

## **Huaxin Cement Co., Ltd.**

### **Announcement on Forecast Growth of Operation Results for Year 2019**

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.

#### **Highlights:**

Performance of the Company is predicted to increase by 910 million RMB to 1,428 million RMB, up by 18%-28% over the same period of last year.

#### **I. Performance forenotice**

(I) Period of performance forenotice

From January 1, 2019 to December 31, 2019.

(II) Performance forenotice

1. According to the preliminary accounting of the Financial Department of the Company, it is estimated that the net profit attributable to shareholders of the Company for the year 2019 would increase by 910 million RMB to 1,428 million RMB, up by 18% to 28% over the same period of last year (data disclosed in the periodic report according to the relevant regulations).

2. Net profit attributable to shareholders of the Company after extraordinary items would increase by 757 million RMB to 1,275 million RMB, up by 15% to 25% over the same period of last year (data disclosed in the periodic report according to the relevant regulations).

(III) The performance prediction has not been audited by the CPA yet.

#### **II. Performance for the same period of the previous year**

1. The net profit attributable to shareholders of the Company disclosed in the Annual Report 2018: 5,181,448.6 thousand RMB. The net profit attributable to shareholders of the Company after extraordinary items: 5,127,542.1 thousand RMB.

2. Earnings per share: 2.47 Yuan. (Calculated on the adjusted capital reserve transferred to increase share capital in 2019).

#### **III. Main reasons for the forecast increase of operation results in the reporting period**

Production and sales scale of main products of the Company maintain an upward momentum, main contributor to the performance growth. Within the reporting period, sales volume of aggregate increased by 21% over last year, sales volume of concrete increased by 19% over last year, sales volume of cement and commercial clinker rose by 9% over last year.

#### **IV. Risks notice**

There are no uncertain factors that have an impact on the accuracy of the forecast growth of operation results of the Company.

#### **V. Other relevant explanation**

The data listed above are just preliminary accounted. For detailed and accurate financial data, please refer to the Annual Report 2019. Public investors are hereby kindly requested to notice investment risks.

It is herewith announced.

Board of Directors of Huaxin Cement Co. Ltd.  
January 11, 2020