.22	13.09	0.99

II. DETAILS OF THE OPERATING RESULTS AND FINANCIAL POSITION

In the first half of 2023, the sales volume of cement in overseas increased, the Company recorded sales volume of cement and clinker of 29.9514 million tons, representing an increase by 2.13% compared with the same period of last year (among which: the sales volume of cement and clinker in domestic plants decreased by 0.76% against the same period of last year). As a result of business integration, the sales volume of aggregate was 50.5124 million tons, representing an increase of 103.30% as compared against the same period of last year; and that of RMX was 10.9497 m³, representing a period-to-period increase of 82.31%. In the meantime, the Company continued to promote eco friendly business development, controlled energy consumption and reduced costs. Therefore, wastes received amounted to 1.94 million tons, representing a period-to-period increase of 11%.

During the reporting period, the operating income was RMB 15.832 billion, representing an increase of 10.02%. Due to the period-to-period decrease in the selling price and sales volume of domestic cement and clinker, net profit attributable to shareholders of the Company was RMB 1.193 billion, representing a decrease by 24.85% as compared with the same period of last year. The operating revenue in the second quarter was RMB 9.203 billion, representing an increase of 17.11% against the same period of last year; net profit attributable to the equity shareholders of the company was RMB 945 million, representing a period-to-period increase of 3.23%.

III. RISK WARNING

The key financial data for the first half year of 2023 as set out in this announcement

are preliminary and unaudited financial data. Major indicators such as net profit attributable to equity shareholders of the Company may differ from those to be disclosed in the 2023 interim report of the Company. Investors are reminded of the investment risks.

It is herewith announced.

Board of Directors of Huaxin Cement Co. Ltd.
2 August, 2023