

Huaxin Cement Co., Ltd.
Announcement on Forecast Decrease of Operation Results for Half Year
2020

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 decrease by 790 million RMB to 950 million RMB, down by 25%-30% over the same period of last year.

I. Performance forenotice

(I) Period of performance forenotice

From January 1, 2020 to June 30, 2020.

(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 half year of 2020 would decrease by 790 million RMB to 950 million RMB, down by 25% to 30% 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 decrease by 770 million RMB to 930 million RMB, down by 25% to 30% 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 Half Year Report 2019: 3,162,523.6 thousand RMB. The net profit attributable to shareholders of the Company after extraordinary items: 3,130,652.3 thousand RMB.

2. Earnings per share: 1.51 Yuan.

III. Main reasons for the forecast decrease of operation results in the reporting period

The performance decreased significantly mainly due to the hit of COVID-19. For the first half of 2020, especially in the first quarter, sales volume of main products were hugely affected and the price fell to some extent, leading to the reduction in the half year revenue.

IV. Risks notice

There are no uncertain factors that have a significant impact on the accuracy of the forecast decrease 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 Half Year Report 2020. Public investors are hereby kindly requested to notice investment risks.

It is herewith announced.

Board of Directors of Huaxin Cement Co. Ltd.
July 7, 2020