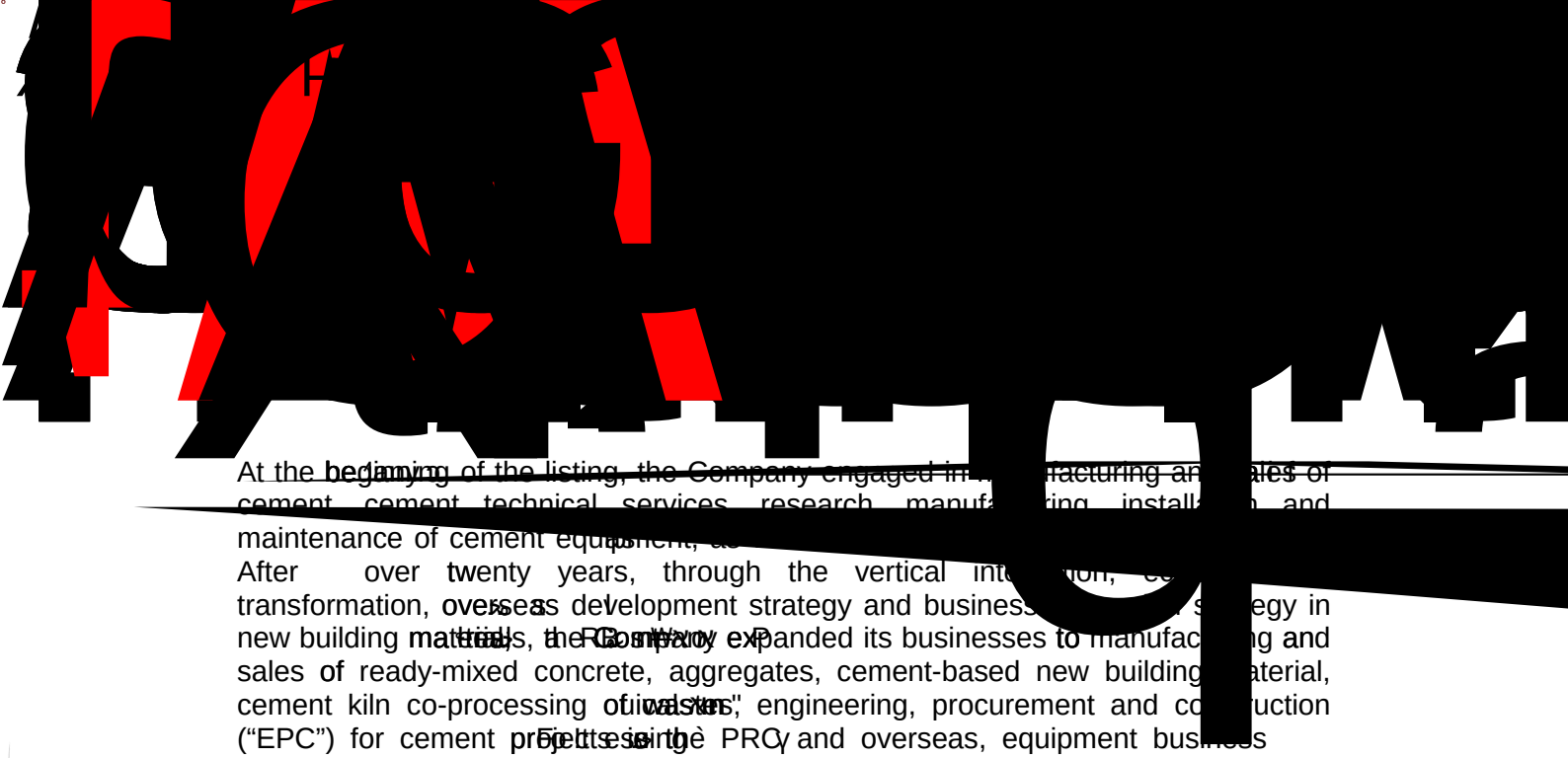
1. To fully understand the Company's operating results, financial condition and future development plan, investors should carefully read the full text of Annual Report on the we

1. Company profile



At the beginning of the listing, the Company engaged in manufacturing and sales of cement, cement technical services, research, manufacturing, installation and maintenance of cement equipment, etc.

After over twenty years, through the vertical integration, cement transformation, overseas development strategy and business model strategy in new building materials, the Company expanded its businesses to manufacturing and sales of ready-mixed concrete, aggregates, cement-based new building material, cement kiln co-processing of wastes, engineering, procurement and construction ("EPC") for cement projects in the PRC and overseas, equipment business

Huaxin has established a cement production network in southwest, central China, eastern China, southern China and countries along “Belt Road Initiative” and Africa. As of the end of 2022, the Company's domestic cement production bases are located in 9 provinces and cities including Hubei, Hunan, Yunnan, Chongqing, Sichuan, Guizhou, Tibet, Guangdong and Henan. Huaxin has been at an advantageous status in central China and is the main supplier in southwest China. As one of the first ChinesBBBB

Unit: Yuan

Item	2022	2021	Year-over year-change (%) between 2022 and 2021	2020
Total assets	64,241,676,265	52,549,618,050	22.25	43,928,509,151
Net assets attributable to shareholders of the Company	27,446,305,028	26,729,911,468	2.68	23,571,375,317
Operating revenue	30,470,382,363	32,464,083,379	-6.14	29,356,515,691
Net profit attributable to shareholders of the Company	2,698,868,510	5,363,525,692	-49.68	5,630,598,812
Net profit attributable to shareholders of the Company after extraordinary items	2,578,634,452	5,304,878,118	-51.39	5,553,708,292
Net cash flow from operating activities	4,567,694,220	7,594,957,122	-39.86	8,405,472,760
Return on net assets, weighted average (%)	10.03	21.30	Down by 11.27 percentage points	25.03
Basic earnings per share (Yuan/share)	1.30	2.58	-49.61	2.69
Diluted earnings per share (Yuan/share)	1.28	2.58	-50.39	2.69

3.2 Quarterly key financial indicators

Unit: Yuan

	The first quarter (Jan.- Mar.)	The second quarter (Apr.-Jun.)	The third quarter (Jul.-Sep.)	The fourth quarter (Oct.-Dec.)
Operating revenue	6,531,000,365	7,858,448,598	7,421,469,057	8,659,464,343

Huaxin Cem

		0.42	

During the Reporting Pe e and cated external sit
e Compa was comm t phil of “green and low
building ifecyc ader ns of profitability
players in e “low-carb ustr e strategic goa
Company. Company er moting the four co
development strategie rmation Develo
“Overseas Expansion”, as “Digital Innov
Traditional Industry”. Th adhere to the 3 pillars in
“integrity, safety, eco-frie har quality and compliance
risks. Furthermore, the yed
operation management t through
of its development.

Affected by the fast dec industry, the sales v
clinker was 60.400 million tons, a decrease of 19.76% over last year. Thanks to the
integration development, the output of aggregate was 99.80 million tons, up by
112.25% over last year; the sales volume of RMX was 16.389 million m3, an increase
of 81.02%; the disposa