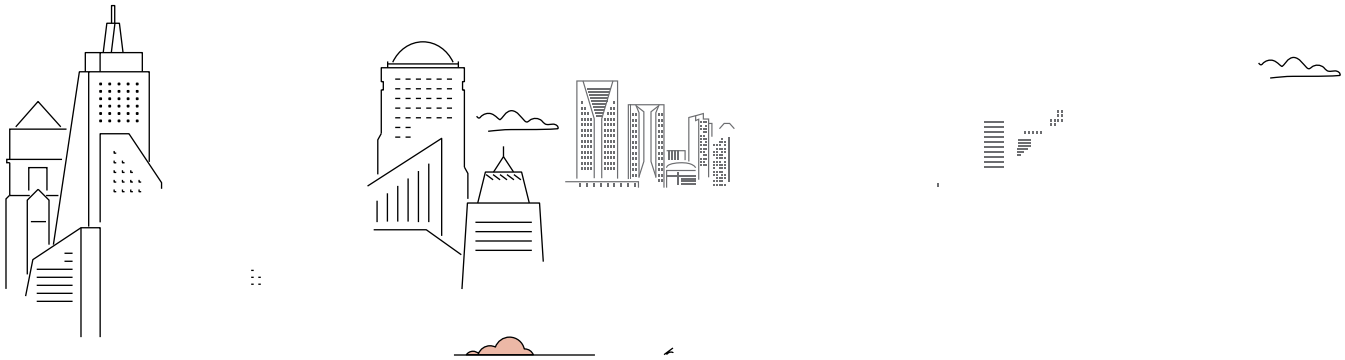


Important Notice

1. The Board of Directors of the Company and all directors, the Board of Supervisors of the Company and all supervisors, and the senior management, collectively and individually accept full responsibility for the purpose of giving information to the public with regard to the Company, and, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

2. All directors of the Company attended the 10th meeting of the 11th session of Board of Directors.

3. Ernst & Young Hua Ming Certified Public Accountants LLP issued an auditor's report with standard unqualified opinions for the Company.

4. Mr. Li Yeqing, Executive Director and CEO, Mr. Chen Qian, person in charge of accounting, and Ms. Wu Qiaoli, chief of accounting agency, declare and confirm that the financial statements contained in herein are true, accurate and complete.

5. The profit distribution plan for 2024 adopted at the 10th meeting of the 11th session of Board of Directors of the Company is as follows: a cash dividend of RMB0.46 per share (tax inclusive) was proposed to be distributed to all shareholders, and no capitalization of common reserve fund was provided.

6. Forward-looking risk statement: future plan, development strategies and other forward-looking statements in this

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INTERPRETATION

In this report, unless otherwise requires, the below terms have the following meanings:

A Shares	means	Ordinary shares listed on the SSE with a nominal value of RMB1.00 per share in the Company's share capital, subscribed and traded in RMB
Audit Committee	means	the audit committee of the Company
Board	means	the board of directors of the Company
China or PRC	means	The People's Republic of China
Director(s)	means	the director(s) of the Company
EBITDA	means	Earnings before interest, tax, depreciation and amortization
EBIT	means	Earnings Before Interest and Tax
EPC	means	Engineering, procurement, and construction
H Shares	means	Foreign shares listed on the SEHK with a nominal value of RMB1.00 per share in the Company's share capital, subscribed and traded in Hong Kong dollars
Hong Kong	means	Hong Kong Special Administrative Region of the People's Republic of China
Hong Kong Listing Rules	means	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Model Code	means	The Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Hong Kong Listing Rules
Reporting Period	means	From 1 January 2025 to 30 June 2025
RMB or Yuan or K Yuan or 10 K Yuan or Million Yuan or 100 Million Yuan	means	RMB, RMB1,000, RMB10,000, RMB million, RMB100 million, the lawful currency of China
RMX	means	Ready-mixed Concrete
SEHK	means	The Stock Exchange of Hong Kong Limited
SFO	means	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
SSE	means	Shanghai Stock Exchange
The Company or Company or Parent Company or Huaxin Cement	means	Huaxin Cement Co., Ltd.
The Group	means	The Company and its subsidiaries

CORPORATE INFORMATION

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Name of the Company in Chinese	華新水泥股份有限公司
Abbreviation in Chinese	華新水泥
Name of the Company in English	Huaxin Cement Co., Ltd.
Abbreviation in English	HUAXIN CEMENT
Legal Representative	Mr. Li Yeqing

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Joint Company Secretary	Mr. Ye Jiaxing (Secretary to the Board)
	Ms. Lee Mei Yi
Tel	0086 27 87773898
Fax	0086 27 87773992
E-mail	investor@huaxincem.com
Securities Affairs Representative	Ms. Wang Xiaoqiong
Tel	0086 27 87773898
Fax	0086 27 87773992
E-mail	investor@huaxincem.com

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Registered office of the Company	No. 600 East Daqi Avenue, Huangshi City, Hubei Province Company

No.426, Gaoxin Avenue, EastLake y

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CORPORATE INFORMATION

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The demand of cement and other building materials products are highly relevant to the national economy and fixed assets investment and is quite cyclical. In the first half of 2025, GDP of China increased by 5.3% year on year. National economy withstood the pressure, kept a good momentum of stable growth and demonstrated a strong resilience. From January to June, the national fixed asset investment (excluding farmers) amounted to RMB24.87 trillion, an increase of 2.8% over the same period of last year, and among which, the investment in the infrastructure sector, which is highly relevant to the demand of cement and other building materials, rose by 4.6% while the real estate investment plunged by 11.2%.

The Chinese cement industry was characterized as sustained weak demand, a price trajectory that peaked early and declined subsequently, and an improvement in year-on-year profitability during the first half of 2025. Cumulative national cement production from January to June amounted to 815 million tons, reflecting a year-on-year decrease of 4.3%, narrowed compared to the corresponding period in the previous year. As the policy framework of anti-involution competition for cement industry gradually refines, coupled with the implementation of regulatory measures targeting overcapacity, there was a year-on-year recovery in cement prices during the first half of 2025. However, a shortfall in the demand during the late second quarter resulted in significant price reductions in certain regions. Consequently, the industry’s profitability improved year-on-year, influenced by factors such a(factorsuarsfg-5sa)(

The Company is ranked among the Top 500 Chinese Manufacturing Enterprises and the Fortune China 500 Enterprises. As of 30 30 June 2025, the Company has a total production capacity including: Cement capacity of 126 million tons/year (grinding capacity, including capacity from joint ventures), cement equipment manufacturing capacity of 50,000 tons/year, ready-mixed concrete capacity of 48,404 cubic meters/hour (including OEM capacity), aggregate capacity of 300 million tons/year, comprehensive environmental wall material production capacity of 660 million pieces/year, autoclaved aerated concrete products (such as bricks and panels) capacity of 950,000 cubic meters/year, mortar production capacity of 1.89 million tons/year, ultra-high performance concrete capacity of 400,000 tons/year, civil curtain wall hanging board capacity of 800,000 square meters/year, industrial anti-corrosive tile capacity of 3 million square meters/year, lime production capacity of 820,000 tons/year, cement packaging bag production capacity of 700 million units/year, and waste disposal capacity of 18.24 million tons/year (including projects that have received environmental impact assessment approval but have not yet been put into operation).

As of 30 30 June 2025, the revenue attributed by the cement business accounted for approximately 57% of the total income of the Company, occupying a dominant position among all the Company's businesses, while the EBITDA of non-cement business accounted for 44% and has become significant contributors to the Company's profits.

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Established in 1907, the Company enjoys a long history and profound cultural heritage and it is one of the top 100 large scale companies listed in "China's 500 Most Valuable Brands". By unswervingly taking efforts in management and technology innovation and scientific development, the Company has always been one of the most influential enterprises in the building materials industry with strong comprehensive competitiveness.

During the Reporting Period, the Company further consolidated and enhanced its various advantages, including scale and a complete industrial chain, green and low-carbon development, technological innovation, corporate reputation and brand, product quality, strategic layout, leading intelligent management, and a professional, stable, and efficient management team, thereby continuously strengthening the Company's core competitiveness. For details on the company's core competitiveness, please refer to the chapter "Analysis of Core Competitiveness During the Reporting Period" in the Company's 2024 Annual Report.

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Excess capacity and declining demand are the main contradictions in the current economic operation of China's building materials industry. However, in the short term, China's economy still has growth resilience, and the cement industry is accelerating the implementation of policies for capacity regulation. In the first half of 2025, the Company viewed both the opportunities and challenges within the major transformation, adhered to the concept "Profit is the goal, and price (revenue) is fundamental", accurately seized development opportunities amid the crisis, leveraged the advantages of integrated development, overseas development, and resource advantages, cut production, consumption, and costs, increased revenue, saved expenses, and improved efficiency, resulting in a significantly improved business performance year-on-year.

During the Reporting Period, the Company achieved operating revenue of RMB16.046 billion, a year-on-year decline of 1.17%. Affected by factors such as the year-on-year increase in the average selling price of cement products, sustained and stable growth in overseas business, and reduced production costs due to strengthened cost control, the Company realized a net profit attributable to shareholders of the parent company of RMB1.103 billion, an increase of 51.05% year-on-year. The sales volume of cement and commercial clinker reached 27.7366 million tons, a decline of 2.63% year-on-year (of which: overseas cement and commercial clinker sales were 8.3884 million tons, an increase of 10.41% year-on-year). Aggregate sales were 76.0526 million tons, an increase of 6.33% year-on-year. RMX sales were 13.248 million cubic meters, a decline of 9.88% year-on-year.

During the Reporting Period, the cement business achieved operating revenue of RMB9.152 billion, an increase of 5.60% year-on-year, of which: domestic cement business achieved operating revenue of RMB5.024 billion, a decline of 1.26% year-on-year; overseas cement business achieved operating revenue of RMB4.128 billion, an increase of 15.37% year-on-year. Aggregate business achieved operating revenue of RMB2.763 billion, a decline of 6.72% year-on-year. Concrete business operating revenue was RMB3.457 billion, a decline of 12.33% year-on-year.

In terms of profitability, the average selling price of cement products increased by RMB25.71/ton to RMB329.95/ton during the Reporting Period compared to the same period of last year, while the cost decreased by RMB9.42/ton to RMB231.82/ton. For the aggregates business, the average selling price decreased by RMB5.08/ton to RMB36.32/ton, and the cost decreased by RMB2.85/ton to RMB18.92/ton. The RMX business saw a decrease in the selling price by RMB7.28/cubic meter to RMB260.92/cubic meter, and the cost decreased by RMB10.35/cubic meter to RMB226.70/cubic meter. The comprehensive gross profit increased by 20.84% compared to the same period of last year, and the comprehensive gross profit margin increased by 5.27 percentage points from 23.65% of the same period last year. The increase in comprehensive gross profit and gross profit margin was mainly due to the increase in domestic cement prices and the decrease in costs, the reduction in aggregates costs, and the increase in overseas cement sales volume and performance. During the Reporting Period, the gross profit margins of cement, aggregates, and RMX were 29.74%, 47.91%, and 13.12%, respectively, while in the same period last year, they were 20.71%, 47.41%, and 11.61%.

During the Reporting Period, the Company continued to make progress in the development of multiple overseas

During the Reporting Period, the Company continued to receive social recognition and praise. The Company's "Whole Process Low Carbon Intelligent Cement Plant" project was selected for the Excellent Intelligent Plant (first batch) project list by the Ministry of Industry and Information Technology. For 13 consecutive years, the Company has been listed in the World Brand Lab rankings, ranking 79th on the overall list with a brand value of RMB116.982 billion. The company received the highest rating of "A+" in the "2024 Annual ESG Rating of the Building Materials Industry" by the China Building Materials Federation. Mr. Li Yeqing, the Company's chief executive officer, was elected as one of the "Top 10 News Figures in the Building Materials Industry in 2024" and received the title of "Sixth Hubei Province Outstanding Builder of Socialism with Chinese Characteristics."

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1. **w**

Unit: RMB

	A f Ja a J e 2025	Amount for January to June 2024	Change (%)
Revenue	**16,046,640,187**	16,237,373,654	−1.17
Cost of sales	**11,405,577,296**	12,396,833,893	−8
Selling expenses	**762,586,412**	787,871,075	−3.21
Administrative expenses	**939,872,641**	908,113,338	3.5
Finance costs	**437,166,210**	399,954,782	9.3
Research and development expenses	**72,224,935**	70,954,352	1.79
Net cash flows from operating activities	**1,623,794,304**	1,730,584,063	−6.17
Net cash flows from investing activities	**2,143,578,153**	−1,178,576,055	−81.88
Net cash flows from financing activities	**90,949,808**	−1,083,480,073	108.39

(1) Reasons for net cash flows from investment activities change: Increase in expenditures on corporate mergers.

(2) Reasons for net cash flows from financing activities change: Reduction in maturing debts.

2. A

Unit: RMB

I e	A a 30 J e 2025	% e a a e	As at 31 December 2024	% in the total assets	Change over the end of last period (%)	Remarks
Financial assets held for trading	**1,675,259**		31,704,908	0.05	−94.72	Relevant financial products closed transaction
Notes receivable	**123,020,139**	**0.17**	202,597,711	0.29	−39.28	Increase in transfer of notes
Prepayments	**453,238,991**	**0.64**	314,887,975	0.45	43.94	Increase in prepayments for goods and services
Other receivables	**787,055,227**	**1.11**	1,237,502,508	1.78	−36.40	Recovery of asset disposal proceeds
Goodwill	**1,798,800,610**	**2.54**	1,209,007,806	1.74	48.78	Increase due to overseas M&A
Short-term borrowings	**137,579,445**	**0.19**	296,807,055	0.43	−53.65	Adjustment of debt structure
Employee benefits payables	**196,045,620**	**0.28**	280,892,309	0.40	−30.21	Payment of incentive salary of last year
Other payables	**1,417,172,772**	**2.00**	1,011,487,419	1.46	40.11	H share dividend to be paid
Debentures payable	**3,543,705,234**	**5.00**	2,445,745,035	3.52	44.89	Issuance of high growth industry bonds of 1.1 billion RMB
Specialised reserves	**68,837,903**	**0.10**	51,893,030	0.07	32.65	Increase in the balance of safety production fee

3.

(1) ,

As at the end of the Reporting Period, the shareholders' equity amounted to RMB35.010 billion, and total equity attributable to shareholders of the Company was RMB30.488 billion.

As at the end of the Reporting Period, total liabilities were RMB35.863 billion, and liabilities with interests was RMB19.803 billion. Analysis on the bank loans as at the end of the Reporting Period are as follows:

Unit: RMB

	A a 30 J e 2025	As at 31 December 2024
Within 1 year	**3,117,231,019**	3,388,952,220
1–2 years	**3,553,086,578**	3,412,692,610
2–5 years	**6,323,827,797**	5,779,719,351
Above 5 years	**312,722,000**	406,358,750
Total	**13,306,867,394**	12,987,722,931

Apart from the above loans, the Group has corporate bonds of RMB6.084 billion due in 1 to 5 years.

Asset liability ratio of the Company (total liabilities/total assets) increased to 50.6% at the end of the Reporting Period from 49.8% at the beginning of the Reporting Period.

During the Reporting Period, there were no significant changes to the capital structure, capital liquidity and financial resources.

(2)

Unit: RMB

	A a 30 J e 2025
Cash and bank balances	**913,075,307**
Fixed assets	**5,039,418**
Intangible assets	**3,409,197**
Total	**921,523,922**

For details, please refer to Notes VII (1), VII (20) to the financial statements.

(3)

The Group is exposed to transactional foreign exchange risk. This type of risk arises from sales or purchases made by the operating units in currencies other than their functional currencies.

The Finance Department of the Head Office of the Group is responsible for monitoring the Group's foreign currency transactions and the scale of foreign currency assets and liabilities, so as to minimize the foreign exchange risks it faces. The Group may avoid foreign exchange risks by signing forward foreign exchange contracts or currency swap contracts. During the Reporting Period, the Group entered into forward foreign exchange contracts to manage foreign exchange risk exposure.

For details, please refer to Note XI (1) Foreign exchange risk to the financial statements.

(4)

In the first half of 2025, the Group invested approximately RMB1.238 billion for new construction, renovation and expansion projects, mainly involving construction of overseas production lines and expenses for energy conservation and emission reduction upgrades. Based on the Group's current financial situation and profitability, it has sufficient self-funds and continuous operating cash inflows to meet the capital needs for the projects the Group. As at the end of the Reporting Period, the Group has not made any significant investments, acquisitions,2oupo2 ( )]TJET

MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT MATTERS

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During the Reporting Period, the Company has no connected transactions related to daily operations.

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CHANGES IN SHARES AND SHAREHOLDERS

CHANGES IN SHARES AND SHAREHOLDERS

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As at 30 June 2025, the following persons (other than the Directors, supervisors or chief executives of the Company) had interests in 5% or more of the shares and underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO or which would fall to be disclosed to the Company and the SEHK under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Unit: share

F ae f ae de	Na e f ee	Ca f ae	N be f ae	A ae% f ae ed e ee a ca	A ae% f ae ed e aa f aeca a
Holcim Ltd.	Interest of controlled corporation	A Shares	451,333,201	33.57	21.71
		H Shares	417,902,467	56.88	20.10
		Total	869,235,668		41.81
Holderfin B.V.	Interest of controlled corporation	A Shares	451,333,201	33.57	21.71
		H Shares	384,210,624	52.29	18.48
		Total	835,543,825		40.19
Holchin B.V.	Beneficial owner	A Shares	451,333,201	33.57	21.71
		H Shares	384,210,624	52.29	18.48
		Total	835,543,825		40.19
State-owned Assets Supervision and Administration Commission of Huangshi Municipal People’s Government	Interest of controlled corporation	A Shares	338,060,739	25.15	16.26
Huangshi State-owned Assets Management Company Limited	Interest of controlled corporation	A Shares	338,060,739	25.15	16.26
Huaxin Group Co., Ltd	Beneficial owner	A Shares	338,060,739	25.15	16.26
China Conch Venture Holdings (HK) Limited	Interest of controlled corporation	H Shares	92,788,469	12.63	4.46
China Conch Venture Holdings International Limited	Interest of controlled corporation	H Shares	92,788,469	12.63	4.46
Conch International Holdings (HK) Limited	Beneficial owner	H Shares	92,788,469	12.63	4.46
China Conch Venture Holdings Limited	Interest of controlled corporation	H Shares	92,788,469	12.63	4.46

CHANGES IN SHARES AND SHAREHOLDERS

F a e f a e de	Na e f ee	Ca f a e	N be f a e	A a e% f a e ed e ee a ca	A a e% f a e ed e a a f a e ca a
Anhui Conch Venture New Energy-saving Construction Material Co., Ltd.	Interest of controlled corporation	H Shares	92,788,469	12.63	4.46
Anhui Conch Cement Company Limited	Interest of controlled corporation	H Shares	92,788,469	12.63	4.46
Anhui Conch Holdings Co., Ltd	Interest of controlled corporation	H Shares	92,788,469	12.63	4.46
Wuhu Conch Venture Property Co., Ltd.	Interest of controlled corporation	H Shares	92,788,469	12.63	4.46

Notes:

(1) The percentage is calculated by the issued underlying shares or total shares of the Company as at 30 June 2025.

(2) On 22 July 2025, Conch International Holdings (HK) Limited sold 14,885,400 H shares of the company. As of the date of this report, Conch International Holdings (HK) Limited held 77,903,069 H shares of the Company, which constitutes approximately 10.60% of the shares in relevant class and approximately 3.75% of the company's overall equity share capital.

Save as disclosed above, as at 30 June 2025, no other persons (other than the directors, supervisors and the chief executives of the Company) had interests in 5% or more of the shares and underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO or which would fall to be disclosed to the Company and the SEHK under the provisihare Gdiovisihar2y and3re GPart XV6 of the SFI.

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DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

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Mr. Lo Chi Kong resigned from his position as a non-executive Director, member of each of the Audit Committee and the Remuneration and Assessment Committee and Chairman of the Governance and Compliance Committee on 4 June 2025 as he has reached his retirement age.

On 15 July 2025, Mr. Olivier Milhaud was appointed as non-executive director of the Eleventh Board of Directors on the Second Extraordinary General Meeting in 2025. His term of office will run concurrently with that of the Board.

On 21 August 2025, Mr. Olivier Milhaud was appointed as a member of the Audit Committee and the chairman of the Governance and Compliance Committee; and Ms. Tan Then Hwee was appointed as a member of the Remuneration and Assessment Committee.

As of the date of this report, the Eleventh Board of Directors of the Company comprises Mr. Li Yeqing and Mr. Liu Fengshan as executive Directors; Mr. Xu Yongmo, Mr. Martin Kriegner, Mr. Olivier Milhaud 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.

Since July 2025, Mr. Li Yeqing served as an Executive Director of the Chinese Ceramic Society.

Since July 2025, Mr. Xu Yongmo served as the honorary president of the Chinese Ceramic Society.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

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As at 30 June 2025, the interests and short positions of the Directors, supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO); or as recorded in the register required to be kept under Section 352 of the SFO; or as otherwise notified to the Company and the SEHK pursuant to the Model Code set out in Appendix C3 to the Hong Kong Listing Rules were as follows:

Unit: share

Na e	Na e f ee	Ca f ae	N be f ae	A ae% f ae ed e eea aeca	A ae% f ae ed e aa f aeca a
Mr. Li Yeqing	Beneficial owner	A shares	454,034	0.0338	0.0218
		H shares	1,083,896	0.1475	0.0521
Mr. Liu Fengshan	Beneficial owner	A shares	166,500	0.0124	0.0080
		H shares	292,100	0.0398	0.0141
Mr. Ming Jinhua	Beneficial owner	H shares	166,300	0.0226	0.0080
Mr. Zhang Lin	Beneficial owner	A shares	11,600	0.0009	0.0006
		H shares	248,400	0.0338	0.0119
Mr. Liu Weisheng	Beneficial Owner	H shares	13,700	0.0019	0.0007
	Interest of spouse		12,600	0.0017	0.0006
Mr. Liu Sheng	Interest of spouse	A shares	10,000	0.0007	0.0005
	Beneficial Owner	H shares	25,300	0.0034	0.0012
	Interest of spouse		27,900	0.0038	0.0013

Note: the percentage is calculated by the issued underlying shares or total shares of the Company as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, none of the Directors, supervisors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO); or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the SEHK pursuant to the Model Code.

On 9 June 2023, the 25th Meeting of the Tenth Board of Directors of the Company approved Proposal on the Granting Result of 2020–2022 ESOP and Proposal on the Partial Repurchase and Cancellation of Shares in the 2020–2022 ESOP, specifying granting result and request the shareholders' general meeting to authorize the Board and authorized person to handle the repurchase and cancel unvested shares due to failure in achieving performance target and the capital reduction.

On 20 July 2023, the Third Extraordinary General Meeting in 2023, the First A Share Class Meeting in 2023 and the First H Share Class Meeting in 2023 of the Company were held respectively to approve the Proposal on the Partial Repurchase and Cancellation of Shares in the 2020–2022 ESOP and Proposal on Requesting the Shareholders' General Meeting to Authorize the Board and its Authorized Person to Handle Related Matters of the 2020–2022 ESOP.

On 28 August 2023, the Company finished cancelling the unvested shares due to failure in achieving performance target.

On 28 October 2023, the first lock-up period of the 2020–2022 ESOP expired.

On 26 May 2024, the second lock-up period of the 2020–2022 ESOP expired.

On 28 October 2024, the third lock-up period of the 2020–2022 ESOP expired.

The details of the shares granted and to be granted according to the 2020–2022 ESOP are set out as followed:

Unit: share

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				A a	e
Na e f			1 Ja a	Re	g
Pa c a	P		2025	Pe	d

The maximum number of shares can be granted for each of the executive directors and the supervisors listed in the table above under the 2020–2022 ESOP will not exceed the total number of shares he/she has already been granted; and the number of shares for any other core employee can be granted will not exceed 70,463. During the Reporting Period, the Company did not grant any shares.

Given the nature of the ESOP, the provisions under Rule 17.07(3) of the Listing Rules regarding the number of shares that may be issued and the related weighted average number are not applicable.

2020 2022

The term of the 2020–2022 ESOP (including Plan A and Plan B) is 72 months commencing from the month when granted (i.e. from 29 October 2020 to 28 October 2026). The 2020–2022 ESOP terminates upon the expiration of the term or can be extended with the approval by the Board of Directors as proposed by the Administration Committee of the 2020–2022 ESOP. As at the date of this Report, the remaining validity period of the 2020–2022 ESOP is approximately 1 year and 1 month.

2. 2023 2025 w (2023 2025)

On 30 June 2023, the 26th Meeting of the Tenth Board of Directors of the Company approved the Proposal on the 2023–2025 ESOP (draft) and its Summary and related proposals of the plan and submitted them to shareholders' general meeting for review.

On 20 July 2023, the 3rd Extraordinary Shareholders' General Meeting of the Company approved the Proposal on the 2023–2025 ESOP (draft), Proposal on the Administration Measures of 2023–2025 ESOP and Proposal to Shareholders' General Meeting to Authorize the Board of Directors to Handle Matters Related to the ESOP.

This 2023–2025 ESOP shall be implemented in three phases. During the 3 years from 2023 to 2025, an independent employee stock ownership sub-plan shall be developed for each year respectively. The total amount of funds used in 3 phases of this 2023–2025 ESOP will not exceed RMB223.5 million. The stocks under the 2023–2025 ESOP are sourced from the A shares of Huaxin Cement that have been repurchased by the Company through its special repurchase account and the stocks purchased (through, among others, block trading and centralized bidding) on the secondary market.

On the same day, the 27th Meeting of the Tenth Board of Directors of the Company approved Proposal on the Phase I (2023) ESOP Under 2023–2025 ESOP, specifying relevant contents of the first phase of the plan.

On 31 August 2023, non-trading transfer of shares of the Phase I (2023) ESOP under 2023–2025 ESOP (the "Phase I (2023) ESOP") was completed.

On 27 September 2023, share purchase of the Phase I (2023) ESOP was completed.

On 28 December 2023, the First Holders' Meeting of the Phase I (2023) ESOP Under 2023–2025 ESOP approved Proposal on Setting up the Administration Committee of the Phase I (2023) ESOP Under 2023–2025 ESOP, Proposal on Electing the Members of the Administration Committee of the Phase I (2023) ESOP Under 2023–2025 ESOP, Proposal on Authorizing the Administration Committee to Handle Related Matters of the Phase I (2023) ESOP Under 2023–2025 ESOP.

On 21 May 2024, the 1st Meeting of the Eleventh Board of Directors of the Company approved the Proposal on the Granting Result of "Phase I (2023) ESOP Under 2023–2025 ESOP", specifying granting result of the Phase I (2023) ESOP, the unvested shares due to failure in achieving performance target shall be withdrawn and disposed by the Administration Committee of the Phase I (2023) ESOP, and all proceeds from disposal of such shares were vested in the Company.

On 27 September 2024, the first lock-up period of the Phase I (2023) ESOP expired.

The details of the shares granted and to be granted according to the Phase I (2023) ESOP Under 2023–2025 ESOP are set out as followed:

Unit: share

Name of Participant	Position	Awarded as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Unlocked during the Reporting Period	Waived during the Reporting Period	Subscribed during the Reporting Period	Awarded as at 30 June 2025[1]	Grant price (RMB)[2]	Grant date[3]	Fair value at grant date (RMB)	Vesting period
Li Yeqing	Executive director, CEO	113,729	0	0	0	0	34,119	79,610	13.6	2023.9.28	14.97	2024.9.28–2026.9.28
Liu Fengshan	Executive director	52,409	0	0	0	0	15,723	36,686	13.6	2023.9.28	14.97	2024.9.28–2026.9.28
Ming Jinhua	Chairman of the Board of Supervisors	48,915	0	0	0	0			13.6	2023.9.28	14.97	2024.9.28–2026.9.28

(2023)

The Phase I (2023) ESOP shall be valid for up to 60 months from the day when the Company makes an announcement that the last portion of shares to be transferred to the Phase I (2023) ESOP are transferred (i.e. from 28 September 2023 to 27 September 2028). The Phase I (2023) ESOP shall be terminated automatically if it is not renewed upon expiry. The term of the Phase I (2023) ESOP may be extended upon approval of the Holders attending the Holders' Meeting and representing over two thirds of the underlying shares and the Board of Directors, provided, however, that the term of the Phase I (2023) ESOP shall be extended by 12 months each time. As at the date of this Report, the remaining validity period of the Phase I (2023) ESOP is approximately 3 years.

On 21 May 2024, the 1st Meeting of the Eleventh Board of Directors of the Company approved the Proposal on the Phase II (2024) ESOP Under 2023–2025 ESOP ("Phase II (2024) ESOP"), specifying relevant contents of the second phase of the plan.

On 30 September 2024, share purchase of the Phase II (2024) ESOP was completed.

On 24 December 2024, the First Holders' Meeting of the Phase II (2024) ESOP Under 2023–2025 ESOP approved Proposal on Setting up the Administration Committee of the Phase II (2024) ESOP Under 2023–2025 ESOP, Proposal on Electing the Members of the Administration Committee of the Phase II (2024) ESOP Under 2023–2025 ESOP, Proposal on Authorizing the Administration Committee to Handle Related Matters of the Phase II (2024) ESOP Under 2023–2025 ESOP.

The details of the shares granted and to be granted according to the Phase II (2024) ESOP Under 2023–2025 ESOP are set out as followed:

Unit: share

Name of Participant	As at 1 January 2025	Granted during the Reporting Period[1]	Vested during the Reporting Period	Issued during the Reporting Period[2]	Weighted average grant-date fair value
Participants	1,000,000	0	0	0	0

Notes:

(1) Granted within the Reporting Period refers to shares supplementally granted to certain participants of this Phase II (2024) ESOP due to compensation adjustments or performance assessment requirements.

(2) Invalid within the Reporting Period refers to shares under this Phase II (2024) ESOP that could not be vested by participants due to failure to meet performance assessment targets.

(3) Withdrawn within the Reporting Period refers to shares under this Phase II (2024) ESOP that could not be vested due to unmet performance targets. After supplementary grants were made to certain participants (necessitated by compensation adjustments or performance assessment requirements), the shares were withdrawn and disposed of by the Administration Committee of the Phase II (2024) ESOP.

(4) The granted price is the average transaction price at which this Phase II (2024) ESOP completed share purchase.

(5) The grant date is the announcement date on completion of share purchase under this Phase II (2024) ESOP.

(6) On the trading day immediately before 1 October 2024 (the grant date), the closing price of A share was RMB14.23.

(7) The accounting standards and policies to estimate the fair value of the shares in the 2023–2025 ESOP are set out in the Note (XIV) to the financial statements prepared in accordance with the PRC Accounting Standards.

The maximum number of shares can be granted for each of the executive Directors and the supervisors listed in the table above under the Phase II (2024) ESOP will not exceed the total number of shares he/she has already been granted; and the number of shares for any other core employee can be granted will not exceed 55,270 (A total of 725,184 shares that could not be vested by participants due to failure to meet performance assessment targets have been withdrawn and disposed of by the Administration Committee of the ESOP. The number of shares for any other core employee can be granted has been adjusted accordingly.)

Given the nature of the ESOP, the provisions under Rule 17.07(3) of the Listing Rules regarding the number of shares that may be issued and the related weighted average number are not applicable.

(2024)

The Phase II (2024) ESOP shall be valid for up to 60 months from the day when the Company makes an announcement that the last portion of shares to be transferred to the Phase II (2024) ESOP are transferred (i.e. from 1 October 2024 to 30 September 2029). The Phase II (2024) ESOP shall be terminated automatically if it is not renewed upon expiry. The term of the Phase II (2024) ESOP may be extended upon approval of the Holders attending the Holders' Meeting and representing over two thirds of the underlying shares and the Board of Directors, provided, however, that the term of the Phase II (2024) ESOP shall be extended by 12 months each time. As at the date of this Report, the remaining validity period of the Phase II (2024) ESOP is approximately 4 years.

On 27 May 2025, the 12th Meeting of the Eleventh Board of Directors of the Company approved the Proposal on the Phase III (2025) ESOP Under 2023–2025 ESOP ("Phase III (2025) ESOP"), specifying relevant contents of the third phase of the plan.

As at the end of the Reporting Period, the Phase III (2025) ESOP has not yet completed the purchase and grant of shares.

OTHER INFORMATION

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The Company has set up the Audit Committee with terms of reference in compliance with all the applicable code provisions contained in Appendix C1 to the Hong Kong Listing Rules. The Audit Committee is responsible for reviewing and supervision of the financial reporting procedures, risk management and the internal controls of the Group as well as providing advice and suggestions to the Board. The Audit Committee has reviewed the unaudited interim results for the six months ended 30 June 2025 as disclosed in this report.

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FINANCIAL STATEMENTS (UNAUDITED)

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The financial statements have not been audited.

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30 June 2025

Huaxin Cement Co., LTD — Expressed in Renminbi Yuan

I e	NOTE VII	30 J e 2025	31 December 2024
C e a e			
Cash and bank balances	1	**6,669,909,310**	6,809,002,574
Financial assets held for trading	2	**1,675,259**	31,704,908
Notes receivable	3	**123,020,139**	202,597,711
Accounts receivable	4	**3,531,081,437**	2,969,799,883
Receivables financing	5	**606,554,060**	511,791,354
Prepayments	6	**453,238,991**	314,887,975
Other receivables	7	**787,055,227**	1,237,502,508
Including: Interest receivable		**8,391,077**	8,692,908
Dividends receivable		**41,073,613**	41,073,612
Inventories	8	**2,938,134,238**	3,057,769,490
Contract Assets		**7,165,000**	—
Non-current Assets Maturing Within One Year		**20,000,000**	40,000,000
Other current assets	9	**626,687,586**	616,550,620
T a c e a e		**15,764,521,247**	15,791,607,023
N -c e a e			
Long-term receivables	10	**47,128,430**	46,718,185
Long-term equity investments	11	**583,078,169**	584,752,454
Other equity investments	12	**945,621,616**	934,524,059
Other non-current financial assets		**39,983,240**	38,143,738
Fixed assets	13	**28,157,407,375**	28,408,451,936
Construction in progress	14	**4,051,535,258**	3,530,752,270
Right-of-use assets	15	**1,432,628,851**	1,514,705,861
Intangible assets	16	**15,674,102,690**	15,080,020,527
Development expenditures		**45,895,912**	60,934,742
Goodwill	17	**1,798,800,610**	1,209,007,806
Long-term prepaid expenses	18	**930,913,248**	981,013,500
Deferred tax assets	19	**795,121,627**	832,960,280
Other non-current assets		**606,082,889**	499,096,806
T a -c e a e		**55,108,299,915**	53,721,082,164
T a a e		**70,872,821,162**	69,512,689,187

FINANCIAL STATEMENTS (UNAUDITED)

30 2025 A A A

30 June 2025

Huaxin Cement Co., LTD

Expressed in Renminbi Yuan

I e	NOTE Ⅶ	30 J e 2025	31 December 2024
C e ab e			
Short-term borrowings	21	**137,579,445**	296,807,055
Derivative Financial Liabilities		**26,610,545**	—
Notes payable	22	**766,900,771**	675,782,946
Accounts payable	23	**6,905,089,071**	7,744,026,328
Contract liabilities	24	**712,303,373**	715,946,303
Employee benefits payable	25	**196,045,620**	280,892,309
Taxes and surcharges payable	26	**668,747,034**	755,744,542
Other payables	27	**1,417,172,772**	1,011,487,419
Including: Interest payable		**97,221,153**	48,543,388
Dividends payable		**373,667,927**	36,835,493
Current portion of non-current liabilities	28	**6,700,222,210**	6,619,044,244
Other current liabilities		**66,371,674**	69,172,946
T a c e ab e		**17,597,042,515**	18,168,904,092
N -c e ab e			
Long-term borrowings	29	**10,189,636,374**	9,598,770,711
Bonds payable	30	**3,543,705,234**	2,445,745,035
Including: Preference shares		**149,151,403**	149,725,053
Lease liabilities	31	**1,058,871,144**	1,128,631,065
Long-term payables	32	**744,210,662**	836,919,326
Long-term employee benefits payable	33	**54,830,186**	57,915,052
Provisions	34	**931,638,682**	917,006,487
Deferred income	35	**249,308,711**	251,857,383
Deferred tax liabilities	19	**1,394,245,613** 1 Tf9 0 0 9 480.6608 323.3785 T (	

FINANCIAL STATEMENTS (UNAUDITED)

30 2025 A A A
30 June 2025

Huaxin Cement Co., LTD

Expressed in Renminbi Yuan

I e	NOTE Ⅶ	30 J e 2025	31 December 2024
E			
Share capital	37	**2,078,995,649**	2,078,995,649
Capital reserves	38	**1,613,689,816**	1,580,482,247
Less: Treasury shares	39	**79,338,174**	64,638,011
Accumulated other comprehensive income	40		

FINANCIAL STATEMENTS (UNAUDITED)

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30 June 2025

Huaxin Cement Co., LTD — Expressed in Renminbi Yuan

I e	NOTE XVIII	30 J e 2025	31 December 2024
C e a e			
Cash and bank balances		**2,201,251,491**	2,511,275,577
Financial assets held for trading			30,000,000
Notes receivable		**4,311,802**	30,000
Accounts receivable	1	**395,158,447**	672,952,955
Receivables financing		**64,367,478**	25,925,967
Prepayments		**93,116,990**	73,597,947
Other receivables	2	**10,124,521,348**	8,444,662,576
Inventories		**167,344,002**	241,534,220
Other current assets		**113,458,213**	110,917,414
T a c e a e		**13,163,529,771**	12,110,896,656
N -c e a e			
Long-term receivables		**77,306,452**	67,546,368
Long-term equity investments	3	**17,336,328,739**	16,384,658,957
Other equity investments		**945,621,616**	934,524,059
Other non-current financial assets		**39,983,240**	37,854,770
Fixed assets		**491,619,077**	509,187,354
Construction in progress		**35,175,349**	37,189,643
Right-of-use assets		**27,924,642**	33,454,597
Intangible assets		**103,585,812**	105,044,873
Development expenditures		**37,125,296**	36,856,342
Long-term prepaid expenses		**7,294,680**	8,651,347
Deferred tax assets		**143,717,802**	134,659,036
T a -c e a e		**19,245,682,705**	18,289,627,346
T a a e		**32,409,212,476**	30,400,524,002

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30 June 2025

Huaxin Cement Co., LTD | Expressed in Renminbi Yuan

I e	NOTE XVIII	30 J e 2025	31 December 2024
C e ab e			
Derivative Financial Liabilities		**26,610,545**	—
Notes payable		**327,937,551**	242,155,289
Accounts payable		**176,373,195**	234,933,887
Contract liabilities		**36,279,855**	49,222,130
Employee benefits payable		**11,598,982**	26,173,353
Taxes payable		**19,257,186**	9,884,037
Other payables		**7,994,068,836**	7,828,063,409
Current portion of non-current liabilities		**918,114,101**	789,041,659
O e c e ab e			
T a c e ab e		**9,510,240,251**	9,179,473,764
N -c e ab e			
Long-term borrowings		**3,370,175,602**	3,139,622,602
Bonds payable		**3,394,553,832**	2,296,019,982
Lease liabilities		**18,733,752**	18,084,931
Long-term employee benefits payable		**8,800,028**	11,119,492
Provisions		**46,864,253**	46,864,253
Deferred income		**3,520,833**	3,791,667
T a -c e ab e		**6,842,648,300**	5,515,502,927
T a ab e			

FINANCIAL STATEMENTS (UNAUDITED)

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30 June 2025

Huaxin Cement Co., LTD — Expressed in Renminbi Yuan

I e	NOTE XVIII	30 J e 2025	31 December 2024
O e 'e			
Share capital		**2,078,995,649**	2,078,995,649
Capital reserves		**1,905,595,227**	1,891,587,870
Less: Treasury shares		**79,338,174**	64,638,011
Accumulated other comprehensive income		**72,310,797**	−60,676,056
Surplus reserves		**1,111,880,257**	1,111,880,257
Unappropriated profit		**11,111,501,763**	10,748,397,602
T a e		**16,056,323,925**	15,705,547,311
T a ab e a d e		**32,409,212,476**	30,400,524,002

Legal representative: Li Yeqing

Financial controller: Chen Qian

Accounting supervisor: Wu Qiaoli

FINANCIAL STATEMENTS (UNAUDITED)

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First half of 2025

Expressed in Renminbi Yuan

Items	NOTE VII	F af f 2025	First half of 2024
Gross revenue	44	**16,046,640,187**	16,237,373,654
Including: Revenue		**16,046,640,187**	16,237,373,654
Total cost of sales		**14,034,455,983**	14,939,003,710
Less: Cost of sales	44	**11,405,577,296**	12,396,833,893
Taxes and surcharges	45	**417,028,489**	375,276,270
Selling expenses	46	**762,586,412**	787,871,075
Administrative expenses	47	**939,872,641**	908,113,338
Research and development expenses		**72,224,935**	70,954,352
Finance costs	48	**437,166,210**	399,954,782
Including: Interest expenses	48	**354,306,130**	367,989,624
Interest income	48	**89,363,313**	95,827,125
Add: Other income	49	**71,238,835**	82,438,706
Investment income	50	**1,054,289**	4,616,793
Including: Income from investments in associates and joint ventures	50	**2,710,821**	1,580,722
Gains (Losses) from changes in fair value	51	**2,128,471**	6,227,453
Credit impairment loss	52	**26,233,268**	−31,626,854
Asset Impairment Loss	53	**4,054,858**	−6,776,662
Gains/(Losses) on disposal of assets	54	**453,063**	6,163,152
Operating profit		**2,055,864,610**	1,359,412,532
Add: Non-operating income	55	**7,589,190**	7,762,966
Less: Non-operating expenses	56	**38,525,586**	23,888,187
Profit before taxes		**2,024,928,214**	1,343,287,311
Less: Income tax expenses	57	**624,995,493**	321,600,930
Profit		**1,399,932,721**	1,021,686,381
Classified by continuity of operations			
Profit from continuing operations		**1,399,932,721**	1,021,686,381
Classified by attribution of ownership			
Profit attributable to owners of the parent		**1,103,484,806**	730,553,374
Profit attributable to non-controlling interests		**296,447,915**	291,133,007

FINANCIAL STATEMENTS (UNAUDITED)

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First half of 2025

Expressed in Renminbi Yuan

Items	NOTE VII	F af f 2025	First half of 2024
Other comprehensive income, net of tax		**58,306,160**	166,082,105
Other comprehensive income, net of tax, attributable to owners of the parent		**14,006,261**	118,552,914
Other comprehensive income that cannot be reclassified to profit or loss		**8,323,168**	20,964,304
Changes in fair value of other equity investment instruments		**8,323,168**	20,964,304
Other comprehensive income to be reclassified into profit or loss		**5,683,093**	97,588,610
Cash Flow Hedge Reserve		**19,957,909**	—
Exchange differences on translation of foreign currency financial statements		**25,641,002**	97,588,610
Other comprehensive income, net of tax, attributable to non-controlling interests		**44,299,899**	47,529,191
Total comprehensive income		**1,458,238,881**	1,187,768,486
Total comprehensive income attributable to owners of the Company		**1,117,491,067**	849,106,288
Total comprehensive income attributable to non-controlling interests		**340,747,814**	338,662,198
Earnings per share			
Basic earnings per share	58	**0.53**	0.35

FINANCIAL STATEMENTS (UNAUDITED)

FINANCIAL STATEMENTS (UNAUDITED)

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First half of 2025

Expressed in Renminbi Yuan

I e	NOTE VII	F a f f 2025	First half of 2024
I. Ca f f e a g ac e :			
Cash receipts from the sale of goods and the rendering of services		**13,785,982,422**	14,432,640,465
Receipts of taxes and surcharges refunds		**31,172,968**	36,457,201
Other cash receipts relating to operating activities	59	**436,849,993**	370,601,693
Total of cash inflows from operating activities		**14,254,005,383**	14,839,699,359
Cash payments for goods and services		**8,288,777,560**	9,016,646,703
Cash payments to and on behalf of employees		**1,550,351,382**	1,600,949,998
Payments of all types of taxes and surcharges		**1,965,441,912**	1,769,625,712
Other cash payments relating to operating activities	59	**825,640,225**	721,892,883
Total cash outflows from operating activities		**12,630,211,079**	13,109,115,296
Net cash flows from operating activities		**1,623,794,304**	1,730,584,063
II. Ca f f e g ac e			
Cash receipts from returns of investments		**360,000,000**	1,442,656,854
Cash receipts from returns on investments		**3,271,491**	24,097,572
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets		**430,968,279**	9,457,780
Net cash receipts from disposal of subsidiaries and other business units			—
Other cash receipts relating to investing activities	59	**25,900,000**	37,601,193
Total cash inflows from investing activities		**820,139,770**	1,513,813,399
Cash payments to acquire fixed assets, intangible assets and other long-term assets		**1,238,087,883**	1,444,409,433
Cash payments for investments		**330,000,000**	1,128,252,660
Net cash payments for acquisition of subsidiaries and other business units		**1,217,289,372**	109,727,361
Other cash payments relating to investing activities	59	**178,340,668**	10,000,000
Total cash outflows from investing activities		**2,963,717,923**	2,692,389,454
Net cash flows from investing activities		**2,143,578,153**	−1,178,576,055

FINANCIAL STATEMENTS (UNAUDITED)

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First half of 2025

Expressed in Renminbi Yuan

Ie	NOTE VII	F af f 2025	First half of 2024
III. Ca f f f a c g ac e :			
Cash proceeds from investments by others			—
Cash receipts from borrowings		**3,266,316,040**	1,908,060,000
Other cash receipts relating to financing activities	59	**343,311,818**	124,039,019
Total of cash inflows from financing activities		**3,609,627,858**	2,032,099,019
Cash repayment for debts		**1,994,791,503**	1,462,785,762
Cash payments for distribution of dividends or profit and interest expenses		**1,304,084,746**	1,428,296,072
Other cash payments relating to financing activities	59	**219,801,801**	224,497,258
Total cash outflows from financing activities		**3,518,678,050**	3,115,579,092
Net cash flows from financing activities		**90,949,808**	−1,083,480,073
IV. Effec f e c a ge a e c a ge ca a d ca e a e		**33,372,287**	−14,593,489
V. Ne c ea e ca a d ca e a e		**462,206,328**	−546,065,554
Add: Cash and cash equivalents at beginning of year		**6,219,040,331**	5,370,115,985
VI. Ca a d ca e a e a e d f ea		**5,756,834,003**	4,824,050,431

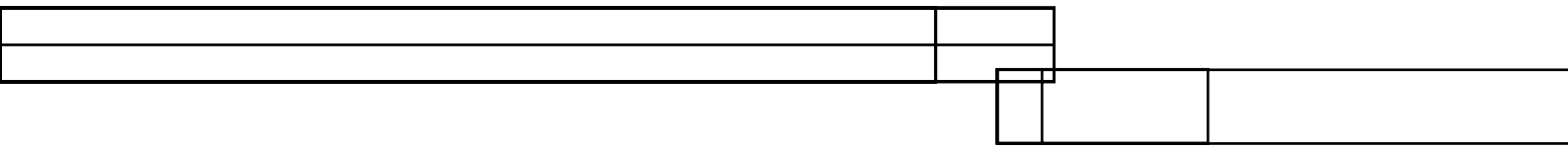
Legal representative:	Financial controller:	Accounting supervisor:
Li Yeqing	Chen Qian	Wu Qiaoli

FINANCIAL STATEMENTS (UNAUDITED)

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First half of 2025

Expressed in Renminbi Yuan



FINANCIAL STATEMENTS (UNAUDITED)

FINANCIAL STATEMENTS (UNAUDITED)

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First half of 2025

Expressed in Renminbi Yuan

Ie	Sae ca a	Ca a eee e	Le : Tea ae	A babe e f eae Acc aed e c eee e	Seca ed eee e	S eee e	Ua aed f	Sb a	N - c g ee	Ta e
				F af f2025						
I. Balance at end of prior year	2,078,995,649	1,580,482,247	64,638,011	484,891,409	51,893,030	1,111,880,257	26,017,705,413	30,291,427,176	4,606,377,271	34,897,804,447
II. Balance at end of prior year	2,078,995,649	1,580,482,247	64,638,011	484,891,409	51,893,030	1,111,880,257	26,017,705,413	30,[illegible]	4,606,377,271	34,[illegible]
III.										

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FINANCIAL STATEMENTS (UNAUDITED)

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First half of 2025

Expressed in Renminbi Yuan

Ie	Sae ca a	Ca a eee	Tea ae	F af f2025 Acc aed e Le : c ee e c e	S eee	U a aed f	T a e
I. Balance at end of prior year	2,078,995,649	1,891,587,870	64,638,011	60,676,056	1,111,880,257	10,748,397,602	15,705,547,311
II. Balance at end of prior year	2,078,995,649	1,891,587,870	64,638,011	60,676,056	1,111,880,257	10,748,397,602	15,705,547,311
III. Changes for the year		14,007,357	14,700,163	11,634,741		363,104,161	350,776,614
(1) Total comprehensive income				11,634,741		1,319,442,160	1,307,807,419
(2) Owners' contributions and reduction in capital		14,007,357	14,700,163				692,806
1. Amount of share-based payments recognized in equity		13,604,324	14,700,163				1,095,839
2. Others		403,033					403,033
(3) Profit distribution						956,337,999	956,337,999
Distribution to owners						956,337,999	956,337,999
(4) Specialized reserves							
1. Appropriated for the year							
2. Utilization for the year							

FINANCIAL STATEMENTS (UNAUDITED)

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First half of 2025

Expressed in Renminbi Yuan

First half of 2024

Items	Share capital	Capital reserves	Less: Treasury

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1.

Huaxin Cement Co., Ltd. (hereinafter referred to as the "Company" or "Huaxin Cement") is a joint stock limited liability company incorporated in the People's Republic of China, specifically in Hubei province, on 30 November 1993.The Renminbi-denominated ordinary shares (A shares) and H shares of the Company are listed on the Shanghai Stock Exchange ("Shanghai Stock Exchange") and The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange"), respectively. The Company's principal place of business is at Huaxin Building Block B, No. 426 Gaoxin Avenue, Donghu New Technology Development Zone, Wuhan, Hubei Province, the People's Republic of China.

The principle business activities of the Company and its subsidiaries (collectively, the "Group") includes: manufacture and sale of cement, concrete, clinker, aggregate and other building materials.

These financial statements were approved by a resolution of the board of directors of the Company on August 29, 2025.

The consolidation scope of consolidated financial statements was determined on the basis of control. Please refer to Note IX for changes of the Reporting Period.

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1.

The financial statements are prepared in accordance with Accounting Standards for Business Enterprises- Basic Standards issued by the Ministry of Finance as well as specific accounting standards, the implementation guidance, interpretations and other relevant provisions issued and revised subsequently (collectively referred to as "Accounting Standards for Business Enterprises"). In addition, these financial statements disclose relevant financial information in accordance with the Rules for the Compilation of Information Disclosure for Companies Offering Public Securities No. 15 — General Requirements for Financial Reporting, as well as relevant disclosures required by the Companies Ordinance of Hong Kong and the Listing Rules of the Stock Exchange of Hong Kong.

2.

These financial statements have been prepared on a going concern basis.

As at 30 June 2025, the Group's current assets were RMB15, 764, 521,247 and current liabilities were RMB17, 597,042,515, the amount of current assets was less than that of current liabilities. When evaluating whether the Group has sufficient financial resources to continue its operations, the management of the Group has taken its liquid working capital position in the future and financial resources into consideration, mainly including the net cash flows generated by operating activities and the availability of sufficient bank line of credit.

Therefore, the management of the Group considers that the Group will have sufficient working capital to cover operating use and make repayment on matured debts, thus it is appropriate to prepare the Group's financial statements on a going concern basis.

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The specific accounting policies and accounting estimation has been prepared by the Group based on actual production and operation characteristics, as mainly embodied in the provision for bad debt of accounts receivable, inventory valuation methods, inventory depreciation provisions, the depreciation of fixed assets, the amortization of intangible assets, revenue recognition and measurement.

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The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and present fairly and fully the financial position of the Company and the Group as at 30 June 2025 and their financial performance and cash flows for the half year.

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The accounting year for the Group is from 1 January to 31 December of each calendar year.

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The Company's reporting and presentation currency is Renminbi ("RMB"). Unless otherwise stated, the unit of the currency is RMB yuan.

The Group's subsidiaries, joint ventures and associates determine their accounting standard currency according to the main economic environment in which they operate, and convert it into RMB when preparing the financial statements.

5.

I e	I a ce c e a
Accounts receivable with significant single provision for bad debt reserves	The amount of bad debt provision for a single customer is greater than RMB10million yuan
Significant accounts receivable with reversed bad debt provisions this year	The reversal amount of bad debt provision for a single customer is greater than RMB10million yuan
Significant accounts receivable written off	The amount of bad debt provision written off by a single customer is greater than RMB10million yuan
Prepaid accounts with an aging of over 1 year and significant amounts	Prepaid account amount for a single supplier with an aging of over 1 year is greater than RMB10million yuan
Important ongoing construction projects	The company will exceed the budget of RMB for a single ongoing construction project 500 million recognized as important
Overdue and significant accounts payable/ contractual liabilities/other payables	Single supplier/customer balance exceeding RMB10 million yuan
Important cash flows from investment activities	Cash flow amount exceeding RMB100 million yuan is considered significant
Important non wholly owned subsidiaries	Non-wholly owned subsidiaries' revenue exceeds 3% of the group's total revenue, and the amount of minority shareholders' equity exceeds RMB300 million
Important joint ventures or associates	Book value of long-term equity investment in joint ventures or associated enterprises exceeds 5% of the group's net assets

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6.

The Group only has business combinations not under common control.

A business combination not under common control is a business combination in which the combining. The acquiree's identifiable assets, liabilities and contingent liabilities acquired in a business combination not under common control are measured at their fair values on the acquisition date. If the aggregate of the fair value of the consideration paid and any fair value of the acquirer's previously held equity interest exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets acquired, the difference shall be recognized as goodwill. Goodwill is subsequently measured at cost less any accumulated impairment losses. Where the aggregate of the fair value of the consideration paid and any fair value of the acquirer's previously held equity interest is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets acquired, reassessment of the measurement of these items is conducted, if the sum of the fair value of this consideration and other items mentioned above is still lower than the acquirer's interest in the fair value of the acquiree's identifiable net assets acquired, the difference is recognized in profit or loss for the current period.

7.

The consolidation scope of consolidated financial statements is determined on the basis of control, including the financial statements of the Company and all of its subsidiaries. A subsidiary is an entity (including an enterprise, a separable part of an investee, a structural entity controlled by the Company, etc.) that is controlled by the Company.

When preparing consolidated financial statements, subsidiaries adopt the same accounting period and accounting policies as those of the Company. All assets, liabilities, equity, income, expense and cash flows resulting from intra-group transactions are eliminated on consolidation in full.

Where the amount of losses for the current period attributed to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' portion of the opening balance of shareholders' equity of the subsidiary, the excess amount is allocated against non-controlling interests.

For subsidiaries acquired through a business combination not under common control, the operating results and cash flows of the acquiree's are included in the consolidated financial statements from the date on which the Group obtains control and will continue to be consolidated until the date that such control ceases. In preparing consolidated financial statements, adjustments shall be made to the subsidiaries' financial statements based on the fair values of the identifiable assets, liabilities and contingent liabilities at the acquisition date.

The Group reassesses its control over an investee when changes occur in key control elements.

Without loss of control, changes in minority shareholders' equity are treated as equity transactions.

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Cash comprises the Group's cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments held by the Group that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

10.

The Group translates the amounts of foreign currency transactions that have occurred into its functional currency.

Foreign currency transactions are initially recognized by translating the foreign currency amount into the functional currency at the spot exchange rate prevailing on the transaction date. At the balance sheet date, foreign currency monetary items are translated using the spot exchange rates. All the resulting exchange differences are taken to profit or loss, except for those relating to foreign currency borrowings specifically for acquisition and construction of assets qualified for capitalization, which are capitalized in accordance with the principle of capitalization of borrowing costs. Non-monetary foreign currency items measured at historical cost shall be translated at the transaction-date spot exchange rates, while functional currency denominated amounts remain unchanged. Non-monetary foreign currency items measured at fair value are translated at the spot exchange rate prevailing on the date their fair value is determined. Resulting exchange differences are recognized either in profit or loss or in other comprehensive income for the period, depending on the nature of the item.

For foreign operations, the Group translates its functional currency amounts into Renminbi in preparing the financial statements as follows: asset and liability items in the balance sheet are translated using the spot exchange rates at the balance sheet date, and equity items other than "retained earnings" are translated using the spot exchange rates on the transaction dates; revenue and expense items in the income statement are translated using the weighted average exchange rate for the period during which the transactions occur (unless it is not appropriate to use such exchange rate to translate as a result of the exchange rate changes, such items will be translated using the spot exchange rate at the transaction date). The resulting exchange differences are recognized in other comprehensive income.

Foreign currency cash flows and the cash flows of foreign subsidiaries are translated using the average exchange rate for the period during which the cash flows occur (Unless it is not appropriate to use such exchange rate to translate as a result of the exchange rate changes, such items will be translated at the spot exchange rate prevailing on the date when the cash flows incurred). The effect of exchange rate changes on cash is separately presented as an adjustment item in the statement of cash flows.

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11.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(1)

The Group recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument.

The Group derecognizes and writes off a financial asset (or part of a financial asset, or part of a group of similar financial assets) from its account and balance sheet when the following conditions are met:

(1) the rights to receive cash flows from the asset have expired;

(2) the Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the underlying obligation of a financial liability has been discharged or cancelled or has expired, the financial liability is derecognized. If an existing financial liability is replaced by the same creditor with a new financial liability that has substantially different terms, or if the terms of an existing financial liability are substantially revised, such replacement or revision is accounted for as the derecognition of the original liability and the recognition of a new liability, and the resulting difference is recognized in profit or loss for the current period.

Regular way purchases or sales of financial assets are recognized and derecognized on the trade date. Regular way purchases or sales of financial assets mean that the financial assets

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The subsequent measurement of financial assets depends on their classification as follows:

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Financial assets are classified as financial assets measured at amortized cost if the financial assets meet the following conditions: the objective of the Group's business model for managing the financial assets is to collect contractual cash flows; the contractual terms of the financial assets requires that the cash flows giving rise on specified dates represent payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

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Financial assets are classified as financial assets at fair value through other comprehensive income if the financial assets meet the following conditions: the financial assets are held within a business model whose the objective is achieved by collect contractual cash flows and selling; the contractual terms of the financial assets requires that the cash flows giving rise on specified dates represent payments of principal and interest on the principal amount outstanding. For such financial assets, the effective interest method is used for recognizing interest income. Changes in fair value are included in other comprehensive income except for interest income, impairment loss, and exchange differences which are be recognized as profit or loss for the current period. On derecognition of financial assets, gains and losses accumulated in other comprehensive income are reclassified to profit or loss for the current period.

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The Group irrevocably elects to designate its certain equity instrument investments not held for trading as financial assets at fair value through other comprehensive income, and only recognize dividends (except for dividend income clearly recovered as part of the investment cost) in profit or loss for the current period. Subsequent changes in fair values are included in other comprehensive income, and no provision for impairment is required. On derecognition of financial assets, gains and losses previously accumulated in other comprehensive income are reclassified to retained earnings.

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Except for the above-mentioned financial assets at amortized cost and financial assets at fair value through other comprehensive income, the Group has classified the remaining financial assets as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value, where all changes in fair value are recognized in profit or loss for the current period.

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(3)

The Group's financial liabilities were classified at initial recognition as financial liabilities measured at fair value through profit or loss for the period and financial liabilities measured at amortized cost. For financial liabilities measured at fair value and their changes are included in profit or loss for the current period, the relevant transaction costs are directly included in the current profit or loss, and the related transaction costs of financial liabilities measured at amortized cost are included in the initial recognition amount.

The subsequent measurement of financial liabilities depends on their classification as follows:

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Financial liabilities measured at fair value through profit or loss for the current period, including transactional financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated as measured at fair value at the time of initial recognition and whose changes are included in profit or loss for the current period. Transactional financial liabilities (including derivatives that are financial liabilities) are subsequently measured at fair value, and all changes in fair value are included in profit or loss for the current period. For financial liabilities designated as measured at fair value and their changes are included in profit or loss for the period, they are subsequently measured at fair value, and other changes in fair value are included in profit or loss for the period except for changes in fair value caused by changes in the Group's own credit risk in other comprehensive income. If the fair value change caused by changes in the Group's own credit risk is included in other comprehensive income that causes or increases the accounting mismatch in profit or loss, the Group will include all fair value changes (including the amount affected by changes in its own credit risk) in profit or loss.

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For such financial liabilities, the effective interest rate method is used and subsequently measured according to the amortized cost.

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The Group recognizes impairment losses for: (i) financial assets measured at amortized cost, and (ii) debt instrument investments measured at fair value through other comprehensive income (FVOCI), based on expected credit losses (ECL). The related allowance is recognized in profit or loss for amortized cost assets, while for FVOCI debt instruments, it is recognized in other comprehensive income without reducing the carrying amount in the balance sheet.

For receivables and contract assets without significant financing components, the Group applies the simplified approach, recognizing a loss allowance for expected credit losses over their entire expected life.

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For financial assets other than those described above using the simplified measurement methodology, the Group assesses whether its credit risk has increased significantly since the initial recognition at each balance sheet date, and if the credit risk does not increase significantly after the initial recognition and is in the first stage, the Group shall measure the loss provision according to the amount equivalent to the expected credit loss in the next 12 months, and calculate the interest income according to the book balance and the actual interest rate. If credit risk has increased significantly since the initial recognition but no credit impairment has occurred, in the second stage, the Group measures the loss provision at an amount equivalent to the expected credit loss over the entire duration and calculates interest income based on the book balance and effective interest rate; If credit impairment occurs after initial recognition, in the third stage, the Group measures the loss provision at an amount equivalent to the expected credit loss for the entire duration and calculates interest income at amortized cost and effective interest rate. For financial instruments with only lower credit risk at the balance sheet date, the Group assumes that their credit risk has not increased significantly since initial recognition.

For the Group's disclosure of the criteria for judging a significant increase in credit risk and the definition of assets that have incurred credit impairment, please refer to Note 11 and 1.

The Group's methodology for measuring expected credit losses on financial instruments reflects

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If the credit risk characteristics of a counterparty are significantly different from those of other counterparties in the portfolio, the corresponding amount received from the counterparty shall be provided for losses according to a single item. The Group divides accounts receivable into cement portfolios, concrete portfolios and other portfolios based on credit risk characteristics, and calculates expected credit losses on the basis of the portfolio. If there is objective evidence that a credit impairment has occurred in an account receivable, the Group will recognize an impairment provision and the expected credit loss. For accounts receivable divided into portfolios, the Group calculates ECL based on default risk exposure and expected credit loss ratio for the entire duration with reference to historical credit loss experience, current conditions and forecasts of future economic conditions.

When the Group no longer reasonably expects to be able to fully or partially recover the contractual cash flows of financial assets, the Group directly writes down the carrying amount of the financial assets.

(5)

The Group uses derivative financial instruments, such as interest rate swap, to hedge interest rate risk. Derivative financial instruments are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at their fair values. Derivative financial instruments with a positive fair value are recognized as an asset, and that with a negative fair value is recognized as a liability.

Other than hedge accounting, gains or losses arising from changes in the fair value of derivatives are directly recognized in profit or loss for the current period.

(6)

If the Group transfers substantially all associated risks and rewards, the financial asset is derecognized; if these are retained, the asset remains recognized.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it accounts for the transaction as follows: 1.If the Group has not retained control, it derecognizes the financial asset and recognizes any resulting assets or liabilities.2.If the Group has retained control, it continues to recognize the financial asset only to the extent of its continuing involvement in the transferred financial asset and recognizes an associated liability.

Continuing involvement that takes the form of a financial guarantee over the transferred financial asset is recognized at the lower of the carrying amount of the financial asset and the amount of financial guarantee. The amount of financial guarantee refers to the maximum amount of consideration that the Group could be required to repay.

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12.

Inventories include raw materials, work in progress, finished goods, spare parts and auxiliary materials, etc.

Inventories are initially carried at cost. Cost of inventories comprises costs of purchase, costs of conversion and other costs. The actual cost of inventories transferred out is determined by using the weighted average method. Spare parts and auxiliary materials include low value consumables and packing materials. Low value consumables and packing materials are amortized by using the immediate write-off method.

The Group adopts a perpetual inventory system.

At the balance sheet date, inventories are stated at the lower of cost and net realizable value. If the cost of inventories is higher than the net realizable value, a provision for decline in value of inventories is recognized in profit or loss for the current period. If factors that previously resulted in the provision for decline in value of inventories no longer exist and result in the net realizable value being higher than their carrying amount, the amount of the write-down is reversed to the extent of the amount of the previous provision for the inventories and is recognized in profit or loss for the current period.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to completion and the estimated expenses and the related taxes necessary to make the sale. The provision for decline in value is made on an individual basis, provided that for inventories with large quantity and lower unit cost, the provision for decline in value is made on a category basis. For inventories related to a series of products manufactured and sold in the same area, and of which the final use or purpose is identical or similar, and if it is difficult to measure them by separating them from other items, the provision for decline in value of inventories are made on a combination basis.

13.

The Group presents contract assets or contract liabilities in its balance sheet based on the relationship between the performance of its performance obligations and customer payments.

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14. -

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates.

A long-term equity investment is initially measured at its initial investment cost on acquisition. For a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the carrying amount of the absorbing party's share of the owner's equity of the party being absorbed on the consolidated financial statements of the ultimate controller. The difference between the initial investment cost and the carrying amount of the consideration paid for the combination shall be adjusted against capital reserve (where the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings). Other comprehensive income prior to the date of the merger is accounted for on the same basis as that used to account for direct disposal of such assets or liabilities by the investee, and shareholders' equity recognized as a result of changes in other shareholders' equity of the investee other than net profit or loss, other comprehensive income and profit distribution is transferred to profit or loss for the current period upon such disposal, of which the investment which remains long-term equity investment upon the disposal is transferred in proportion, and the investment which is converted into financial instruments upon the disposal is transferred in full. The initial investment cost of the long-term equity investment is the cost of acquisition for a business combination not under common control (for a business combination not under common control achieved in stages, the initial investment cost is measured at the carrying amount of the equity investments in the acquiree before the acquisition date plus the additional investment cost incurred on the acquisition date). The cost of combination includes the assets transferred and the liabilities incurred or assumed by the acquirer, and the fair value of equity securities issued. Other comprehensive income held prior to the date of the acquisition and recognized using the equity method is accounted for on the same basis as that used to account for direct disposal of such assets or liabilities by the investee, and shareholders' equity recognized as a result of changes in other shareholders' equity of the investee other than net profit or loss, other comprehensive income and profit distribution is transferred to profit or loss for the current period upon such disposal, of which the investment which remains long-term equity investment upon the disposal is transferred in proportion, and the investment which is converted into other equity instruments investments upon the disposal is transferred in full. For a long-term equity investment acquired other than through a business combination, the initial investment cost is determined as follows: if acquired by paying cash, the initial investment cost is the actual purchase price paid and those costs, taxes and other necessary

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2b0e2k0rYearRenminbiear STATEMEqLayT1⁰f0.BTLayTL/Fm0 DoQENTS

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A fixed asset is recognized only when the economic benefits associated with the asset will probably flow to the Group and the cost of the asset can be measured reliably. Subsequent

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16.

The cost of construction in progress is determined according to the actual expenditures incurred for the construction, including all necessary construction expenditures incurred during the construction period, and other relevant expenditures.

An item of construction in progress is transferred to fixed assets when the asset is ready for its intended use. The standards are set as below：

	Sadad f a fe g f eda e
Buildings	Start to use
Machinery and equipment	Achieve the design requirement and complete the trail

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The intangible assets are amortized using the straight-line method over their useful lives. The useful lives are as follows:

	U ef fe
Land use rights	40–50years
Mining rights	Amortization on the basis of production
Mine restoration fees	Amortization on the basis of production
Concession right	10–20 years
Software use rights and others	5–10years

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The Group classifies expenditure for an internal research and development proje-0.1 Td(20 ym(L(11EM

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When the recoverable amount of an asset or asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount by the Group. The reduction in the carrying amount is treated as an impairment loss and recognized in profit or loss. A provision for impairment loss of the asset is recognized accordingly.

For the purpose of impairment testing, the carrying amount of goodwill is allocated from the acquisition date on a reasonable basis, to each of the related asset groups or the related sets of asset groups. Each of the related asset groups or sets of asset groups is an asset group or a set of asset groups that is expected to benefit from the synergies of the business combination and shall not be larger than an operating segment as determined by the Group.

The carrying amount of the related asset group to which goodwill has been allocated for impairment is compared to its recoverable amount. If the carrying amount of the asset group is higher than its recoverable amount, the amount of the impairment loss is firstly used to reduce the carrying amount of the goodwill allocated to the asset group, and then used to reduce the carrying amount of other assets within the asset group, on a pro-rata basis of the carrying amount of each asset.

Once the above-mentioned asset impairment losses are recognized, they will not be reversed in future accounting periods.

20. -

Long-term deferred expenses represent expenses incurred but should be recognized as expenses over more than one year in the current year and subsequent periods, including mine development expenses and residents' relocation expenses. Long-term deferred expenses are amortized using the straight-line method and production method according to the period over which it is estimated to generate economic benefits for the Group.

21.

Before transferring goods or services to customers, the obligation to transfer goods or services to customers due to receiving consideration from customers or obtaining the right to receive consideration unconditionally is recognized as contractual liabilities.

22.

Employee benefits refer to all forms of consideration or compensation other than share-based payments given by the Group in exchange for services rendered by employees or for termination of employment. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

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In the accounting period in which services are rendered by employees, the actual amount of short-term benefits incurred is recognized as liabilities and charged to profit or loss for the current period or cost of underlying assets.

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The employees of the Group participate in a pension scheme and unemployment insurance managed by the local government, and an enterprise pension fund, the corresponding expenses shall be included in the cost of related assets or profit or loss.

The Group's defined benefit plans are various supplementary benefit plans targeting those employees retiring before the designated dates and retired employees. These plans are impacted by interest rate risk and changes in the life expectancy of pension beneficiaries.

Remeasurements arising from the defined benefit pension plan, comprising actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to equity through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized as current expenses on the earlier of the following dates: The Group recognizes the relevant restructuring expenses or termination benefits when the defined benefit plan is modified.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under cost of sales, administrative expenses, research and development expenses, selling expenses, and finance expenses in the income statement: service costs comprising current service costs, past service costs, gains and losses on settlements; net interest comprising interest income on plan assets, interest costs on the defined benefit obligation and interest on the effect of the asset ceiling.

23.

Except for contingent consideration and contingent liabilities assumed in business combinations that are not under the same control, obligations related to contingencies are current obligations assumed by the Group and the performance of such obligations is likely to result in the outflow of economic benefits to the Group, and the relevant amounts can be reliably measured, the Group recognizes them as projected liabilities.

Projected liabilities are initially measured in accordance with the best estimate of expenditure required to meet the relevant current obligations, taking into account factors such as risks, uncertainties and time value of money related to contingencies. Review the carrying value of projected liabilities at balance sheet date and make appropriate adjustments to reflect the current best estimates.

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When the Group has fulfilled its performance obligations of the contract, the revenue is recognized when the customers take control of the relevant goods or services. Taking control of the relevant goods or services means being able to dominate the use of the goods or the provision of the services and obtain almost all of the economic benefits from them.

The Group recognizes revenue from the sale of cement and other construction materials when the control of the goods has been transferred to the customer. According to the sales contract, the point of recognition of sales revenue is usually when the cement and other construction materials are shipped out of the Group's own warehouses or designated warehouses.

The Group uses the amount of consideration that it expects to be entitled to receive as a result of the transfer of merchandise to customers as the transaction price, which is determined in accordance with the terms of the contract, taking into account past business practices. Some of the Group's contracts provide for certain discounts when customers purchase merchandise over a certain quantity, which is directly offset against the amount payable by the customer for the merchandise purchased in the current period. The Group makes its best estimate of the discount in accordance with the expectation that the transaction price after the estimated discount will not exceed the amount by which it is highly probable that the cumulative recognized revenue will not be materially reversed by the time the related uncertainty is eliminated, and re-estimates the discount at each balance sheet date.

For contracts containing significant financing components, the Group determines transaction prices by applying the discounted cash value method, where the nominal consideration is discounted to its present value at the customer's acquisition of control over goods or services. The difference between the determined transaction price and the contractually agreed consideration is amortized using the effective interest method over the contract period. When the interval between the customer's acquisition of control and payment fulfillment is expected to be less than one year, the Group excludes significant financing components from the contract.

The Group fulfills its performance obligations through the provision of services such as solid waste treatment and governmental household waste treatment to its customers. Since the economic benefits arising from the Group's performance are obtained and consumed by the customers at the same time as the Group's performance, the Group recognizes revenue in accordance with the progress of performance as performance obligations fulfilled in a certain period of time, unless the progress of performance is not reasonably determinable. The Group determines the progress of performance in the provision of services in accordance with the output method. When the progress of performance is not reasonably determinable, the Group recognizes revenue at the amount of costs incurred until the progress of performance is reasonably determinable, provided that the costs incurred by the Group are expected to be reimbursed.

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27.

The Group's contract cost assets include the costs to obtain and fulfill a contract and are classified as inventories, other current assets and other non-current assets by liquidity.

The Group recognizes as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs, unless the amortization period of the asset is one year or less.

Other than the costs which are capitalized as inventories, fixed assets and intangible assets, etc., costs incurred to fulfil a contract with a customer are capitalized as an asset if all of the following criteria are met:

(1) The costs relate directly to a contract or to an anticipated contract, including direct labour, direct materials, overheads (or similar expenses), costs that are explicitly chargeable to the customer and other costs that are incurred only because an entity entered into the contract;

(2) The costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future;

(3) The costs are expected to be recovered.

The contract cost asset is amortized and charged to profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognized.

The Group accrues provisions for impairment and recognizes impairment losses to the extent that the carrying amount of a contract cost asset exceeds:

(1) The remaining amount of consideration that the entity expects to receive in exchange for the goods or services to which the asset relates;

(2) The costs that are expected to be incurred to transfer those related goods or services

28.

Government grants are recognized when all attaching conditions can be complied with and the grant will be received. If a government grant is in the form of a transfer of a monetary asset, it is measured at

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28.

A government grant related to income is accounted for as follows: if the grant is a compensation for related cost expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred income, and recognized in profit or loss over the periods in which the related costs expenses for losses are recognized; and if the grant is a compensation for related cost expenses or losses already incurred, it is immediately recognized in profit or loss for the current period.

A government grant relating to an asset shall be offset against the carrying amounts of relevant assets, or recognized as deferred income and amortized in profit or loss over the useful life of the related asset by annual instalments in a systematic and rational way (however, a government grant measured at a nominal amount is recognized directly in profit or loss). Where the assets are sold, transferred, retired or damaged before the end of their useful lives, the rest of the remaining deferred income is released to profit or loss for the period in which the relevant assets are disposed of.

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Deferred tax is provided using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the tax bases and the carrying amounts of the items, which have a tax base according to related tax laws but are not recognized as assets and liabilities.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(1) When the taxable temporary difference arises from the initial recognition of goodwill, or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(2) In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, and the carryforward of unused tax losses and any unused tax credits. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax losses and unused tax credits can be utilized, except：

(1) When the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

(2) In respect of the deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized in the future.

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At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates that are

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At the commencement date of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date, except for short-term leases and leases of low-value assets. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease.

In calculating the present value of the lease payments, the Group uses the interest rate implicit in the lease as the discount rate. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate. The Group calculates the interest expenses of the lease liability in each period during the lease term using the constant periodic rate of interest, and recognizes such interest expenses in profit or loss, except those in the costs of the related asset as required. Variable lease payments that are not included in the measurement of the lease liabilities are recognized in profit or loss as incurred, except those in the costs of the related asset as required.

After the commencement date of the lease, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the Group remeasures the lease liability at the present value of revised lease payments upon a change in any of the following: in-substance fixed payments, the amounts expected to be payable under residual value guarantees, the index or rate used to determine lease payments, or the assessment or exercise of the purchase option, the renewal option or the option to terminate the lease.

The Group considers a lease that, at the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option as a short-term lease; and a lease of the individual underlying asset with low value, when new, as a lease of low-value assets. The Group does not recognize the right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The Group recognizes lease payments on short-term leases and leases of low-value assets in the costs of the related asset or profit or loss on a straight-line basis.

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A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date.

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Rental income under an operating lease is recognized through profit or loss using the straight-line method for each period of the lease term. Variable lease payments not included in the measurement of the net investment in the lease are recognized in profit or loss as incurred Initial direct costs are capitalized and recognized over the lease term on the same basis as rental income, through profit or loss.

31.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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Land use tax:	It is levied based on the land areas occupied by the Group for production and operations, at the annual tax amount per sq.m. for the respective land use tax levels prescribed by local government.	—
Individual income tax	Individual income tax is withheld and paid under the tax laws based on salaries and other personal incomes paid to employees of the Group.	—
Land appreciation tax	It is levied at four-level excess progressive tax rates ranging from –30% to 60% on the appreciation of land value for any land use right and buildings on the ground or other structures annexed thereto from which VAT arises as a result of the transfer of ownership by the Group at a consideration.	—
Resource tax	The Group's mining products are subject to resource tax on an ad valorem or ad valorem basis in accordance with the relevant provisions of national tax laws.	
Corporate income tax	Except for the overseas subsidiaries adopting the local corporate income tax and the income tax concessions entitled by some of the enterprises comprising the Group as below, the Group's corporate income tax is levied at the tax rate of 25% based on the taxable profit.	Overseas companies: 30%, 28%, 20%, 18%, 15%, 13%, 12.5%, 10% Other companies: 25%, 16.5%, 15%, 12.5%, 9%, 0%

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The Group's subsidiary Huaxin Cement Technology Management (Wuhan) Co.,Ltd. was granted Certificate of High and New Technological Enterprise by Hubei Provincial Science & Technology Department in 2023.Pursuant to the Enterprise Income Tax Law of the PRC, the above company is entitled to a reduced tax rate of 15% for the year (2024: 15%).

The Group's subsidiary Huaxin Cement (Henan Xinyang) Co., Ltd. was granted the Certificate of High and New Technological Enterprise by Henan Provincial Science & Technology Department in 2022. Pursuant to the Enterprise Income Tax Law of the PRC, the above company is entitled to a reduced tax rate of 15% for the year (2024: 15%).

The Group's subsidiary Huaxin Super-kolon New Building Materials Technology (Huangshi) Co., Ltd. was granted the Certificate of High and New Technological Enterprise by Hubei Provincial Science & Technology Department in 2022.Pursuant to the Enterprise Income Tax Law of the PRC, the above company is entitled to a reduced tax rate of 15% for the year (2024: 15%).

The Group's subsidiaries Hainan Xinhongda Building Materials Co., Ltd.,Hainan Baihuitong Supply Chain Technology Co.,Ltd., are enterprises established in Hainan Province. Pursuant to Cai Shui [2020] No.31 Announcement of Corporate Income Tax Relief Policy in the Hainan Free Trade Port, the applicable enterprise income tax rate is reduced to 15%.

The Group's subsidiaries Huaxin Cement Chongqing Fuling Co., Ltd., Huaxin Cement (Enshi) Co., Ltd., Huaxin Cement (Quxian) Co., Ltd., Huaxin Cement (Wanyuan) Co., Ltd., Huaxin Cement (Lijiang) Co., Ltd., Yunnan Huaxin Dongjun Cement Co., Ltd., Huaxin Guizhou Dingxiao Special Cement Co., Ltd., Huaxin Cement (Zhaotong) Co., Ltd., Huaxin Hongta Cement (Jinghong) Co., Ltd., Huaxin Cement (Jianchuan) Co., Ltd., Huaxin Cement (Kunming Dongchuan) Co., Ltd., Huaxin Cement (Lincang) Co., Ltd., Huaxin Cement (Honghe) Co., Ltd., Chongqing Huaxin Diwei Cement Co., Ltd., Chongqing Huaxin Cantian Cement Co., Ltd. and Guizhou Shuicheng Rui An Cement Co., Ltd., Huaxin Cement (Fumin) Co., Ltd., Kunming Chongde Cement Co., Ltd. and Huaxin Cement (Tibet) Co., Ltd., Huaxin Cement (Diqing) Co. Ltd, Tibet Huaxin Building Materials Co., Ltd, Huaxin Cement (Yunlong) Co., Ltd, Panzhihua Huaxin New Material Co., Ltd, Chongqing Huaxin Yanjing Cement Co., Ltd, Chongqing Huaxin Phoenix Lake Concrete Co., Ltd, Huaxin New Building Materials (Kunming) Co., Ltd, and Yunwei Baoshan Organic Chemical Co., Ltd. are manufacturing enterprises established in the western development zone of the PRC. Pursuant to Cai Shui [2020] No. 23 Announcement on the Continuation of the Enterprise Income Tax Policy for Western China Development, the applicable enterprise income tax rate of these subsidiaries for the years from 2021 to 2030 is reduced to 15%.

The Group's subsidiaries, Huaxin Environmental Engineering (Wuxue) Co., LTD., is qualified third-party enterprises engaged in pollution prevention and control.

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According to the Ministry of Finance Announcement No. 38 of 2023, "Announcement of the Ministry of Finance, the State Administration of Taxation, the National Development and Reform Commission, and the Ministry of Ecology and Environment on Issues Concerning the Policies of Third-Party Enterprises Engaged in Pollution Prevention and Control", the applicable enterprise income tax rate of these subsidiaries for the years from 2024 to 2027 is reduced to 15%.

For the Group's subsidiaries engaged in the business of environmental engineering, their profits generated from the business of environmental protection and energy and water conservation are exempt from enterprise income tax in the first three years starting from the first year generating revenue and followed by a 50% reduction from the fourth year to the sixth year.

Huaxin Cement (Tibet) Co., Ltd. and Tibet Huaxin Building Materials Co., Ltd. subsidiaries of the Group are among the key enterprises supporting and encouraging the development in the Tibet Autonomous Region. Pursuant to the "Measures for the Implementation of Enterprise Income Tax Policies in the Tibet Autonomous Region (Provisional)" issued by the Government of the People's Republic of China under No. 11 of the [2022], from 1 January, 2022 to 31 December, 2025, they will be exempted from the local portion of the enterprise income tax.

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Based on the regulation in VAT Preference Items for Resource Comprehensively Utilized Products and Labor Services Involving the Comprehensive Utilization of Resources (Cai Shui [2015] No. 78), certain subsidiaries of the Group are entitled to the preferential policy of VAT refund upon paying at a refund ratio of 70%.

3.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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Unit: RMB

I e	C g ba a ce	Opening balance
Cash on hand	**3,454,847**	

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Unit: RMB

I e	De ec g ed	N De ec g ed
Bank Acceptance Bill		**74,832,987**
Total		**74,832,987**

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Unit: RMB

	C g ba a ce	Opening balance
Subtotal within 1 year	**3,117,071,483**	2,679,545,907
Within 6 months	**2,372,795,383**	2,215,711,566
6 to 12 months	**744,276,100**	463,834,341
1 to 2 years	**528,209,141**	425,135,025
2 to 3 years	**103,382,207**	65,994,623
Over 3 years	**127,352,208**	117,966,856
Less: Impairment allowance	**344,933,602**	318,842,528
Total	**3,531,081,437**	2,969,799,883

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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Receivables for which bad debt provision is assessed on a portfolio basis are as follows:

Unit: RMB

	Ba a ce f ca g a	C g ba a ce P f bad deb	E ec ed c ed a e (%)
Within 6 months	615,988,003	9,576,719	2
6 to 12 months	72,764,874	6,961,015	10
1 to 2 years	26,933,860	4,117,774	15
2 to 3 years	6,365,847	6,174,872	97
Over 3 years	4,390,684	4,390,683	100
Total	726,443,268	31,221,063	

Unit: RMB

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Unit: RMB

ca	Ba a ce f g a	C g ba a ce P f bad deb	E ec ed c ed a e (%)
Within 6 months	**329,025,734**	**11,645,679**	**4**
6 to 12 months	**54,231,340**	**3,772,547**	**7**
1 to 2 years	**102,189,068**	**18,347,227**	**18**
2 to 3 years	**23,309,883**	**13,444,854**	**58**
Over 3 years	**28,897,931**	**18,428,472**	**64**
Total	**537,653,956**	**65,638,779**	

Movements in provision for bad debts of accounts receivable are as follows:

Unit: RMB

	Amount of change for the period					
	Opening balance	Provision for the year	Recovered or reversal	Write-offs	Other movements	C g ba a ce
Bad debts of accounts receivable	318,842,528	56,522,932	31,862,136	135,943	−1,566,221	**344,933,602**
Total	318,842,528	56,522,932	31,862,136	135,943	−1,566,221	**344,933,602**

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Unit: RMB

I e	A f e- ff
Accounts receivable actually written off	135,943

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Unit: RMB

	C g ba a ce	P a acc ece ab e (%)	P f bad deb	B a e
First	137,560,114	4	5,185,722	132,374,392
Second	66,451,627	2	2,449,514	64,002,113
Third	61,134,233	2	2,915,867	58,218,366
Fourth	48,011,922	1	1,311,162	46,700,760
Fifth	47,737,644	1	1,635,302	46,102,342
Total	360,895,540		13,497,567	347,397,973

5.

Unit: RMB

	C g ba a ce	Opening balance
Bank acceptance bills	606,554,060	511,791,354
Total	606,554,060	511,791,354

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Unit: RMB

	De ec g ed	N De ec g ed
Bank acceptance bills	1,919,320,515	
Total	1,919,320,515	

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Unit: RMB

	C g ba a ce Ba a ce f ca g a	P (%)	Opening balance Balance of carrying amount	Proportion (%)
Within 1 year	**398,398,484**	**88**	253,908,235	81
1 to 2 years	**27,882,265**	**6**	30,230,495	10
2 to 3 years	**14,596,602**	**3**	20,890,730	7
Over 3 years	**12,361,640**	**3**	9,858,515	3
Total	**453,238,991**	**100**	314,887,975	100

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Unit: RMB

	C g ba a ce	Pe ce age f a a (%)
First	**38,819,190**	**9**
Second	**14,481,426**	**3**
Third	**8,421,688**	**2**
Fourth	**8,198,692**	**2**
Fifth	**5,767,575**	**1**
Total	**75,688,571**	**17**

7.

Unit: RMB

	C g ba a ce	Opening balance
Interests receivable	**8,391,077**	8,692,906
Dividends receivable	**41,073,613**	41,073,612
Other receivables	**737,590,537**	1,187,735,988
Total	**787,055,227**	1,237,502,508

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7.

Unit: RMB

	C g ba a ce	Opening balance
Within 1 year	**321,624,579**	636,386,497
1 to 2 years	**207,183,583**	356,907,345
2 to 3 years	**89,186,653**	91,778,591
Over 3 years	**185,708,236**	168,796,269
Less: Provision for bad debts of other receivables	**66,112,514**	66,132,714
Total	**737,590,537**	1,187,735,988

Unit: RMB

	C g ba a ce	Opening balance
Receivables from disposal of assets	**259,373,391**	697,542,989
Loans and out-of-pocket expenses	**125,933,818**	138,674,729
Margin and deposits	**222,388,452**	204,677,702
Other	**196,007,390**	212,973,282
Total	**803,703,051**	1,253,868,702

Unit: RMB

	Amount of change during the period					
	Opening balance	Provision for the year	Reversal for the year	Write-off for the year	Other	C g ba a ce
Bad debt provision for other receivables	66,132,714	2,193,030	620,558	1,592,672	—	**66,112,514**
Total	66,132,714	2,193,030	620,558	1,592,672	—	**66,112,514**

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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Unit: RMB

	Opening balance	Increase during the year: Provision	Increase during the year: Others	Decrease during the year: Reversal or write-off	Decrease during the year: Others	**C g ba a ce**
Raw materials	25,770,526	—	—	—	10,388,424	**15,382,102**
Work in progress	21,410,776	—	—	—	483,577	**20,927,199**
Finished goods	31,309,200	496,457	—	—	4,634,829	**27,170,828**
Spare parts	123,501,524	6,662,479	5,044,017	3,104,078	—	**132,103,942**
Total	201,992,026	7,158,936	5,044,017	3,104,078	15,506,830	**195,584,071**

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Unit: RMB

	C g ba a ce	Opening balance
Retained input VAT and prepaid income tax	**510,710,536**	533,342,789
Advance payment of income tax	**94,970,158**	56,621,514
Others	**21,006,892**	26,586,317
Total	**626,687,586**	616,550,620

10. -

Unit: RMB

	C g ba a ce			Opening balance		
	Ba a ce f ca g a	**P f bad deb**	**B a e**	Balance of carrying amount	Provision for bad debts	Book value
Loans	**46,652,150**		**46,652,150**	46,241,905	—	46,241,905
Others	**476,280**		**476,280**	476,280	—	476,280
Total	**47,128,430**		**47,128,430**	46,718,185	—	46,718,185

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11. -

Unit: RMB

	Opening balance	Increase in investment	Changes for the period Investment income or loss recognized under the equity method	Other equity changes	Cash dividends declared	**C g ba a ce**
I. Joint venture						
Tibet Huaxin New Aggregate Co.	20,291,611	−105,681	–	–	20,185,930	**15,300,000**
Subtotal	20,291,611	−105,681	–	–	20,185,930	**15,300,000**
II. Associates						
Tibet High-tech Building Materials Group Co., Ltd	381,704,461	1,329,807	403,033	–	383,437,301	**361,995,062**
Shanghai Wan'an Huaxin Cement Co., Ltd.	89,210,350	−134,589	–	–	89,075,761	**88,751,254**
Zhangjiajie Tianzi Concrete Co., Ltd.	3,566,505	−18,497	–	–	3,548,008	**3,566,505**
Xinyang Xinxin Mining Co., Ltd	62,854,742	32,216	–	–	62,886,958	**60,000,000**
MondiOmanLLC	27,124,785	1,607,565	–	4,788,139	23,944,211	**24,895,533**
Subtotal	564,460,843	2,816,502	403,033	4,788,139	562,892,239	**539,208,354**
Total	584,752,454	2,710,821	403,033	4,788,139	583,078,169	**554,508,354**

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12.

Unit: RMB

	Initial investment cost	Changes in fair value gains recognized in other comprehensive income for the year	C g ba a ce	Accumulated gains recognized in other comprehensive income	Accumulated Losses recognized in other comprehensive income
Equity investment in unlisted companies 1	39,986,790	11,097,557	**51,084,347**	39,389,681	–
Equity investment in unlisted companies 2	894,537,269	–	**894,537,269**	–	105,462,731
Total	934,524,059	11,097,557	**945,621,616**	39,389,681	105,462,731

The voting rights of the Group in equity investment projects 1 and 2 of unlisted companies are 1.4988% and 5.2173%, respectively, and the Group does not participate in or influence their financial and operational decisions in any way, so the Group does not have a significant influence on the above-mentioned companies, and it is accounted for other equity instruments for strategic investment considerations.

13.

Unit: RMB

	C g ba a ce	Opening balance
Fixed assets	**28,147,051,582**	28,398,029,574
Disposal of fixed assets	**10,355,793**	10,422,362
Total	**28,157,407,375**	28,408,451,936

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13.

Unit: RMB

	B d g	Mac e	e e	T a a e e	T a
I. Original price					
1. Opening balance	22,447,480,429	27,552,216,906	360,233,509	548,938,270	50,908,869,114
2. Addition	578,270,069	572,622,860	12,653,867	109,486,313	1,273,033,109
(1) Purchase	15,434,461	20,138,910	8,102,729	6,477,758	50,153,858
(2) Transfers from construction in progress	430,375,720	412,033,834	2,681,368	34,215,936	879,306,858
(3) Business combinations	110,769,313	179,511,902	1,737,214	64,921,477	356,939,906
(4) Exchange differences on foreign currency translation	21,690,575	−39,061,786	132,556	3,871,142	−13,367,513
3. Reduction	18,290,472	43,104,375	1,142,901	16,336,736	78,874,484
(1) Disposal or retirement	13,424,112	42,955,275	1,112,741	16,336,736	73,828,864
(2) Disposal of subsidiaries	4,866,360	149,100	30,160	—	5,045,620
4. Closing balance	23,007,460,026	28,081,735,391	371,744,475	642,087,847	52,103,027,739
II. Accumulated depreciation					
1. Opening balance	6,621,849,878	14,770,747,462	258,018,586	416,302,329	22,066,918,255
2. Addition	490,363,751	934,469,327	15,603,044	64,712,769	1,505,148,891
(1) Provision	384,607,522	800,054,942	13,868,820	29,231,236	1,227,762,520
(2) Business combinations	75,208,179	116,862,726	1,112,783	32,107,875	225,291,563
(3) Exchange differences on foreign currency translation	30,548,050	17,551,659	621,441	3,373,658	52,094,808
3. Reduction	5,425,642				

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13.

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Unit: RMB

Original price	Accumulated depreciation	Provision for impairment losses	B a e

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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Unit: RMB

	Budget	Opening balance	Increase during the year	Transferred to fixed assets in the year	Other decrease	C g ba a ce	Percentage of project investment in budget (%)	Progress of works	Accumulated amount of capitalized interest	Including: capitalized interest for the year	Capitalization rate of interest for the year (%)	Source of funding
Huaxin Huangshi Green Building Materials Billion Tons Machine-made Sand Project	11,650,210,000	716,358,282	101,996,220	–	–	**818,354,502**	80	80	73,146,223	–	3.51	Self-owned funds and bank borrowings
Mozambique Nacala Factory Upgrade and Renovation Project	527,643,462	476,041,388	73,727,407	466,277,485	–	**83,491,310**	90	N/A	–	–	–	Self-owned funds
Huangshi Cement Supporting Project	3,744,490,000	249,325,455	18,180,716	–	–	**267,506,171**	88	N/A	–	–	–	Self-owned funds
Huaxin Environmental Engineering Series Project Huangshi Cement Supporting Project	826,811,342	153,407,103	8,950,131	1,310,109	−1,301,887	**162,349,012**	N/A	N/A	10,206,197	–		

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14.

Unit: RMB

	C g ba a ce			Opening balance		
	Acc ba a ce	I a e	B a e	Account balance	Impairment provision	Book value
Special equipment	**76,990,409**		**76,990,409**	118,623,991	—	118,623,991
Total	**76,990,409**		**76,990,409**	118,623,991	—	118,623,991

15. - -

Unit: RMB

	La d e g ad e e g	B d g ad Rea ed fac e	Mac e ad e e	A be ad a a e ce	T a
I. Original price					
1. Opening balance	684,775,884	636,084,029	793,663,694	25,246,209	2,139,769,816
2. Addition	253,035,460	23,077,929	28,101,326	20,017	304,234,732
(1) New leased-in	253,895,552	22,538,638	27,889,746	—	304,323,936
(2) Exchange differences on foreign currency translation	−860,092	539,291	211,580	20,017	−89,204
3. Reduction	54,991,153	98,325,173	84,240,148	—	237,556,474
(1) Disposal	—	—	4,087,198	—	4,087,198
(2) Others	54,991,153	98,325,173	80,152,950	—	233,469,276
4. Closing balance	882,820,191	560,836,785	737,524,872	25,266,226	2,206,448,074
II. Accumulated depreciation					
1. Opening balance	**219,[illegible]**	197,848,022	**203,[illegible]**	**3,[illegible]**	**625,[illegible]**
2. [illegible]	62,453,037				

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16.

Unit: RMB

	La d e g	M g g	M e e a fee	C ce g	S f a e a d e	T a
I. Original price						
1. Opening balance	3,841,882,360	13,957,140,074	975,893,723	210,002,434	314,068,217	19,298,986,808
2. Addition	235,410,202	660,293,873	12,307	1,130,695	10,648,651	907,495,728
(1) Purchase	–	14,449,266	–	1,130,695	7,732,235	23,312,196
(2) Transfer from construction in progress	2,390,530	10,366,333	–	–	2,763,147	15,520,010
(3) Exchange differences on foreign currency translation	21,681,133	52,594,688	12,307	–	150,901	74,439,029
(4) Business combinations	211,338,539	582,883,586	–	–	2,368	794,224,493
3. Reduction	13,293,483	–	–	–	141,843	13,435,326
(1) Disposal	13,293,483	–	–	–	141,843	13,435,326
4. Closing balance	4,063,999,079	14,617,433,947	975,906,030	211,133,129	324,575,025	20,193,047,210
II. Accumulated amortization						
1. Opening balance	756,318,643	2,811,743,274	244,060,422	94,726,962	260,249,802	4,167,099,103
2. Addition	47,051,752	206,406,931	22,156,641	14,793,640	11,440,113	301,849,077
(1) Provision	45,259,306	191,874,913	22,156,641	14,793,640	11,396,440	285,480,940
(2) Exchange differences on foreign currency translation	1,792,446	14,532,018	–	–	43,673	16,368,137
(3) Business combinations	–	–	–	–	–	–
3. Reduction	1,728,995	–	–	–	141,843	1,870,838
(1) Disposal	1,728,995	–	–	–	141,843	1,870,838
4. Closing balance	801,641,400	3,018,150,205	266,217,063	109,520,602	271,548,072	4,467,077,342
III. Provision for impairment losses						
1. Opening balance	6,421,519	24,913,690	–	–	20,531,969	51,867,178
2. Addition	–	–	–	–	–	–
(1) Provision	–	–	–	–	–	–
3. Reduction	–	–	–	–	–	–
(1) Disposal	–	–	–	–	–	–
4. Closing balance	6,421,519	24,913,690	–	–	20,531,969	51,867,178
IV. Book value						
1. At the end of the year	3,255,936,160	11,574,370,052	709,688,967	101,612,527	32,494,984	15,674,102,690
2. At the beginning of the year	3,079,142,198	11,120,483,110	731,833,301	115,275,472	33,286,446	15,080,020,527

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Unit: RMB

	Opening balance	Increase business combinations	Decrease Disposals	C g ba a ce
Huaxin Cement (Daye) Co., Ltd	189,057,605	—	—	**189,057,605**
Natal Portland Cement Company (Pty)Ltd.	567,704,407	—	—	**567,704,407**
Cambodian Cement Chakrey Ting Factory Co., Ltd.	125,767,908	—	—	**125,767,908**
Huaxin Jinlong Cement (Yunxian) Co., Ltd.	101,685,698	—	—	**101,685,698**
CHILANGA Cement PLC	87,794,908	—	—	**87,794,908**
Hainan Xinhongda Building Materials Co., Ltd.	79,313,263	—	—	**79,313,263**
Success Eagle Cement (Hong Kong) Limited and its subsidiaries	69,557,768	—	—	**69,557,768**
NETNIX LIMITED	59,573,587	—	—	**59,573,587**
Hainan Huaxin Fuli Concrete Co.	21,944,066	—	—	**21,944,066**
Huaxin Cement (E'zhou) Co., Ltd.	21,492,135	—	—	**21,492,135**
Hainan Huaxin Dacheng Concrete Co.	16,533,093	—	—	**16,533,093**
Yueyang County Yonggu Concrete Co.	8,119,042	—	—	**8,119,042**
Hainan Huaxin Ronghui Concrete Co., Ltd	5,809,669	—	—	**5,809,669**
Huaxin Commercial Concrete (Ezhou Huarong) Co.	25,017,823	—	—	**25,017,823**
ITATUBA PARTICIPAÇÕES LTDA	—	589,792,804	—	**589,792,804**
Total	1,379,370,972	589,792,804	—	**1,969,163,776**

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Unit: RMB

	Opening balance	Increase Provision	Decrease Disposals	C g ba a ce
Success Eagle Cement (Hong Kong) Limited and its subsidiaries	69,557,768	—	—	**69,557,768**
Huaxin Cement (E'zhou) Co., Ltd.	21,492,135	—	—	**21,492,135**
Hainan Xinhongda Building Materials Co., Ltd.	79,313,263	—	—	**79,313,263**
Total	170,363,166	—	—	**170,363,166**

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18. -

Unit: RMB

	Opening balance	Addition	Amortization	Impairment	C g ba a ce
Mine development cost	339,674,840	—	14,311,406	207,547	**325,155,887**
Relocation expenses	519,919,005	3,473,521	32,068,838	—	**491,323,688**
Others	121,419,655	3,497,371	8,154,277	2,329,076	**114,433,673**
Total	981,013,500	6,970,892	54,534,521	2,536,623	**930,913,248**

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Unit: RMB

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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Unit: RMB

	C g ba a ce	Opening balance
Deductible temporary differences	**2,370,776,691**	2,349,885,088
Deductible losses 1,937376.0459 603.3986 Tm6 cm0 0 m29 m80 88.249D 6 1 0 0 1 641.5748 618.5056 cm0 9 m80 88.249		

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Unit: RMB

	C g ba a ce Ca g A	B Va e	Opening balance Carrying Amount	Book Value
Cash and bank balances	**913,075,307**	**913,075,307**	589,962,243	589,962,243
Fixed assets	**5,039,418**	**5,039,418**	5,134,693	5,134,693
Intangible assets	**3,409,197**	**3,409,197**	5,563,022	5,563,022
Total	**921,523,922**	**921,523,922**	600,659,958	600,659,958

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Unit: RMB

	C g ba a ce	Opening balance
Mortgaged borrowings (Note 1)	**10,000,000**	10,000,000

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Unit: RMB

	Opening balance	Increase	Decrease	C g ba a ce

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26.

Unit: RMB

	C g ba a ce	Opening balance
VAT	**165,696,413**	179,442,886
Corporate income tax	**366,496,105**	426,100,850
Individual income tax	**8,317,608**	1,230,459
Resources tax	**34,606,384**	38,125,599
Environmental protection tax	**19,548,669**	20,326,675
Others	**74,081,855**	90,518,073
Total	**668,747,034**	755,744,542

27.

Unit: RMB

	C g ba a ce	Opening balance
Interests payable	**97,221,153**	48,543,388
Dividends payable	**373,667,927**	36,835,493
Other payables	**946,283,692**	926,108,538
Total	**1,417,172,772**	1,011,487,419

Unit: RMB

	C g ba a ce	Opening balance
Interests of corporate bonds	**84,974,051**	28,848,781
Interests on borrowings	**12,247,102**	19,694,607
Total	**97,221,153**	48,543,388

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27.

Unit: RMB

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28. -

Unit: RMB

	C g ba a ce	Opening balance
Long-term borrowings due within one year	**2,979,651,569**	3,092,145,165
Bonds payable due within one year	**2,540,196,941**	2,547,073,585
Long-term payables due within one year	**869,077,137**	637,661,438
Lease liabilities due within one year	**311,296,563**	342,164,056
Total	**6,700,222,210**	6,619,044,244

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Unit: RMB

	C g ba a ce	Opening balance
Pledged borrowings		129,780,000
Guaranteed borrowings	**8,682,243,181**	8,591,443,197
Credit borrowings	**4,487,044,762**	3,969,692,679
Guaranteed borrowings due within one year	**2,279,594,824**	2,639,427,349
Credit borrowing due within one year	**700,056,745**	414,937,816
Pledged borrowings due within one year		37,780,000
Total	**10,189,636,374**	9,598,770,711

As at 30 June 2025, the annual interest rates of the borrowings above were 1.35%–19.53%(31 December 2024: 1.35%–11.19%).

Note 1: As at 30 June 2025and 31 December 2024, the guaranteed borrowings of the Group were guaranteed by entities within the Group.

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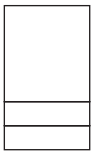
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Unit: RMB

	C g ba a ce	Opening balance
Overseas bond issued in 2020		—
Company bonds issued in 2022 (Low-carbon transition-linked bonds) (Phase I)	**399,685,909**	399,823,745
Preference shares of subsidiary	**149,151,403**	149,725,053
Bonds issued in 2023	**798,700,976**	799,354,497
Bonds issued in 2024	**1,098,030,772**	1,096,841,740
Bonds issued in 2025	**1,098,136,175**	—
Total	**3,543,705,234**	2,445,745,035

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Unit: RMB



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32. -

Unit: RMB

I e	C g ba a ce	Opening balance
Long-term accounts payable	**744,210,662**	836,919,326
Total	**744,210,662**	836,919,326

Unit: RMB

I e	C g ba a ce	Opening balance
Transaction fees of mining rights paid in installments	**1,201,241,888**	1,332,878,585
Finance lease back payable	**412,045,911**	

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33. -

Unit: RMB

I e	C g ba a ce	Opening balance
Net liabilities of d74d0ed benefit plan	**67,127,971**	73,572,543
Less: To be paid within one year	**12,297,785**	15,657,491
Total	**54,830,186**	57,915,052

Note 1: The Group's d74d0ed benefit plans are various supplementary benefit plans targeting those employees retiring before the designated dates and retired employees. These plans are impacted by interest rate risk and changes in the life expectancy of pension beneficiaries.

34.

Unit: RMB

I e	Opening balance	C g ba a ce	Formation reasons
Md0e restoration fees (Note 1)	853,017,115	**840,267,091**	The Group's cement companies recognize estimated restoration costs on the basis of md0e restoration expenditures to be incurred in subsequent years.
Others (Note 2)	78,621,567	**76,739,396**	Others include expected compensation payments for pending litigations of the Group's subsidiaries, etc.
Total	931,638,682	**917,006,487**	/

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35.

Unit: RMB

I e	Opening balance	Addition	Reduction	C g ba a ce	Underlying reason
Government grants	251,857,383	5,963,700	8,512,372	**249,308,711**	Government grants related to assets
Total	251,857,383	5,963,700	8,512,372	**249,308,711**	/

36. -

Unit: RMB

I e	C g ba a ce	Opening balance
Advance on sales of goods	**99,693,000**	99,693,000
Total	**99,693,000**	99,693,000

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Unit: RMB

I e	Opening balance	C g ba a ce

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Unit: RMB

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Unit: RMB

I e	Opening balance	Addition	Reduction	C g ba a ce
Statutory surplus reserve	1,048,299,928	—	—	**1,048,299,928**
Discretionary surplus reserve	63,580,329	—	—	**63,580,329**
Total	1,111,880,257	—	—	**1,111,880,257**

According to the requirements of the Company Law and the Articles of Association of the Company, the Company shall appropriate 10% of its net profit to the statutory surplus reserve. In the event that the accumulated statutory surplus reserve of the Company has exceeded 50% of the registered capital of the Company, additional appropriation will not be needed. After the appropriation to statutory surplus reserve, the Company may make appropriation to the discretionary surplus reserve. Upon approval, the discretionary surplus reserve can be used to make up for losses from previous years or to increase the share capital.

The cumulative amount of the Company's statutory surplus reserve has exceeded 50% of the registered capital, and no statutory surplus reserve was withdrawn in January-June 2025 (2024: Nil).

43.

Unit: RMB

I e	A f e c e e d

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44.

Unit: RMB

I e	A f ec e e d Re e e	C	Amount for the prior period Revenue	Cost
Principal operations	**15,936,934,688**	**11,333,787,250**	16,078,811,428	12,270,184,750
Other operations	**109,705,499**	**71,790,046**	158,562,226	126,649,143
Total	**16,046,640,187**	**11,405,577,296**	16,237,373,654	12,396,833,893

The operating revenue from contracts with customers is as follows:

Unit: RMB

	A f ec e e d O e a g e e e	O e a g c	Amount for the prior period Operating revenue	Operating cost
Analysis by product				
Sales of cement	**8,754,581,124**	**6,029,693,118**	8,367,925,294	6,600,511,569
Sales of concrete	**3,456,745,885**	**3,003,271,938**	3,942,691,547	3,484,753,219
Sales of clinker	**397,096,518**	**355,224,754**	298,126,527	271,007,070
Sales of aggregate	**2,762,583,002**	**1,439,038,459**	2,961,595,021	1,557,498,051
Others	**675,633,658**	**578,666,188**	667,035,265	483,063,984
Timing of revenue recognition				
At a point in time	**15,677,002,520**	**11,061,956,250**	15,916,631,348	12,245,596,306
Over time	**362,880,005**	**318,570,696**	315,632,119	148,980,410
Rental income-operating lease	**6,757,662**	**5,825,393**	5,110,187	2,257,177
Total	**16,046,640,187**	**11,386,352,339**	16,237,373,654	12,396,833,893

The business activities of the Group include manufacturing and selling cement, clinker, aggregate, concrete, new building materials and waste disposal etc.

Revenue is recognized at a point in time in accordance with the contractual performance obligations, using the transfer of control as the criterion for revenue recognition. The Group settles with its customers on a cash-on-delivery basis and on a cash-on-delivery basis, whereby cash-on-delivery is made on credit to customers in accordance with the customers' credit ratings and credit limits approved by the Group, and the customers make payments in accordance with the agreed-upon billing periods.

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The performance obligation is satisfied over time as services are rendered and payment is generally settled on a timely basis. The Group recognize the revenue upon completion of disposal amount.

As at 30 June 2025, the amount of revenue corresponding to contracts entered into but not yet fulfilled or earlier performance obligations amounted to RMB712,303,373, which is recognized as revenue within the next 2 years (31 December 2024: RMB715,946,303)

45.

Unit: RMB

I e	A f e c e d	Amount for the prior period
D7C5455 9.5 422.4458 723.3586 Tm(—)Tj1 -0.1 perfotaxBDC BT9 0 0 9 483.9188 436.4086 Tm(4.4086 Tm(AmounTjE		

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Unit: RMB

I e	A c e e d	Amount for the prior period

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Unit: RMB

	A f e c e e d	Amount for the prior period

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52.

Unit: RMB

I e	A c e e d	Amount for the prior period
Losses on impairment of account receivables	**24,660,796**	29,651,146
Losses on impairment of other receivables	**1,572,472**	

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56. -

Unit: RMB

I e	A f e c e e d	Amount for the prior period	Amount included in non-recurring profit or loss for the period
Losses on retirement of fixed assets	**3,344,615**	3,173,489	3,344,615
Expenses on donation	**3,396,350**	7,102,026	3,396,350
Others	**31,784,620**	13,612,671	31,784,620
Total	**38,525,586**	23,888,187	38,525,586

57.

Unit: RMB

I e	A f e c e e d	Amount for the prior period
Current income tax expenses	**571,791,452**	396,233,620
Deferred income tax expense	**53,204,041**	−74,632,690
Total	**624,995,493**	321,600,930

A ec c a f c e a e e ea d a f e a f :

Unit: RMB

I e	A f e c e e d	Amount for the prior period
Profit before tax	**2,024,928,214**	1,343,287,311
Effect of non-taxable income	**506,232,053**	335,821,828
Effect of different tax rates of some subsidiaries	**84,520,336**	−67,406,015
Non-taxable income	**635,185**	−1,126,994
Expenses not deductible costs	**667,741**	7,156,407
Effect of deductible losses of deferred tax assets not recognized in the previous period	**11,119,192**	−20,186,170
Effect of deductible temporary differences or deductible losses for which deferred tax assets are not recognized for the current period	**69,982,592**	42,865,661
Withholding Income Tax on Profit Distributions by Overseas Subsidiaries	**147,738,075**	15,404,371
Others	**3,350,257**	9,071,842
Income tax expense at the effective tax rate of the Group	**624,995,493**	321,600,930

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l e	A f e c e e d RMB/ a e	Amount for the prior period RMB/share
Basic earnings per share		
Continuing operations	**0.53**	0.35

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58.

Unit: RMB

Item	Actual	Amount for the prior period
Earnings		
Net profit for the year attributable to ordinary shareholders of the Company	**1,103,484,806**	730,553,347
Less: Cash dividends expected to unlock future restricted Item		

NOTES TO THE FINANCIAL STATEMENTS

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Unit: RMB

l e	A c e f e d	Amount for the prior period
Recovery of non-financial corporate transactions	**25,900,000**	

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Unit: RMB

Ie		A f e c e e d	Amount for the prior period
1.	**Rec c a f e f ca f f e a g ac e :**		
	Net profit	**1,399,932,721**	1,021,686,381
	Add: Impairment losses on assets	**4,054,858**	6,776,662
	Credit impairment losses	**26,233,268**	31,626,854
	Depreciation of fixed assets	**1,227,762,520**	1,159,557,697
	Depreciation of right-of-use assets	**135,715,703**	147,079,501
	Amortization of intangible assets	**285,480,940**	594,639,589
	Amortization of long-term amortized expenses	**54,534,521**	53,105,103
	(Gain) Loss on disposal of fixed assets, intangible assets and other long-term assets	**453,063**	−6,163,152
	Loss on retirement of fixed assets	**963,680**	2,503,709
	Loss (gain) on change in fair value	**2,128,471**	−6,227,453
	Financial cost	**526,529,522**	495,781,908
	Investment losses	**1,054,289**	−4,616,793
	Increase in deferred income tax assets	**77,616,029**	−81,146,078
	Increase in deferred income tax liabilities	**24,411,988**	68,830,134
	Decrease in inventory	**200,783,743**	−41,648,086
	Increase in operating receivables	**2,015,473,919**	−1,161,268,713
	Increase in operating payables	**158,277,145**	−540,784,530
	Amortization of deferred income	**8,512,372**	−9,148,670
	Net cash flows from operating activities	**1,623,794,304**	1,730,584,063
2.	**Maj e ga d f a c gac e a d e ca :**		
	Bank acceptance bills endorsed for payment of construction work	**759,963,400**	570,426,300
3.	**Ne c a ge ca a d ca e a e :**		
	Balance of cash at the end of the year	**5,756,834,003**	4,824,050,431
	Less: Balances of cash equivalents at the beginning of the year	**6,219,040,331**	5,370,115,985
	Net decrease in cash and cash equivalents	**462,206,328**	−546,065,554

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2.

Unit: RMB

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Cash paid for acquisition of subsidiaries and other operating units	1,263,055,384
ITATUBA PARTICIPAÇÕES LTDA	1,263,055,384
Less: Cash and cash equivalents held by subsidiaries and other operating units at acquisition date	45,966,011
ITATUBA PARTICIPAÇÕES LTDA	45,966,011
Add: Cash or cash equivalents paid in the current period for business mergers that occurred in previous periods	200,000
Xishui Tongsheng Building Materials Co., LTD	200,000
Net cash paid(received) for acquisition of subsidiaries and other business units	1,217,289,373

3.

Unit: RMB

I e	C g ba a ce	Opening balance
Cash	**5,756,834,003**	6,219,040,331
Including: Cash on hand	**3,454,846**	1,221,618
Bank deposits	**5,753,379,157**	6,217,818,713
Balance of cash and cash equivalents at end of the year	**5,756,834,003**	6,219,040,331

4.

Unit: RMB

I e	C g ba a ce	Opening balance	Rationale
Deposits for letter of credit	**378,006,608**	6,899,449	Guarantees
Deposits for mine land reclamation	**353,993,148**	191,781,553	Guarantees
Deposits for acceptance bills	**85,683,524**	71,029,060	Guarantees
Deposits for letter of guarantee	**65,168,986**	201,813,666	Guarantees
Other cash and bank balances with restrictions	**30,223,041**	118,438,515	Guarantees
Total	**913,075,307**	589,962,243	/

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"Foreign currency" means a currency other than the basic accounting currency of each company within the Group.

Unit: RMB

I e	O g a c e c	E c a ge a e	CNY ba a ce
Cash and bank balances			
USD	294,689,675	7.1586	2,109,565,509
CNY	21,974,362	1.0000	21,974,362
EUR	1,737,305	8.4024	14,597,534
HKD	175,026	0.9120	159,615
ZAR	544,256	0.4031	219,396
ZMW	3,787	0.3018	1,143
KES	5,245	0.0554	291
TZS	69,300	0.0027	190
RUB	15	0.0913	1
MZN	4,770	0.1121	535
Accounts receivable			
USD	5,154,439	7.1586	36,898,571
Other receivables			
USD			
EUR	18,135	8.4024	152,378
Accounts payable			
USD	21,428,741	7.1586	153,399,782
EUR	785,290	8.4024	6,598,321
CNY	45,892,156	1.0000	45,892,156
ZAR	5,731,333	0.4031	2,310,358
CHF	24,800	8.9721	222,508
Other payables			
CNY	8,403,051	1.0000	8,403,051785,290

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Unit: RMB

I e	A f e c e e d	Amount for the prior period
Interest expense on lease liabilities	**29,037,215**	31,267,691
Lease costs recognized in profit or loss using the simplified approach	**15,791,018**	15,230,480
Total cash outflows related to leases	**167,496,934**	161,568,606

The Group has lease contracts for various items of land, houses and buildings, machinery, vehicles, and other equipment used in its operations. Leases of houses and buildings and machinery generally have lease terms of 3–8 years, while those of vehicles and other equipment generally have lease terms of 3–8 years. Generally, the Group is restricted from assigning and subleasing the underlying assets and some contracts require the Group to maintain certain financial ratios.

Total lease-related cash outflows CNY 167,496,934.

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The Group has entered into operating leases on underlying assets subject to operating leases, and the lease terms are between 2016 and 2028. Some leases include clauses for extension and termination options and variable lease payments. Residual value risk of the underlying assets is not significant.

Unit: RMB

I e	Re a c e f e c e e d	Rental income for the prior period
Operating leases	**6,757,662**	5,110,187
Total	**6,757,662**	5,110,187

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The Group had total future minimum lease receivables (undiscounted) with its tenants falling due as follows:

Unit: RMB

I e	A a d c g ba a ce	ed ea e ece Opening balance
Within 1 year, inclusive	**5,269,139**	7,790,082
1 to 2 years inclusive	**1,143,507**	1,425,071
2 to 3 years inclusive	**100,000**	—
3 to 4 years inclusive		—
4 to 5 years inclusive		—
Total undiscounted lease receipts after five years	**6,512,646**	11,369,511

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The Research and development expenditures by nature is as follows (excluding amortization of self-developed intangible assets):

Unit: RMB

I e	A f e c e e d	Amount for the prior period
Employee remuneration and labor costs	**53,977,035**	49,712,408
Depreciation and amortization expense	**3,268,024**	3,503,893
Agency fees	**7,152,393**	6,318,521
Office expenses	**5,667,726**	5,814,329
Others	**5,979,366**	5,605,201
Total	**76,044,544**	70,954,352
Including: Expensed research and development expenditure	**72,224,935**	70,954,352
Capitalized research and development expenditure	**3,819,609**	399,345

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The Development expenditures on R&D projects eligible for capitalization are listed below:

Unit: RMB

Ite	Ba a ce a beg	I c ea e g f ea	Red c de e e	I e a e

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Unit: RMB

	ITATUBA PARTICIPA ES LTDA 17 Ma c 2025 Fa a e	17 Ma c 2025 Ca g a
Assets:	1,077,476,812	605,001,867
Cash and bank balances	45,966,011	45,966,011
Receivables	68,894,074	68,894,074
Prepayments	30,107	30,107
Inventories	35,341,154	35,341,154
Other current assets	162,168	162,168
Fixed assets	131,648,343	131,648,343
Intangible assets	794,224,493	321,749,548
Construction in progress	153,500	153,500
Right-of-use asset	1,012,781	1,012,781
Deferred tax assets	44,181	44,181
Liabilities:	405,104,551	

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l e e b d a e	P a c e f b e	Reg e e d RMB0'000	P a c e f eg a	Na e f b e	Pe ce age f a e d g (%) D ec l d ec	Ac ed e d
Nantong Huaxin Jinlong Concrete Co., LTD	Nantong	3,000.00	Nantong	Production and sale of concrete	– 100	Establishment
Huaxin Concrete (Wuhan Jiangxia) Co., LTD	Wuhan	2,500.00	Wuhan	Production and sale of concrete	– 100	Establishment
Changzhou Huaxin Boai Concrete Co., LTD	Changzhou	3,000.00	Changzhou	Production and sale of concrete	– 100	Establishment
Jiujiang Huaxin Concrete Co., LTD	Jiujiang	3,000.00	Jiujiang	Production and sale of concrete	– 100	Establishment
Huaxin Concrete (Xiaogan) Co., LTD	Xiaogan	2,500.00	Xiaogan	Production and sale of concrete	– 100	Establishment
Huaxin Concrete Co., LTD	Wuhan	13,500.00	Wuhan	Investment	100 –	Establishment
Huaxin Concrete Xiangyang Fancheng District Co., LTD	Xiangyang	2,550.00	Xiangyang	Production and sale of concrete	– 100	Establishment
Huaxin Building Materials Xiangyang Xiangcheng District Co., LTD	Xiangyang	1,410.00	Xiangyang	Production and sale of concrete	– 100	Establishment
Nanchong Huaxin New Building Materials Co., LTD	Nanchong	1,000.00	Nanchong	Manufacture and sale of building materials	– 100	Establishment
Changshu Huaxin Shunfeng Concrete Co., LTD	Changshu	3,000.00	Changshu	Production and sale of concrete	– 100	Establishment
Huaxin Logistics (Changyang) Co., LTD	Changyang	500	Changyang	Logistics services	– 100	Establishment
Abra Holdings Ltd	Mauritius	USD40 million	Mauritius	Investment	– 100	Establishment
Shanghai Huaxin Runshen Concrete Co., LTD	Shanghai	3,000.00	Shanghai	Production and sale of concrete	– 100	Establishment
Huaxin Concrete (Ezhou Gedian Economic and Technological Development) Co., LTD	Wuhan	2,500.00	Wuhan	Production and sale of concrete	– 100	Establishment
Huaxin Wuhan Building Materials Trading Co., LTD	Wuhan	1,000.00	Wuhan	Manufacture and sale of building materials	– 100	Establishment
Chenzhou Huaxin New Building Materials Co., LTD	Chenzhou	300	Chenzhou	Manufacture and sale of building materials	– 100	Establishment
Quxian Huaxin New Building Material Co., LTD	Quxian	500	Quxian	Manufacture and sale of building materials	– 100	Establishment

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NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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I e e b d a e	P a c e f b e	R e g e e d RMB0'000	P a c e f e g a	N a e f b e	P e c e a g e f a e d g (%) D e c l d e c	A c e d e d
Suzhou Liangxing Concrete Co., LTD	Suzhou	3,000.00	Suzhou	Production and sale of concrete	– 100	Mergers and acquisitions
Huaxin Concrete Xianning Co., LTD	Xianning	4,200.00	Xianning	Production and sale of concrete	– 100	Mergers and acquisitions
Zaoyang Huaxin Concrete Co., LTD	Zaoyang	2,500.00	Zaoyang	Production and sale of concrete	– 84	Mergers and acquisitions
Huaxin Concrete (Daye) Co., LTD	Daye	32,700.00	Daye	Manufacture and sale of building materials	70 –	Mergers and acquisitions
Huaxin Cement (Ezhou) Co., LTD	Ezhou	5,000.00	Ezhou	Manufacture and sale of building materials	70 –	Mergers and acquisitions
Hubei Zhushen Building Materials Co., LTD	Wuhan	2,500.00	Wuhan	Production and sale of concrete	– 84	Mergers and acquisitions
Huaxin Concrete (Chongyang) Co., LTD	Xianning	2,588.00	Xianning	Production and sale of concrete	– 51	Mergers and acquisitions
Success Eagle Cement (Hong Kong) Limited	Hong Kong	HKD10 thousand	Hong Kong	Investment	– 65	Mergers and acquisitions
Huaxin Cement (Enping) Co., LTD	Enping	HKD280 million	Enping	Manufacture and sale of building materials	– 65	Mergers and acquisitions
Huaxin Concrete Xiangyang Co., LTD	Xiangyang	2,500.00	Xiangyang	Production and sale of concrete	– 84	Mergers and acquisitions
Huaxin Environmental Engineering (Shiyan) Co., LTD	Shiyan	5,000.00	Shiyan	Environmental design,construction and waste disposal	– 100	Mergers and acquisitions
Huaxin Cement (Fumin) Co., LTD	Fumin	39,000.00	Fumin	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Yunnan Huaxin Dongjun Cement Co., LTD	Kunming	26,000.00	Kunming	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Huaxin Cement (Lijiang) Co., LTD	Lijiang	10,000.00	Lijiang	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Huaxin Cement (Honghe) Co., LTD	Honghe	50,000.00	Honghe	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Huaxin Cement (Chuxiong) Co., LTD	Chuxiong	3,260.00	Chuxiong	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Yanshan Yuanda Red River Cement Co., LTD	Honghe	300	Honghe	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Huaxin Cement (Jianchuan) Co., LTD	Jianchuan	27,000.00	Jianchuan	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Huaxin Cement (Yunlong) Co., LTD	Yunlong	30,000.00	Yunlong	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Huaxin Cement (Lincang) Co., LTD	Lincang	36,090.00	Lincang	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Kunming Chongde Cement Co., LTD	Kunming	38,200	Kunming	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Yunnan Huaxin Building Materials Investment Co., LTD	Kunming	305,883	Kunming	Investment	100 –	Mergers and acquisitions
Kunming Huaxin Logistics Co., LTD	Kunming	1,000	Kunming	Loading and unloading, warehousing and other services	– 100	Mergers and acquisitions
Yunnan State Capital Cement Kunming Co., LTD	Kunming	13,038	Kunming	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Chongqing Huaxin Yanjing Cement Co., LTD	Chongqing	21,000	Chongqing	Manufacture and sale of building materials	100 –	Mergers and acquisitions
Chongqing Huaxin Diwei Cement Co., LTD	Chongqing	45,268	Chongqing	Manufacture and sale of building materials	97 –	Mergers and acquisitions
Chongqing Huaxin Sentian Cement Co., LTD	Chongqing	27,000	Chongqing	Manufacture and sale of building materials	100 –	Mergers and acquisitions
Huaxin Guizhou Dingxiu Special Cement Co., LTD	Guizhou	23,107	Guizhou	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Guizhou Shuicheng Rui'an Cement Co., LTD	Guizhou	20,000	Guizhou	Manufacture and sale of building materials	– 70	Mergers and acquisitions
Chongqing Huaxin Logistics Co., LTD	Chongqing	50	Chongqing	Loading and unloading,warehousing and other services	– 98	Mergers and acquisitions
Chongqing Huaxin Phoenix Lake Concrete Co., LTD	Chongqing	5,107	Chongqing	Production and sale of concrete	100 –	Mergers and acquisitions
Chongqing Huaxin Tiancheng Concrete Co., LTD	Chongqing	3,250	Chongqing	Production and sale of concrete	100 –	Mergers and acquisitions
Yunwei Baoshan Organic Chemical Co., LTD	Baoshan	10,000	Baoshan	Manufacture and sale of building materials	– 80	Mergers and acquisitions
Hainan Xinhongda Building Materials Co., LTD	Haikou	1,500	Haikou	Manufacture and sale of new materials	– 100	Mergers and acquisitions
Yidu Honghua Xintong Logistics Co., LTD	Yidu	4,500	Yidu	Loading and unloading, warehousing and other services	– 100	Mergers and acquisitions
Huaxin Concrete (Huangmei) Co., LTD	Huangmei	2,600	Huangmei	Production and sale of concrete	– 100	Mergers and acquisitions
Hainan Huaxin Ronghui Concrete Co., LTD	Haikou	3,000	Haikou	Production and sale of concrete	– 70	Mergers and acquisitions
Nantong Tongchang Building Material Co., LTD	Nantong	3,000	Nantong	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Yueyang County Yonggu Concrete Co., LTD	Yueyang	3,350	Yueyang	Production and sale of concrete	– 100	Mergers and acquisitions
Yangzhou Huaxin Dingli Concrete Co., LTD	Yangzhou	2,500	Yangzhou	Production and sale of concrete	– 100	Mergers and acquisitions
Oman Cement Company SAOG	Oman	OMR 33million	Oman	Manufacture and sale of building materials	– 65	Mergers and acquisitions
Cambodian Cement Chakrey Ting Factory Co., LTD	Cambodia	USD 60million	Cambodia	Manufacture and sale of building materials	– 68	Mergers and acquisitions
Yuzhno-Kyrgyzskyi Cement CJSC	Kyrgyzstan	KGS 528 million	Kyrgyzstan	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Stone Group LLL	Kyrgyzstan	KGS 1000	Kyrgyzstan	Management and staffing services	– 100	Mergers and acquisitions
Power Assets LLL	Kyrgyzstan	KGS 1000	Kyrgyzstan	Land and Building Rental Services	– 100	Mergers and acquisitions
Maweni limestone limited	Tanzania	TZS 1 million	Tanzania	Manufacture and sale of building materials	– 100	Mergers and acquisitions
Chilanga Cement PLC	Zambia	ZMW 10,001,995	Zambia	Manufacture and sale of building materials	– 80	Mergers and acquisitions

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I e b d a e	P ace f b e	Reg e ed RMB0'000	P ace f eg a	Na e f b e	Pe ce age f ae d g(%) D ec	I d ec	Ac ed e d
Yangxin Tainao Yicheng Building Material Co., LTD	Yangxin	2,600	Yangxin	Manufacture and sale of building materials	–	100	Mergers and acquisitions
Huangshi Huaxin Guanggu East New Building Material Co., LTD	Huangshi	15,000	Huangshi	Production and sale of construction aggregates	–	100	Mergers and acquisitions
Wuhan Baihuitong Supply Chain Technology Co., LTD	Wuhan	5,000	Wuhan	Logistics services	–	100	Establishment
Suzhou Huaxin Kanghong Concrete Co., LTD	Suzhou	2,500	Suzhou	Production and sale of concrete	–	100	Mergers and acquisitions
NETNIX LTD Cyprus Investment Entity	Cyprus	EUR 10 thousand	Cyprus	Investment	–	100	Mergers and acquisitions
Xianning Huaxin Tuoxin Concrete Co., LTD	Xianning	2,500	Xianning	Production and sale of concrete	–	100	Establishment
Yangxin County Fuhua Agricultural Technology Co., Ltd.	Yangxin	500	Yangxin	Production and sale of agricultural products	–	100	Establishment
Jiaxing Xinfujiang Concrete Co., Ltd.	Jiaxing	3,000	Jiaxing	Production and sale of concrete	–	100	Mergers and acquisitions
Hefei Huaxin Guofeng Concrete Co., Ltd.	Hefei	2,500	Hefei	Production and sale of concrete	–	100	Mergers and acquisitions
Liling Shichang Tongfa Building Materials Co., Ltd.	Lilin	2,500	Lilin	Production and sale of concrete	–	100	Mergers and acquisitions
Huaxin Green Building Materials (Huangshi Xisaishan) Co., Ltd.	Huangshi	2,500	Huangshi	Manufacture and sale of building materials	–	100	Establishment
Qichun Zhongsheng Building Materials Trading Co., Ltd.	Huanggang	2,600	Huanggang	Production and sale of concrete	–	100	Mergers and acquisitions
Jiangyin Xinding Concrete Co., Ltd.	Jiangyin	2,500	Jiangyin	Production and sale of concrete	–	100	Mergers and acquisitions
EMBUS.A.ENGENHARIAECOMÉRCIO	Brazil	BRL 13 million	Brazil	Production and sale of construction aggregates	–	100	Mergers and acquisitions
ITATUBA PARTICIPAÇÕES LTDA	Brazil	BRL 7million	Brazil	Investment	–	100	Mergers and acquisitions

Basis for holding half or less of the voting rights but still controlling the investee and for holding more than half of the voting rights but not controlling the investee is listed as below:

Note 1: The Group holds 59% of the shares of Huaxin Green Building Materials (Wuxue) Co., Ltd and Huaxin Green Building Materials (Wuxue) Co., Ltd holds 55% of the shares of Huaxin Chunjin Building Materials (Wuxue) Co., Ltd. Therefore, the Group holds 32% of the shares of Huaxin Chunjin Building Materials (Wuxue) Co., Ltd indirectly. The board of directors of Huaxin Chunjin Building Materials (Wuxue) Co., Ltd adopts the simple majority principle in making resolutions. There are three members in the board of directors and the Group has the right to appoint two directors, with 67% of the voting rights. Therefore, the Group has control over Huaxin Chunjin Building Materials (Wuxue) Co., Ltd.

Note 2: The Group holds 100% of the shares of Huaxin (Hong Kong) International Holdings Co., Ltd and 51% of the shares of Huaxin Hong Kong (Central Asia) Investment Co., Ltd holds 75% of the shares of Huaxin Ya Wan Cement Co., Ltd. Therefore, the Group holds 38% of the shares of Huaxin Ya Wan Cement Co., Ltd indirectly. The board of directors of Huaxin Ya Wan Cement Co., Ltd. adopts the simple majority principle in making resolutions. There are four members in the board of directors and the Group has the right to appoint three directors, with 75% of the voting rights. Therefore, the Group has control over Huaxin Ya Wan Cement Co., Ltd.

Note 3: Huaxin Ya Wan Cement Co., Ltd holds 95% and 85% of the shares of Huaxin Gayur(Sogd) Cement LLC and New Gayur New Building Materials Co., Ltd. 95% and 85% respectively. Therefore, the Group has control over Huaxin Gayur(Sogd) Cement LLC and New Gayur New Building Materials Co., Ltd.

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Unit: RMB

S b d a e	Percentage of non-controlling shareholding(%)	Profit or loss at 0 9 340.873 650.4086 Tm(Unit: RMB)TjETEMC 0 0 0 0.253 598.4086 T

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Unit: RMB

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1.

The Group is exposed to risks in various financial instruments in its daily activities, mainly including credit risk, liquidity risk and market risk.

The Board is responsible for planning and establishing the Group's risk management structure, formulating the Group's risk management policies and related guidelines, and overseeing the implementation of risk management measures. The Group has developed risk management policies to identify and analyze the risks to which the Group is exposed, which clearly define specific risks, covering many aspects such as market risk, credit risk, and liquidity risk. The Group regularly assesses changes in the market environment and the Group's business activities to decide whether to update its risk management policies and systems. The Group's risk management is carried out by the Risk Management Committee in accordance with the policies approved by the Board. The Risk Management Committee identifies, evaluates and mitigates risks in close cooperation with other business units of the Group. The Group's internal audit department conducts regular audits of risk management controls and procedures, and reports the results to the Group's audit committee.

The Group diversifies the risk of financial instruments through appropriate diversification of investment and business portfolios, and reduces the risk of concentration in any single industry, specific region or specific counterparty by formulating corresponding risk management policies.

The Group only deals with accredited, reputable third parties. In accordance with the Group's policy, all customers who require credit transactions are subject to credit review. In addition, the Group continuously monitors the balance of accounts receivable to ensure that the Group does not face significant bad debt risks. For transactions that are not settled in the accounting standard currency of the relevant business unit, the Group does not provide credit transaction conditions unless specifically approved by the Group's credit control department. Monetary funds, bank acceptance receivables, and derivative financial instruments have low credit risk due to the fact that the counterparties are banks with good reputations and high credit ratings.

The Group's other financial assets include accounts receivable, other receivables, long-term receivables and debt investments, the credit risk of which is derived from counterparty defaults, and the maximum

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The following table summarizes the maturity analysis of financial liabilities based on undiscounted contractual cash flows:

30 J e 2025

Unit: Yuan Currency: RMB

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The risk exposure to changes in market interest rates is mainly related to the Group's floating-rate long-term liabilities. The Group manages interest rate risk by closely monitoring interest rate fluctuations, regularly reviewing borrowing structures, and flexible use of financial derivatives such as interest rate swaps.

As of the end of June 2025, the Group's interest-bearing floating-rate RMB borrowings were RMB11,259,445,157; long-term floating-rate US dollar borrowings were equivalent to RMB206,985,130; long-term floating-rate South African rand borrowings were equivalent to RMB217,679,400; and long-term Brazilian real borrowings were equivalent to RMB59,674,939.

The following table provides a sensitivity analysis of the interest rate risk associated with long-term RMB borrowings, reflecting the impact on net profit or loss via floating rate borrowing, as well as the net after-tax other comprehensive income, ceteris paribus.

30 J e 2025

Unit: Yuan Currency: RMB

	Ba P I c ea e/ (Dec ea e)	Ne P f a d L I c ea e/ (Dec ea e)	Ne af e - a f e c e e e c e I c ea e/ (dec ea e)	T a l c ea e/ (Dec ea e) S a e de ' E
Renminbi	**100**	**112,594,452**		**112,594,452**
Renminbi	**100**	**112,594,452**		**112,594,452**

December 31, 2024

Unit: Yuan Currency: RMB

	Basis Point Increase/ (Decrease)	Net Profit and Loss Increase/ (Decrease)	Net after-tax of other comprehensive income Increase/ (decrease)	Total Increase/ (Decrease) in Shareholders' Equity
Renminbi	100	−115,919,757	—	−115,919,757
Renminbi	−100	115,919,757	—	115,919,757

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The Group is exposed to transactional exchange rate risk. Such risks result from sales or purchases made by the business unit in a currency other than its accounting standard currency.

In addition, the Group has exchange rate exposure arising from foreign currency borrowings.

The following table provides a sensitivity analysis of exchange rate risk, reflecting the impact of reasonable and likely changes in the following foreign exchange rates on net profit or loss and net comprehensive income after tax, assuming all other variables remain constant.

30 J e 2025

Unit: Yuan Currency: RMB

	Ba P I c ea e/ (Dec ea e)	Ne P f a d L I c ea e/ (Dec ea e)	Ne af e - a f e c e e e c el c ea e/ (Dec ea e)	T a l c ea e/ (Dec ea e) S a e de ' E
The Tanzanian shilling depreciated against the US dollar	5	30,694,075		30,694,075
The Tanzanian shilling appreciated against the US dollar	5	30,694,075		30,694,075
The Nepalese rupee depreciated against the US dollar	5	61,692,557		61,692,557
The Nepalese rupee appreciated against the US dollar	5	61,692,557		61,692,557
The RMB depreciated against the US dollar	5	34,234,839		34,234,839
The yuan appreciated against the US dollar	5	34,234,839		34,234,839

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December 31, 2024

Unit: Yuan Currency: RMB

	Basis Point Increase/ (Decrease)	Net Profit and Loss Increase/ (Decrease)	Net after-tax of other comprehensive income Increase/ (Decrease)	Total Increase/ (Decrease) in Shareholders' Equity
The Tanzanian shilling depreciated against the US dollar	5	−38,284,490	—	−38,284,490
The Tanzanian shilling appreciated against the US dollar	−5	38,284,490	—	38,284,490
The Nepalese rupee depreciated against the US dollar	5	−60,850,065	—	−60,850,065
The Nepalese rupee appreciated against the US dollar	−5	60,850,065	—	60,850,065
The RMB depreciated against the US dollar	5	32,617,487	467,661	

the US dollars and subject to exchange risk. 0 0 1 46.2986 Tm(a)Tj 0 -5 0 1 Tm 625,850,065 six months end39 30 JuneCID 5, 60,850,065 6.2986 Tm(–)Tj0.5 -0.1

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2.

The Group monitors its capital through the asset-liability ratio, which is calculated by dividing total liabilities by total assets. The Group's asset-liability ratios as at the balance sheet date are as follows:

Unit: Yuan Currency: RMB

	C g ba a ce	Opening balance
Total liabilities	**35,863,182,134**	34,614,884,740
Total assets	**70,872,821,162**	69,512,689,187
Asset-liability ratio	**51%**	50%

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I e	R a age e a eg & b pc e	Q a a e& a a e f a edg g	T e ec c e a be ee e edged pc a d e ea ed edg g e	E ec ed effec e ac e e e f a age e b pc e	T e ac f e c e d g edg g ac e e
Forward exchange contracts	Reduce the foreign exchange rate risk; Partial offset strategy	Foreign currency debt that changes with the exchange rate	The currency, direction and purpose are the same; lock in currency volatility risk	Hedge exchange rate fluctuations	Reduce risk exposure

(2)

I e	Hedged e & edg g e ' b a e	Acc a ed fa e adj e edged b a e	A a ab & S ce I ac f a ca a e e
Type			
Cash Flow	1,845,400,909	N/A	Relativity −19,957,909 yuan (Unsettled profits and losses are included in other comprehensive income)

Other Notes:

To mitigate foreign exchange risk exposure, the company implements a partial offset hedging strategy, with hedging accounting applied to align risk management and financial reporting.

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Other Notes:

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Me d	T e	A	Te a f c f a	T eba f e a	jdg g e fc f a
Bill endorsement/bill discounting	Notes receivable	74,832,987	No	Risktdg	

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Unit: RMB

I e	Q ed ce ac e a e (Le e 1)	C g fa a e Sg f ca b e ab e (Le e 2)	Sg f ca b e ab e (Le e 3)	T a
I. Continuous fair value measurement				
(I) Held-for-trading financial assets	**41,658,499**			**41,658,499**
1. Financial assets at fair value through profit or loss	**1,675,259**			**1,675,259**
(1) Investment in debt instruments				
(2) Investment in equity instruments	**1,675,259**			**1,675,259**
2. Financial assets designated as at fair value through profit or loss	**39,983,240**			**39,983,240**
(1) Equity Instrument Investments	**39,983,240**			**39,983,240**
(II) Other equity instrument investments			**945,621,616**	**945,621,616**
(III) Receivables financing			**606,554,060**	**606,554,060**
T a a e c ea ed a fa a e	**41,658,499**		**1,552,175,676**	**1,593,834,175**
(IV) Bonds payable — preferred shares			**149,151,403**	**149,151,403**
T a ab e c ea ed a fa a e			**149,151,403**	**149,151,403**
II. Non-continuous fair value measurement				
(I) Assets held for sale				
T a a e c ea ed a fa a e				
T a ab e c ea ed a fa a e				

2. (1)

The fair values of listed equity investments are based on quoted market prices.

3. 2

The Group has entered into derivative financial instrument contracts with multiple counterparties, primarily financial institutions with high credit ratings. Derivative financial instruments, including interest rate swaps, are measured using valuation techniques similar to forward pricing, swap models, and present value methods.

The models incorporate a number of market-observable inputs, including the counterparty's credit quality, spot and forward exchange rates, and interest rate curves. The carrying value of interest rate swaps is equal to their fair value. The marked-to-market value of derivative financial assets represents the net amount after deducting the credit valuation adjustment (CVA) attributable to the default risk of derivative counterparties. Changes in counterparty credit risk have no significant impact on the assessment of hedge effectiveness for derivatives designated in hedge relationships, nor on other financial instruments measured at fair value.

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4. 3

The Group's Finance Department is responsible for formulating policies and procedures for the fair value measurement of financial instruments. On each balance sheet date, the Finance Department analyzes changes in the value of financial instruments and identifies the key inputs applicable to valuation. Valuations must be reviewed and approved by the Chief Financial Officer (CFO). For the purpose of interim and annual financial statements, the valuation process and results are discussed with the Audit Committee twice a year.

The financial assets measured at fair value using Level 3 inputs by the Group include Equity Investments in Unlisted Companies (Project 1 and Project 2). For Equity Investment in Unlisted Company (Project 1), the Group adopts the comparable company method for valuation, with key parameters mainly including liquidity discount. Due to the small total balance of Project 1, changes in its parameters have a minimal impact on the Group. When measuring the fair value of Equity Investment in Unlisted Company (Project 2), the Group splits the investee company into significant assets or asset groups for fair value assessment, and the valuation methods adopted include the asset-based approach, market approach, and income approach. The Group is required to make estimates of the key parameters used in the assessment process.

Among them, the fair value of the investee companythe valuatio51 5bliqui3 rightes andlitshelnd

investments hds o significant(impact on the Group.Tthe valuation methods(and keyunobservrable inputs.)TjETEMC /P ØLa

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Unit: RMB

Na e f aJ ae de	Reg ed ff ce	Na e f b e	Reg ed ca a	T eC a Sae d g a (%)	T e C a P f g (%)
HolchinB.V.	Amsterdam, Netherlands	Establishment of companies other enterprises;acquisition, management, supervision and transfer of shares and other interests in legal persons, companies and enterprises	EUR100,000	40.19	41.81
Huaxin Group Limited	Huangshi City, Hubei Province	Manufacture and sale of cement products, machinery parts, real estate development, commerce, services,etc.	RMB340,000,000	16.26	16.26

Holchin B.V. is the largest shareholder of the Company, and its ultimate controlling shareholder is Holcim Ltd. Holpac Limited, the person acting in concert with Holchin B.V., holds 1.62% of the Company's equity. Therefore, the voting right ratio of Holchin B.V. in the Company is 41.81%.

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See Note X.1 for details of the Company's subsidiaries.

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See note X.2 for details of the Company's associates.

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Unit: RMB

Re a ed a e	Nature of transaction	**A f e c e e d**	Amount for the prior period
Dujiangyan Lafarge Cement Co., Ltd.	Sales of goods	**307,467**	540,706
Holcim Group Services	Sales of goods	**103,842**	69,005
Shigatse High-Tech Environmental Engineering Co., Ltd	Sales of goods	**10,092,478**	113,980
Tibet Huaxin New Aggregate Co., Ltd.	Sales of goods	**887,645**	442,659
Tibet Shigatse High-tech Xuelian Cement Co., Ltd	Sales of goods	**5,133,027**	4,526,197
Shanghai Wan'an Huaxin Cement Co., Ltd.	Sales of services	**180,299**	—
Shigatse High-Tech Environmental Engineering Co., Ltd	Sales of services	**6,763,440**	353
Tibet Huaxin New Aggregate Co., Ltd.	Sales of services	**1,664,755**	—
Tibet Shigatse High-tech Xuelian Cement Co., Ltd	Sales of services	**2,179,536**	686,703

The Group's purchase/sale of goods and receipt/provision of services from/to related parties are determined through negotiations based on market prices and conducted in accordance with the terms of the agreements signed between the Group and the related parties.

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Unit: RMB

I e	A c e e d	Amount for the prior period
Remuneration for key management personnel	**1,466**	1,414

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Unit: RMB

	Re a ed a e	A f ec e e d Ba a ce f ca g a	P f bad deb	Amount for the prior period Balance of carrying amount	Provision for bad debts
Accounts receivable	Lafarge Cement Zimbabwe Limited	**28,545**		28,268	–
Accounts receivable	Dujiangyan Lafarge Cement Co., Ltd.	**149,727**		16,877	–
Accounts receivable	Shigatse High-Tech Environmental Engineering Co., Ltd	**4,435,147**		854,445	–
Accounts receivable	Shanghai Wan'an Huaxin Cement Co., Ltd.	**1,000,000**		1,000,000	–
Accounts receivable	Tibet Shigatse High-tech Xuelian Cement Co., Ltd	**822,572**		109,235	–
	Total	**6,435,991**		2,008,825	–

(2) A

Unit: RMB

	Re a ed a e	C g ba a ce	Opening balance
Accounts payable	Bamburi Cement Limited	**575,553**	569,979
Accounts payable	Hima Cement Ltd.	**1,266,289**	1,244,117
Accounts payable	Tibet Huaxin New Aggregate Co., Ltd.		3,586,718
Accounts payable	Xinyang Xinxin Mining Co., Ltd.	**16,568,314**	5,813,332
	Total	**18,410,156**	11,214,146
Other Payables	Mbeya Cement Company Limited	**78,198**	77,440
Other Payables	Tibet Shigatse High-tech Xuelian Cement Co., Ltd	**328,286**	277,833
Other Payables	Tibet Huaxin New Aggregate Co., Ltd.	**7,000**	–
Other Payables	Shigatse High-Tech Environmental Engineering Co., Ltd	**7,339**	–
	Total	**420,822**	355,273

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(3)

Unit: RMB

	Re a ed a e	C g ba a ce	Opening balance
Other Receivables Dividends Receivable	Huangshi State-owned Assets Operation Co., Ltd.	**41,073,612**	41,073,612

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(1) w 2020 2022

On 25 September 2020, the Group's general meeting approved the Company's 2020–2022 Core Employee Stock Ownership Plan (Draft) (the "2020 Employee Stock Ownership Plan"). The plan will grant zero-priced restricted stocks to the board of directors, supervisors, and senior management. 2020 Employee Stock Ownership Plan includes two parts: Plan A and Plan B. Plan A refers to the long-term incentive plan linked to the annual performance assessment of the Company from 2020 to 2022, which are awarded, assessed and unlocked by stages. Plan B refers to the Company's long-term incentive plan linked to the milestone performance assessment from 2020 to 2022, with one-time award, one-time assessment and one-time unlocking. On 9 June 2023, the board of directors approved the Granting Results of the Company's 2020–2022 Core Employee Stock Ownership Plan. The result was that 2,723,597 shares of Plan A are unvested, and the final amount of granted shares was 3,435,155. 14,880,609 shares of Plan B are unvested, and the final amount of granted shares was Nil.

The results of the Company's comprehensive performance assessment for the year 2022 were lower than the threshold value, result in the Company's performance assessment coefficient for the year 2022 was 0%, and all the 1,728,304 shares of the third phase of the 2020–2022 Employee Stock Ownership Plan A-0 Plan could not be attributed. The results of the assessment of the Milestone Performance Objectives for the 2020–2022 assessment period were lower than the threshold value, result in the assessment coefficient was determined to be 0%, and all the 14,880,609 shares of the 2020–2022 Employee Stock Ownership Plan B could not be attributed. 5,485 shares of the 2020–2022 Employee Stock Ownership Plan could not be attributed due to employee resignation.

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(2) w 2023 2025

On 20 July 2023, the Group's general meeting approved the Company's 2023

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(2) w 2023 2025

The Plan was reviewed and approved at the Company's 3rd Extraordinary General Meeting of 2023 held on July 20, 2023. Pursuant to the authorization granted by the General Meeting to the Board of Directors, the Company held the first meeting of the 11th Session of the Board of Directors on May 27, 2025, at which it reviewed and approved the Third Tranche (2025) Core Employee Stock Ownership Plan of the Company's 2023–2025 Core Employee Stock Ownership Plan (hereinafter referred to as the "2025 Tranche Stock Ownership Plan"). Under this Plan, restricted shares were granted at zero price to 750 participants, including directors, supervisors, and senior management personnel. The underlying shares obtained under this Tranche Plan shall be unlocked in three phases (subject to meeting performance conditions). The unlocking points shall be 12 months, 24 months, and 36 months respectively from the date on which the Company announces the completion of the last transfer of the underlying shares to the account name of the current Tranche Stock Ownership Plan, with the unlocking percentage for each phase being 30%, 30%, and 40% of the vestable shares respectively.

2. - -

Unit: RMB

Equity-settled share-based payment objects	—
Method for Determining the Fair Value of Equity Instruments on the Grant Date	Closing Price of the Company's Stock on the Grant Date
Basis for Determining the Number of Vestable Equity Instruments	The company's financial performance indicators and individual performance indicators are assessed on an annual basis, with the number of equity instruments held by incentive recipients who meet the assessment targets serving as the basis for determination.
Cumulative Amount of Equity-Settled Share-Based Payments Recognized in Capital Reserves	39,111,011

3. -

Unit: RMB

	E - e ed a e-ba ed a e e e e
Management staff	10,896,324
Sales staff	1,683,293
Research staff	814,215
Production staff	210,492
Total	13,604,324

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	C g ba a ce	Opening balance
Capital commitments	**1,563,401,971**	2,199,237,536
Investment Commitments	**6,024,806,446**	7,366,169,132
Total	**7,588,208,417**	9,565,406,668

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NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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(2)

Unit: RMB

I e	D e c eg e	O e ea eg e	U a ca ed a	E a Be ee eg e	T a
Segment revenue	12,149,338,734	4,426,068,839	—	−528,767,386	16,046,640,187
Sales between segments	528,767,386	—	—	−528,767,386	—
Sales to external customers	11,620,571,348	4,426,068,839	—	—	16,046,640,187
Segment costs	9,084,416,532	2,776,312,759	—	−455,151,995	11,405,577,296
Costs between segments	447,062,385	—	—	−447,062,385	—
Costs to external customers	8,637,354,147	2,776,312,759	—	−8,089,610	11,405,577,296
Investment income from investments in joint ventures and associates	1,103,256	1,607,565	—	—	2,710,821
Impairment losses of assets	734,900	−4,789,758	—	—	−4,054,858
Impairment of credit losses	−27,904,560	1,671,292	—	—	−26,233,268
Profit before income taxes	1,230,275,183	819,594,104	—	−24,941,073	2,024,928,214
Income tax expenses	393,720,287	231,275,206	—	—	624,995,493
Profit	836,554,896	588,318,898	—	−24,941,073	1,399,932,721
Total assets	64,931,148,234	14,739,822,415	795,121,627	−9,593,271,114	70,872,821,162
Total liabilities	32,162,987,654	5,698,011,193	1,394,245,626	−3,392,062,339	35,863,182,134
Total non-current asset	41,681,292,989	11,599,152,013	—	—	53,280,445,002
Depreciation and amortization	1,346,690,479	356,803,205	—	—	1,703,493,684
Long-term equity investments in associates and joint ventures	559,133,958	23,944,211	—	—	583,078,169
Increase in Other Non-Current Assets Excluding Long-Term Equity Investments	−570,843,322	1,984,226,707	—	—	1,413,383,385

Note: The non-current assets exclude debt investments, other equity investments, other non-current financial assets, long-term receivables and deferred tax assets.

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The ageing analysis of accounts receivable is as follows:

Unit: RMB

Ag g	C g ba a ce	Opening balance
Within 6 months	**307,148,626**	431,620,119
6 to 12 months	**28,677,950**	168,626,047
1 to 2 years	**29,188,732**	42,541,254
2 to 3 years	**10,039,992**	32,061,110
Over 3 years	**39,987,218**	17,867,621
Less: Impairment allowance	**19,763,196**	19,763,196
Total	**395,158,447**	672,952,955

Movements in provision for bad debts of accounts receivable are as follows:

Unit: RMB

	O e g ba a ce						Closing balance				
	Ba a ce f ca g a			P f bad deb			Balance of carrying amount		Provision for bad debts		
	A	P	(%)	A	P	(%)	Ca g a e	Amount	Proportion (%)	Amount	Proportion (%)	Carrying value
Receivables for which bad debt provision is assessed on an individual basis	**397,985,906**		**96**	**16,944,838**		**4**	**381,041,068**	681,603,010	98	17,355,079	3	664,247,931
Receivables for which bad debt provision is assessed on a portfolio basis	**17,056,612**		**4**	**2,939,233**		**17**	**14,117,379**	11,113,141	2	2,408,117	22	8,705,024
Including:												
Receivable of cement								5,911	–	5,911	100	–
Receivable of others	**17,056,612**		**4**	**2,939,233**		**17**	**14,117,379**	11,107,230	2	2,402,206	22	8,705,024
Total												

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Receivables for which bad debt provision is assessed on a portfolio basis are as follows:

Category of other business receivables:

Unit: RMB

	Ba a ce a e d f ea	C g ba a ce P f bad deb	P	(%)
Within 6 months	**6,765,967**	**338,994**		**5**
6 to 12 months	**40,469**	**2,833**		**7**
1 to 2 years	**9,270,868**	**1,668,756**		**18**
2 to 3 years	**120,615**	**69,956**		**58**
Over 3 years	**858,693**	**858,693**		**100**
Total	**17,056,612**	**2,939,233**		**17**

Movements in provision for bad debts of accounts receivable are as follows:

Unit: RMB

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2.

Unit: RMB

	C g ba a ce	Opening balance
Interest receivables	**170**	170
Dividends receivable	**711,073,612**	514,173,613
Other receivables	**9,413,447,566**	7,930,488,793
Total	**10,124,521,348**	8,444,662,576

An aging analysis of other receivables is as follows:

Unit: RMB

	C g ba a ce	Opening balance
Within 1 year	**3,970,217,327**	2,356,325,716
1 to 2 years	**1,381,523,650**	2,440,831,954
2 to 3 years	**1,238,340,207**	886,373,344
Over 3 years	**2,869,542,258**	2,293,140,487
Less: Provision for bad debts of other receivables	**46,175,876**	46,182,708
Total	**9,413,447,566**	7,930,488,793

Other receivables are classified by nature as follows:

Unit: RMB

	C g ba a ce	Opening balance
Amounts due from subsidiaries and related parties	**9,379,369,383**	7,915,548,609
Guarantees, deposits and holdings	**52,453,294**	51,610,505
Others	**27,800,765**	9,512,387
Total	**9,459,623,442**	7,976,671,501

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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3. -

Unit: RMB

	Opening balance	Movements during the year: Investment profit or loss under the equity method	Movements during the year: Other changes	C g ba a ce
J e e				
Tibet High-tech Building Materials Group Co., Ltd.	381,704,461	1,329,807	403,033	**383,437,301**
Shanghai Wan'an Huaxin Cement Co., Ltd.	89,210,350	−134,589	—	**89,075,761**
Total	470,914,811	1,195,218	403,033	**472,513,062**

4.

Unit: RMB

I e	**A f ec e e d Re e e**	**C**	Amount for the prior period: Revenue	Costs
Principal operations	**224,103,510**	**179,657,057**	285,176,436	259,619,340
Other operations	**891,826,471**	**743,184,765**	918,255,108	823,800,527
Total	**1,115,929,981**	**922,841,822**	1,203,431,544	1,083,419,867

5.

Unit: RMB

I e	**A f e c e e d**	Amount for the prior period
Gains from long-term equity investments under the cost method	**1,337,800,000**	1,119,600,000
Investment gains from held for trading financial assets during the holding period	**1,195,218**	71,253
Gains(losses) on disposal of long-term equity investments	**1,345,522**	3,175,142
Total	**1,340,340,740**	1,122,846,395

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025 (Expressed in Renminbi Yuan)

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Unit: RMB

I e	A
Net income on disposal of non-current assets	−1,416,744
Government grants recognized in current profit or loss (except for the government grants that are closely related to the normal operating 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)	54,395,661
Except for those relating to the hedging transactions under the Company's normal operating business, profit/loss from the change of fair value of financial assets and financial liabilities, and profit/loss from the disposal of financial assets and financial liabilities in non-financial enterprises	471,938
Reversal of provisions for impairment of receivables that are individually tested for impairment	3,153,787
Other non-operating income and expenses other than the above items	−18,304,048
Less: Impact of income tax	6,503,665
Less: Impact of non-controlling interests	−1,678,157
Total	33,475,086

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P f f e Re g Pe d	We g ed a e age e e a e (%)	Ea g e a e Ba c	D ed
Net profit attributable to ordinary shareholders of the Company	3.57	0.53	0.52
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss	3.47	0.51	0.51