

Huaxin Cement Co., Ltd.

Announcement on Forecast Growth of Operation Results for 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.

The data listed in the announcement are preliminarily accounted. For detailed and accurate financial data, please refer to the Annual Report 2020. Public investors are hereby kindly requested to notice investment risks.

I. Main financial data indexes of 2020

Item	Jan-Dec 2020	Jan-Dec 2019	Change (%)
Operating income	29,356.52	31,439.21	-6.62
Operating profit	7,699.25	8,743.97	-11.95
Total profit	7,663.97	8,716.12	-12.07
Net profit attributed to shareholders of the Company	5,631.87	6,342.30	-11.20
Net profit attributed to shareholders of the Company after extraordinary items	5,594.35	6,179.99	-9.48
Basic earnings per share (RMB)	2.70	3.03	-10.89
Return on net assets, weighted average	23.87	33.63	Down by 9.76 percentage points
	Dec 2020	Jan 2020	Change (%)
Total assets	43,932.84	36,645.39	19.89
Total equity attributable to shareholders of the Company	23,578.80	21,309.04	10.65
Share capital	2,096.60	2,096.60	-
Net assets per share attributable to shareholders of the Company (RMB)	11.30	10.16	Up by 1.14 percentage points

Note: 1. Data in the beginning of the period is the same as that legally published in the end of last year.

2. Data above is formulated by consolidated means.

II. Performance results and financial status

The decline in the company's performance this year over last year was mainly due to the severe impact of the COVID-19 epidemic in the first half of 2020 and the vast floods in the Yangtze River in July. The production and sales of the company's leading products were greatly affected, and prices also fell, resulting in a decline in operating income. However, in the third and fourth quarters of 2020, the company's net profit attributable to shareholders of the Company increased by about 5% and 7% year-on-year respectively in the third and fourth quarters of 2020, indicating that the company is striving to overcome the impact of the COVID-19 epidemic and floods, and gradually restore growth momentum and profitability.

III. Risks notice

The data listed in the announcement are preliminarily accounted. For detailed and accurate financial data, please refer to the Annual Report 2020. Public investors are hereby kindly requested to notice investment risks.

IV. Announcement attachment

Comparable Balance sheet and income statement signed and stamped by CEO/Legal Representative Mr. Li Yeqing, Principal in charge of accounting Ms. Kong Lingling, Head of accounting department Mr. Wu Xin.

It is herewith announced.

Board of Directors of Huaxin Cement Co. Ltd.
February 25, 2021