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HUAXIN CEMENT CO., LTD.*

(a joint stock limited company incorporated in the Republic of China)
(Stock Code: 6655)

2023 THIRD 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 and the Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PRC	Third Quarterly Report (the	Quarterly Report
Company		Group
July 2023 to 30 September	Reporting Period	

in the PRC on 28 October 2023. 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 officer-in-charge of the Company, the officer-in-charge of the accounting functions and the officer-in-charge of the accounting department (the head of the accounting department) warrant that the financial statements contained in this Quarterly Report is true, accurate and complete.

The financial statements contained in this Quarterly Report have

I. MAJOR FINANCIAL INFORMATION

(I) Major accounting information and financial indicators

Unit: Yuan Currency: RMB

Items	The Reporting Period	Changes as compared with that of the corresponding period of last year (%)	From the beginning of the year to the end of the Reporting Period	Changes as compared with that of the corresponding period of last year (%)
Operating income	8,333,304,379	12.29	24,164,876,879	10.79
Net profit attributable to shareholders of the Company	681,763,299	6.89	1,874,323,694	-15.75
Net profit attributable to shareholders of the Company after extraordinary items	653,068,339	9.72	1,823,527,761	-14.44
Net cash flow from operating activities	Not applicable	Not applicable	3,502,921,498	39.52
Basic earnings per share (RMB/share)	0.32	6.67	0.90	-15.89
Diluted earnings per share (RMB/share)	0.33	10.00	0.90	-15.89
Weighted average return on net assets (%)	2.50	Increased by 0.12 percentage points	6.74	Down by 1.39 percentage points
	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	66,458,811,594	64,241,676,265		3.45
Total equity attributable to shareholders of the Company	28,242,718,952	27,446,305,028		2.90

Note: Reporting Period refers to 3 months from the beginning of this quarter

(2) Extraordinary items and amount

Unit: Yuan Currency: RMB

Items	Amount for the Reporting Period	1 January 2023 to 30 September 2023
Profit or loss on disposal of non-current assets	1,349,960	429,515
Government grants recognized in profit or loss (other than grants either in fixed amounts or determined under quantitative methods in accordance with the national standard)	35,633,970	92,549,594
Profit or loss on changes in the fair value of held-for-value financial assets, derivative financial assets, held-for-value financial liabilities and derivative financial liabilities and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, other than those used in effective hedging activities relating to normal operating business	2,592,591	-3,096,229

Reversal of provision for impairment of receivables and contract assets that have 3(ela2.51 275.33 29.04 reW* nBT/F3 9.96n)-7(t o)-

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 30 September 2023, the total number of shareholders of the Company was: 50,675 shareholders of A shares and 7 registered shareholders of H shares, totaling 50,682.

Unit: share

Total number of ordinary shareholders as at the end of the Reporting Period	50,682	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
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Shareholding of the top 10 shareholders without restrictions on trading			
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	734,719,919	Overseas listed foreign shares	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	20,695,031	RMB-denominated ordinary shares	20,695,031

China Merchants Bank Co., Ltd. - SSE Dividend
Trading Open-

III. OTHER POINTS TO NOTE

VI. Quarterly financial statements

(1) Type of auditor opinions

☐ Applicable ☒ Not applicable

(2) Financial statements

CONSOLIDATED BALANCE SHEET

30 September 2023

Prepared by: Huaxin Cement Co., Ltd.

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	30 September 2023	31 December 2022
Current assets		
Cash and bank balances	6,634,006,591	7,038,341,792
Held for trading financial assets	1,537,028	41,711,538
Notes receivable	184,854,389	545,960,470
Accounts receivable	2,561,736,094	1,382,631,200
Receivables financing	401,486,742	527,248,935
Prepayments	433,870,746	353,870,798
Other receivables	628,566,517	477,956,891
Inventories	3,644,515,438	3,405,122,012
Other current assets	795,134,893	677,454,529
Total current assets	15,285,708,438	14,450,298,165
Non-current assets		
Debt investments	7,500,000	7,500,000
Long-term receivables	101,106,796	131,594,447
Long-term equity investments	510,480,531	438,886,647
Other equity investments	962,012,073	1,012,850,323
Other non-current financial assets	29,737,613	25,067,265
Fixed assets	26,390,324,690	22,720,804,975
Construction in progress	4,604,799,443	6,575,465,631
Right-of-use assets	1,733,862,114	979,311,070
Intangible assets	14,204,054,371	15,182,751,513
Development expenditures	54,196,455	45,429,082
Goodwill	657,020,570	618,543,411
Long-term prepaid expenses	771,956,895	817,417,303
Deferred tax assets	455,994,641	387,429,400
Other non-current assets	690,056,964	848,327,033

Total non-current assets	51,173,103,156	49,791,378,100
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CONSOLIDATED INCOME STATEMENT

January to September 2023

Prepared by: Huaxin Cement Co., Ltd.

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items

**The first three
quarters of 2023
(January to**

1. Net profit from continuing operations	2,223,585,882	
2. Net profit from discontinued operations		
(ii) Classified by attribution of ownership		
1. Net profit attributable to the owners of the company	1,874,323,694	
2. Non-controlling interests	349,262,188	
VI. Other comprehensive income, net of tax	-70,121,979	
(i) Other comprehensive income attributable to owners of the Company, net of tax	-97,781,895	
1. Other comprehensive income that cannot be reclassified into profit or loss	-38,128,688	
1 Change in the fair value of other equity investment instruments	-38,128,688	
2. Other comprehensive income to be reclassified into profit or loss	-59,653,207	
1 Exchange differences on translation of financial statements denominated in foreign currencies	-59,653,207	
(ii) Other comprehensive income attributable to non-controlling interests, net of tax	27,659,916	
VII. Total comprehensive income	2,153,463,903	
(i) Total comprehensive income attributable to owners of the Company	1,776,541,799	
(ii) Total comprehensive income attributable to non-controlling interests	376,922,104	
VIII. Earnings per share		
(i) Basic earnings per share	0.90	
(ii) Diluted earnings per share	0.90	1.07

CONSOLIDATED CASH FLOW STATEMENT

January to September 2023

Prepared by: Huaxin Cement Co., Ltd.

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	The first three quarters of 2023 (January to September)	The first three quarters of 2022 (January to September)
I. Cash flows from operating activities:		
Cash receipts from sale of goods or rendering of services	21,870,865,750	20,658,257,803
Receipts of tax refunds	52,695,960	68,145,567
Other cash receipts relating operating activities	506,434,708	441,658,903
Subtotal of cash inflows from operating activities	22,429,996,418	21,168,062,273

Cash payments for goods purchased and services received,84

Cash receipts from capital contributions	120,655,906	462,250,000
Cash receipts from borrowings	3,363,818,655	4,575,088,613
Other cash receipts relating to financing activities	76,731,095	4,410,181
Subtotal of cash inflows from financing activities	3,561,205,656	5,041,748,794
Cash repayment of borrowings	3,181,947,797	1,076,296,585
Cash repayment for distribution of dividends or profits or		