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HUAXIN CEMENT CO., LTD.*

華新水泥股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 6655)

2025 FIRST QUARTERLY REPORT

This announcement is issued pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In accordance with the applicable rules of the Shanghai Stock Exchange of the People's Republic of China (the “**PRC**”), the First Quarterly Report (the “**Quarterly Report**”) of Huaxin Cement Co., Ltd. (the “**Company**”) and its subsidiaries (together with the Company, the “**Group**”) for the period from 1 January 2025 to 31 March 2025 (the “**Reporting Period**”) will be published in newspapers circulating in the PRC on 30 April 2025. The financial report contained in this Quarterly Report has been prepared in accordance with China Accounting Standards for Business Enterprises and has not been audited.

This Quarterly Report is prepared in Chinese and translated into English. If there is any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

IMPORTANT NOTICE

The board of directors, the board of supervisors, the directors, the supervisors and the senior management of the Company confirm that the information contained in this Quarterly Report, for which they jointly and severally accept legal liability, is true, accurate and complete, and does not contain any misrepresentation, misleading statements or material omission.

The legal representative, the financial controller and the accounting supervisor (the head of the accounting department) confirm that the financial statements contained in this Quarterly Report is true, accurate and complete.

The financial statements contained in this Quarterly Report have not been audited.

I. MAJOR FINANCIAL INFORMATION

(I) Major accounting information and financial indicators

Unit: Yuan Currency: RMB

Items	The Reporting Period	Corresponding period of last year	Changes as compared with that of the corresponding period of last year (%)
Revenue	7,161,642,321	7,083,601,678	1.10
Net profit attributable to shareholders of the Company	233,909,321	177,469,351	31.80
Net profit attributable to shareholders of the Company after extraordinary items	235,658,045	151,703,644	55.34
Net cash flow from operating activities	-106,157,590	106,994,109	-199.22
Basic earnings per share (RMB/share)	0.11	0.09	25.32
Diluted earnings per share (RMB/share)	0.11	0.08	40.99
Weighted average return on net assets (%)	0.77	0.61	Increased by 0.16 percentage point
	As at the end of the Reporting Period	As at the end of last year	Changes as at the end of the Reporting Period as compared with that at the end of last year (%)
Total assets	71,068,870,929	69,512,689,187	2.24
Total equity attributable to shareholders of the Company	30,483,590,615	30,291,427,176	0.63

(2) Extraordinary items and amount

Unit: Yuan Currency: RMB

Items	Amount for the Reporting Period
Profit or loss on disposal of non-current assets, including asset impairment provision written off	432,321
Government grants recognized in profit or loss (except for the government grants that are closely related to the ordinary course of business of the Company and received in a certain amount or have continuing effect on profit or loss in accordance with the state's regulations)	30,597,736
Except for those gain/loss relating to the hedging transactions under the Company's ordinary course of business, profit/loss from the change of fair value of financial assets and financial liabilities, and investment income from the disposal of financial assets and financial liabilities in non-financial enterprises	-16,364,560
Reversal of provisions for impairment of receivables that are individually tested for impairment	2,796,714
Other non-operating income and expenses other than the above	-17,661,298
Less: Effect on income tax	2,653,520
Effect on non-controlling interests (after tax)	-1,103,883
Total	-1,748,724

(3) Particulars and reasons for changes in major accounting information and financial indicators

✓ Applicable ☐ Not applicable

Item	Proportion of changes (%)	Main reason
Net profit attributable to shareholders of parent company	31.80	Profit of the subsidiary with a high proportion of shareholding increased
Net cash flow from operating activities	-199.22	Increase of working capital like payment for goods

II. SHAREHOLDER INFORMATION

Total number of ordinary shareholders, the number of preference shareholders with voting rights restored and the shareholding of the top ten shareholders

As at 31 March 2025, the total number of shareholders of the Company was: 42,840 shareholders of A shares and 9 registered shareholders of H shares, 42,849 in total.

Unit: share

Total number of ordinary shareholders as at the end of the Reporting Period	42,849	Total number of preference shareholders with voting rights restored (if any) as at the end of the Reporting Period			N/A	
Shareholding of the top 10 shareholders						
Name of Shareholder	Nature of Shareholder	Number of shares held	Percentage of shareholding (%)	Number of shares subject to trading restrictions	Pledged, marked or frozen	
					Share status	Number of shares
HKSCC Nominees Limited	Foreign legal person	734,719,919	35.34	0	Unknown	0
HOLCHIN B.V.	Foreign legal person	451,333,201	21.71	0	Nil	0
Huaxin Group Co., Ltd.	State-owned legal person	338,060,739	16.26	0	Nil	0
Hong Kong Securities Clearing Company Limited	Foreign legal person	63,534,629	3.06	0	Nil	0
ICBC Credit Suisse Fund-China Life Insurance Company Limited-Dividend Insurance- ICBC Credit Suisse Fund China Life Insurance Balance Stock Portfolio Single Asset Management Plan (available for sale)	Unknown	16,458,637	0.79	0	Nil	0
National Social Security Fund 413 Portfolio	Unknown	15,780,000	0.76	0	Nil	0
ICBC Credit Suisse Fund-China Life Insurance Company Limited-Traditional Insurance- ICBC Credit Suisse Fund China Life Insurance Balance Stock Portfolio Traditional Available for Sale Single Asset Management Plan	Unknown	14,858,456	0.71	0	Nil	0

National Social Security Fund 107 Portfolio	Unknown	12,498,720	0.60	0	Nil	0
Agricultural Bank of China Limited Company-ICBC Credit Suisse Innovation Dynamism Stock Investment Fund	Unknown	12,450,000	0.60	0	Nil	0
China Railway Wuhan Bureau Group Co., Ltd.	Unknown	11,289,600	0.54	0	Nil	0
Shareholding of the top 10 shareholders without restrictions on trading(excluding security lending through refinancing)						
Name of Shareholder	Total number of shares held not subject to trading restrictions	Class and number of shares				
		Class of shares	Number of shares			
HKSCC Nominees Limited ^(Note)	734,719,919	Foreign shares listed overseas	734,719,919			
HOLCHIN B.V.	451,333,201	RMB-denominated ordinary shares	451,333,201			
Huaxin Group Co., Ltd.	338,060,739	RMB-denominated ordinary shares	338,060,739			
Hong Kong Securities Clearing Company Limited	63,534,629	RMB-denominated ordinary shares	63,534,629			
ICBC Credit Suisse Fund-China Life Insurance Company Limited-Dividend Insurance- ICBC Credit Suisse Fund China Life Insurance Balance Stock Portfolio Single Asset Management Plan (available for sale)	16,458,637	RMB-denominated ordinary shares	16,458,637			
National Social Security Fund 413 Portfolio	15,780,000	RMB-denominated ordinary shares	15,780,000			
ICBC Credit Suisse Fund-China Life Insurance Company Limited-Traditional Insurance- ICBC Credit Suisse Fund China Life Insurance Balance Stock Portfolio Traditional Available for Sale Single Asset Management Plan	14,858,456	RMB-denominated ordinary shares	14,858,456			
National Social Security Fund 107 Portfolio	12,498,720	RMB-denominated ordinary shares	12,498,720			
Agricultural Bank of China Limited Company-ICBC Credit Suisse Innovation Dynamism Stock Investment Fund	12,450,000	RMB-denominated ordinary shares	12,450,000			
China Railway Wuhan Bureau Group Co., Ltd.	11,289,600	RMB-denominated ordinary shares	11,289,600			
Explanation of the connected relationship or acting in concert relationship among the abovementioned Shareholders	It is unknown to the Company whether there was any connected relationship or acting in concert relationship among the abovementioned shareholders.					
Explanation on the top 10 Shareholders and the top 10 Shareholders not subject to trading restrictions participating in margin trading and refinancing business (if any)	N/A					

Note: Investors deposit their H shares of the Company in the Central Clearing and Settlement System of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in the name of HKSCC Nominees Limited, a wholly-owned subsidiary of the Stock Exchange. It is the total number of shares registered.

III. OTHER POINTS TO NOTE

Other important information regarding the Company's operation during the Reporting Period which shall draw investors' attention

☐ Applicable ☒ Not applicable

IV. Quarterly financial statements

(1) Type of auditor opinions

☐ Applicable ☒ Not applicable

(2) Financial statements

CONSOLIDATED BALANCE SHEET

31 March 2025

Prepared by: Huaxin Cement Co., Ltd.

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	31 March 2025	31 December 2024
Current assets:		
Cash and bank balances	6,303,644,500	6,809,002,574
Financial assets held for trading	61,697,858	31,704,908
Notes receivable	171,143,628	202,597,711
Accounts receivable	3,752,968,534	2,969,799,883
Receivables financing	354,245,358	511,791,354
Prepayments	406,118,766	314,887,975
Other receivables	1,047,244,017	1,237,502,508
Inventories	3,096,903,917	3,057,769,490
Non-current assets due within one year	20,000,000	40,000,000
Other current assets	660,953,979	616,550,620
Total current assets	15,874,920,557	15,791,607,023
Non-current assets:		
Long-term receivables	46,812,053	46,718,185
Long-term equity investments	582,062,166	584,752,454
Other equity investments	934,524,059	934,524,059
Other non-current financial assets	35,571,680	38,143,738
Fixed assets	27,867,868,191	28,408,451,936
Construction in progress	4,133,314,188	3,530,752,270
Right-of-use assets	1,390,677,860	1,514,705,861
Intangible assets	15,945,256,702	15,080,020,527
Development expenditures	55,116,402	60,934,742
Goodwill	1,799,019,119	1,209,007,806
Long-term prepaid expenses	953,325,534	981,013,500
Deferred tax assets	848,365,962	832,960,280
Other non-current assets	602,036,456	499,096,806
Total non-current assets	55,193,950,372	53,721,082,164
Total assets	71,068,870,929	69,512,689,187

Current liabilities:		
Short-term borrowings	233,770,484	296,807,055
Financial liabilities held for trading	11,116,579	-
Notes payable	694,854,102	675,782,946
Accounts payable	7,137,343,976	7,744,026,328
Contract liabilities	806,087,922	715,946,303
Employee benefits payable	296,050,392	280,892,309
Taxes and surcharges payable	693,518,799	755,744,542
Other payables	1,053,077,476	1,011,487,419
Current portion of non-current liabilities	6,856,964,219	6,619,044,244
Other current liabilities	66,371,674	69,172,946
Total current liabilities	17,849,155,623	18,168,904,092
Non-current liabilities:		
Long-term borrowings	9,786,214,543	9,598,770,711
Bonds payable	3,543,362,895	2,445,745,035
Lease liabilities	1,023,299,171	1,128,631,065
Long-term payables	1,305,948,317	836,919,326
Long-term employee benefits payable	55,349,728	57,915,052
Provisions	926,829,754	917,006,487
Deferred income	262,412,331	251,857,383
Deferred tax liabilities	1,300,532,674	1,109,442,589
Other non-current liabilities	99,693,000	99,693,000
Total non-current liabilities	18,303,642,413	16,445,980,648
Total liabilities	36,152,798,036	34,614,884,740
Equity:		
Share capital	2,078,995,649	2,078,995,649
Capital reserves	1,584,012,159	1,580,482,247
Less: Treasury shares	64,638,011	64,638,011
Accumulated other comprehensive income	-570,786,588	-484,891,409
Specialized reserves	92,512,415	51,893,030
Surplus reserves	1,111,880,257	1,111,880,257
Unappropriated profit	26,251,614,734	26,017,705,413
Total equity attributable to owners of the parent company	30,483,590,615	30,291,427,176
Non-controlling interests	4,432,482,278	4,606,377,271
Total equity	34,916,072,893	34,897,804,447
Total liabilities and equity	71,068,870,929	69,512,689,187

Legal representative: Li Yeqing Financial controller: Chen Qian Accounting supervisor: Wu Qiaoli

CONSOLIDATED INCOME STATEMENT

January to March 2025

Prepared by: Huaxin Cement Co., Ltd.

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	The first quarter of 2025 (January to March)	The first quarter of 2024 (January to March)
I. Total revenue	7,161,642,321	7,083,601,678
Including: Revenue	7,161,642,321	7,083,601,678
II. Total operating costs	6,656,695,494	6,770,044,998
Including: Cost of sales	5,291,455,301	5,533,105,577
Taxes and surcharges	185,588,783	164,368,421
Selling expenses	379,552,883	396,564,401
Administrative expenses	458,845,525	459,957,015
Research and development expenses	31,820,525	33,984,891
Finance costs	309,432,477	182,064,693
Including: Interest expenses	163,121,258	200,471,836
Interest income	37,956,364	53,095,155
Add: Other income	35,894,586	45,173,874
Investment income (losses are shown as “-”)	-5,655,171	-6,941,845
Including: Income from investments in associates and joint ventures	-2,690,280	-8,286,331
Losses (gains) from changes in fair value (losses are shown as “-”)	-13,399,669	842,793
Credit impairment losses (losses are shown as “-”)	2,117,519	3,371,895
Impairment losses of assets (losses are shown as “-”)	-1,010,378	-1,116,893
Gains (Losses) on disposal of non-current assets (losses are shown as “-”)	-266,719	679,434
III. Operating profit (losses are shown as “-”)	522,626,995	355,565,938
Add: Non-operating income	1,472,305	4,728,235
Less: Non-operating expenses	23,942,066	8,142,213
IV. Profit before taxes (losses are shown as “-”)	500,157,234	352,151,960

Less: Income tax expenses	155,250,735	60,167,139
V. Net profit (net losses are shown as “-”)	344,906,499	291,984,821
(I) Classified by the continuity of operations		
1. Net profit from continuing operations (net losses are shown as “-”)	344,906,499	291,984,821
2. Net profit from discontinued operations (net losses are shown as “-”)		
(II) Classified by attribution of ownership		
1. Net profit attributable to owners of the parent company	233,909,321	177,469,351
2. Net profit attributable to non-controlling interests (net losses are shown as “-”)	110,997,178	114,515,470
VI. Other comprehensive income, net of tax	-98,658,180	83,767,946
(I) Other comprehensive income, net of tax, attributable to owners of the parent company	-85,895,179	54,016,464
1. Other comprehensive income that cannot be reclassified into profit or loss		
2. Other comprehensive income to be reclassified into profit or loss	-85,895,179	54,016,464
(1) Exchange differences on translation of foreign currency financial statements	-85,895,179	54,016,464
(II) Other comprehensive income, net of tax, attributable to non-controlling interests	-12,763,001	29,751,482
VII. Total comprehensive income	246,248,319	375,752,767
(I) Total comprehensive income attributable to owners of the parent company	148,014,142	231,485,815
(II) Total comprehensive income attributable to non-controlling interests	98,234,177	144,266,952
VIII. Earnings per share		
(I) Basic earnings per share (RMB/share)	0.11	0.09
(II) Diluted earnings per share (RMB/share)	0.11	0.08

The net profit realized by the parties being absorbed prior to the business combinations under common control was RMB nil during the Reporting period and RMB nil for the previous corresponding period.

Legal representative: Li Yeqing Financial controller: Chen Qian Accounting supervisor: Wu Qiaoli

CONSOLIDATED CASH FLOW STATEMENT

January to March 2025

Prepared by: Huaxin Cement Co., Ltd.

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	The first quarter of 2025 (January to March)	The first quarter of 2024 (January to March)
I. Cash flows from operating activities:		
Cash receipts from sale of goods or rendering of services	5,894,619,748	6,247,674,304
Receipts of tax refunds	8,986,434	10,635,357
Other cash receipts relating operating activities	241,241,723	314,408,117
Total of cash inflows from operating activities	6,144,847,905	6,572,717,778
Cash payments for goods purchased and services	4,181,894,957	4,424,342,047
Cash payments to and on behalf of employees	767,639,983	791,022,154
Payments of all types of taxes and surcharges	891,280,733	834,674,817
Other cash payments relating to operating activities	410,189,822	415,684,651
Total cash outflows from operating activities	6,251,005,495	6,465,723,669
Net cash flows from operating activities	-106,157,590	106,994,109
II. Cash flows from investing activities:		
Cash receipts from returns of investments	100,000,000	812,076,500
Cash receipts from returns on investments	1,710,808	22,324,923
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	182,752,589	659,628
Other cash receipts relating to investing activities	23,800,000	179,698,081
Total cash inflows from investing activities	308,263,397	1,014,759,132
Cash payments to acquire fixed assets, intangible assets and other long-term assets	641,517,062	569,406,414
Cash payments for investments	130,000,000	467,500,000
Net cash payments for acquisition of subsidiaries and other business units	1,210,159,911	2,000,000
Other cash payments relating to investing activities	178,340,668	244,809,394
Total cash outflows from investing activities	2,160,017,641	1,283,715,808
Net cash flows from investing activities	-1,851,754,244	-268,956,676

III. Cash flows from financing activities:		
Cash receipts from borrowings	1, 904, 185, 559	1, 246, 000, 000
Other cash receipts relating to financing activities	309, 330, 422	118, 000, 000
Total of cash inflows from financing activities	2, 213, 515, 981	1, 364, 000, 000
Cash repayment for debts	496, 471, 848	393, 141, 262
Cash repayment for distribution of dividends or profits or settlement interest expenses	392, 140, 742	178, 524, 275
Other cash payments relating to financing activities	104, 607, 172	114, 223, 225
Total cash outflows from financing activities	993, 219, 762	685, 888, 762
Net cash flows from financing activities	1, 220, 296, 219	678, 111, 238
IV. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	-26, 844, 121	-4, 917, 146
V. Net increase in cash and cash equivalents	-764, 459, 736	511, 231, 525
Add: Cash and cash equivalents at beginning of the year	6, 219, 040, 331	5, 370, 115, 985
VI. CASH AND CASH EQUIVALENTS AT END OF YEAR	5, 454, 580, 595	5, 881, 347, 510

Legal representative: Li Yeqing Financial controller: Chen Qian Accounting supervisor: Wu Qiaoli

Relevant information about the financial statements at the beginning of the year for the initial application of new Accounting Standard adjustments since 2025

☐ Applicable ☒ Not applicable

V. REVIEW OF UNAUDITED FIRST QUARTERLY RESULTS

The Company has set up the audit committee of the Company (the “Audit Committee”). The terms of reference adopted by the Audit Committee complied with all the applicable code provisions set out in Appendix C1 to the Listing Rules. The Audit Committee is responsible for the review and supervision of financial reporting procedures, risk management and the internal control systems of the Group as well as the giving of advice and recommendations to the Board. The quarterly results for the three months ended 31 March 2025 as disclosed in this announcement have been reviewed by the Audit Committee.

VI. CORPORATE GOVERNANCE CODE

The Company has complied with the principles and code provisions set out in the Corporate Governance Code contained in Appendix C1 of the Listing Rules of the Stock Exchange during the Reporting Period.

By Order of the Board
Huaxin Cement Co., Ltd.
Xu Yongmo
Chairman

Wuhan City, Hubei Province, the PRC

29 April 2025

As of the date of this announcement, the Board of Directors of the Company comprises Mr. Li Yeqing (President) and Mr. Liu Fengshan (Vice President), as executive Directors; Mr. Xu Yongmo (Chairman), Mr. Martin Kriegner, Mr. Lo Chi Kong and Ms. Tan Then Hwee, as non-executive Directors; Mr. Wong Kun Kau, Mr. Zhang Jiping and Mr. Jiang Hong, as independent non-executive Directors.

** For identification purpose only*