CHINA TIANRUI GROUP CEMENT COMPANY LIMITED
中國天瑞集團水泥有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1252)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

GROUP FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		
	2024	2023	Percentage
	RMB'000	*RMB'000*	of Change
Revenue	**2,583,798**	3,998,558	−35.4%
Gross profit	**615,063**	940,131	−34.6%
Profit	**25,889**	155,390	−83.3%
Of which: Profit attributable to owners of the Company	**28,290**	150,521	−81.2%
Basic earnings per share *(RMB)*	**0.01**	0.05	−81.2%

	As at 30 June 2024	As at 31 December 2023	Percentage
	RMB'000	*RMB'000*	of Change
Total assets	**37,423,201**	40,573,494	−7.8%
Of which: Current assets	**24,587,873**	27,326,926	−10.0%
Total liabilities	**21,611,245**	24,787,427	−12.8%
Of which: Current liabilities	**16,848,574**	18,814,217	−10.4%
Total equity	**15,811,956**	15,786,067	+0.2%
Of which: Equity attributable to owners of the Company	**15,494,726**	15,466,436	+0.2%

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of China Tianrui Group Cement Company Limited (the "**Company**") announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**", "**our Group**", "**our**" or "**we**") for the six-month period ended 30 June 2024 (the "**Reporting Period**"), together with the comparative figures for the six-month period ended 30 June 2023, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

		For the six months ended 30 June	
		2024	2023
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	3, 4	**2,583,798**	3,998,558
Cost of sales		**(1,968,735)**	(3,058,427)
Gross profit		**615,063**	940,131
Other income	5	**297,805**	258,053
Impairment loss under expected credit loss model, net of reversal		**9,083**	—
Gain on changes in fair value of financial assets at fair value through profit or loss		**20,404**	—
Other gains and losses	6	**(3,414)**	(21,333)
Share of (loss) profit of associates		**(35,729)**	1,898
Selling and distribution expenses		**(115,900)**	(164,253)
Administrative expenses		**(361,321)**	(446,706)
Other expenses		**(10,749)**	(2,917)
Finance costs	7	**(384,361)**	(409,254)
Profit before tax		**30,881**	155,619
Income tax expense	8	**(4,992)**	(229)
Profit and total comprehensive income for the period	9	**25,889**	155,390
Profit and total comprehensive income for the period attributable to:			
Owners of the Company		**28,290**	150,521
Non-controlling interests		**(2,401)**	4,869
		25,889	155,390
Earnings per share			
Basic and diluted *(RMB)*	10	**0.01**	0.05

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2024

	Notes	**As at 30 June 2024 *RMB'000* (unaudited)**	As at 31 December 2023 *RMB'000* (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**8,941,089**	9,279,029
Long-term prepayments and deposits		**133,204**	151,490
Right-of-use assets		**1,025,793**	1,037,347
Mining rights		**1,547,310**	1,554,988
Goodwill		**84,845**	84,845
Other intangible assets		**14,000**	14,000
Interests in associates	12	**968,541**	1,004,269
Deferred tax assets		**104,757**	104,811
Pledged bank balances		**15,789**	15,789
Sub-total of non-current assets		**12,835,328**	13,246,568
CURRENT ASSETS			
Inventories		**818,634**	819,126
Trade and other receivables	13	**17,572,349**	19,606,156
Amounts due from associates	12	**590,459**	595,332
Financial assets at fair value through profit or loss		**30,502**	13,085
Pledged bank balances		**4,975,865**	5,118,386
Cash, deposits and bank balances		**600,064**	1,174,841
Sub-total of current assets		**24,587,873**	27,326,926

	Notes	As at 30 June 2024 RMB'000 (unaudited)	As at 31 December 2023 RMB'000 (audited)
CURRENT LIABILITIES			
Trade and other payables	14	**4,715,744**	4,707,418
Contract liabilities		**385,097**	444,437
Lease liabilities due within one year		**2,181**	2,180
Other financial liabilities		**709,585**	256,200
Loan from an associate due within one year		**570,000**	1,120,000
Borrowings due within one year		**10,064,253**	11,969,069
Current tax liabilities		**357,286**	270,485
Financial guarantee contracts		**44,428**	44,428
Sub-total of current liabilities		**16,848,574**	18,814,217
NET CURRENT ASSETS		**7,739,299**	8,512,709
TOTAL ASSETS LESS CURRENT LIABILITIES		**20,574,627**	21,759,277
CAPITAL AND RESERVES			
Share capital		**24,183**	24,183
Share premium and reserves		**15,470,543**	15,442,253
Equity attributable to owners of the Company		**15,494,726**	15,466,436
Non-controlling interests		**317,230**	319,631
TOTAL EQUITY		**15,811,956**	15,786,067

	Notes	As at 30 June 2024 RMB'000 (unaudited)	As at 31 December 2023 RMB'000 (audited)
NON-CURRENT LIABILITIES			
Borrowings due after one year		**3,853,736**	4,623,425
Lease liabilities due after one year		**4,594**	5,664
Other financial liabilities due after one year		**200,000**	609,890
Deferred tax liabilities		**152,853**	154,975
Deferred income		**166,849**	175,372
Provision for environmental restoration		**52,815**	45,811
Other long-term payables		**331,824**	358,073
Sub-total of non-current liabilities		**4,762,671**	5,973,210
		20,574,627	21,759,277

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

China Tianrui Group Cement Company Limited (the "**Company**") is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands on 7 February 2011. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 23 December 2011. The registered office of the Company is Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and its principal place of business is located at No. 63, Guangcheng East Road, Ruzhou City, Henan 467500, the People's Republic of China (the "**PRC**" or "**China**").

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the "**Group**") are manufacture and sale of cement, clinker and limestone aggregate. Its immediate holding company is Yu Kuo Company Limited and its ultimate parent company is Tianrui Group Company Limited ("**Tianrui Group**"), which is controlled by Mr. Li Liufa and Ms. Li Fengluan, a non-executive director and an executive director of the Company, respectively.

The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is the functional currency of the Company.

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2023.

In the current interim period, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current*
Amendments to IAS 1	*Non-current Liabilities with Covenants*
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*

Except for the amendments to IFRSs described above, the directors of the Company anticipate that the application of the new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. REVENUE

Disaggregation of revenue from contracts with customers:

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Sales of cement	**1,870,230**	3,077,482
Sales of clinker	**104,771**	188,509
Sales of limestone aggregate	**608,797**	732,567
	2,583,798	3,998,558
Revenue recognition at a point in time	**2,583,798**	3,998,558

The Group sells cement, clinker and limestone aggregate directly to external customers and revenue is recognised when the control of the goods has been transferred to the customers, being when the goods have been delivered to the customers.

The Group receives deposits from certain customers when they enter into sale and purchase agreements with the Group. Such advance payments are recorded as contract liabilities and the revenue is recognised when the control of the goods is transferred to the customers.

4. SEGMENT INFORMATION

Segment information has been identified on the basis of internal management reports, which are regularly reviewed by an executive committee, which is composed of directors of the Company and top management (being the chief operating decision maker), in order to allocate resources to the operating segments and to assess their performance.

The Company's chief operating decision maker reviews the Group's internal reports which are mainly based on two broad geographical locations for the purposes of resource allocation and performance assessment. This is the basis upon which the Group is organised. Management has determined the operating segments based on these reports. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

The following is an analysis of the Group's revenue and results by reportable segments:

	Segment revenue For the six months ended 30 June		Segment profit For the six months ended 30 June	
	2024	2023	**2024**	2023
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Central China	**2,131,876**	3,289,198	**92,113**	160,448
Northeastern China	**451,922**	709,360	**(47,710)**	4,350
Total	**2,583,798**	3,998,558	**44,403**	164,798
Unallocated corporate administrative expenses and financial costs			**(13,522)**	(9,179)
Profit before tax			**30,881**	155,619

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit before tax and the unallocated corporate administrative expenses (including Directors' emoluments).

Segment revenues are derived from sales to external customers. There are no inter-segment sales.

5. OTHER INCOME

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Value-added tax refund	**43,077**	60,033
Incentive subsidies from the government	**74,462**	16,610
Interest on bank deposits	**36,206**	52,848
Interest income from loans to an associate	**1,940**	472
Rental income	**9,395**	5,304
Reversal of deferred income	**4,982**	4,982
Income from sundry operations	**118,269**	111,730
Software service income	**7,340**	3,375
Others	**2,134**	2,699
	297,805	258,053

6. OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Foreign exchange loss, net	**(3,454)**	(23,301)
Gain on disposal of property, plant and equipment, net	**40**	1,968
	(3,414)	(21,333)

7. FINANCE COSTS

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest on:		
Bank and other borrowings	**294,637**	308,147
Bills discounted with recourse	**89,503**	100,145
Long-term corporate bonds	**—**	679
Lease liabilities	**221**	283
	384,361	409,254

The borrowing costs on general borrowing pool capitalised are calculated by applying a capitalisation rate of 6.15% per annum (same period of 2023: 5.71% per annum) for the period ended 30 June 2024.

8. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
PRC Enterprise Income Tax ("**EIT**")		
— current interim period	**9,570**	5,648
— over-provision in prior years	**(2,510)**	(1,500)
Deferred tax	**(2,068)**	(3,919)
	4,992	229

No provision for Hong Kong profit tax has been made during both years as the Group's income neither arisen nor is derived from Hong Kong.

Certain subsidiaries of the Group operating in the PRC are eligible for preferential tax rate of 15% under relevant preferential tax policy for high-technology enterprises starting from financial year 2022 for a period of 3 years.

9. PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD

Profit and total comprehensive income for the period has been arrived at after charging:

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	**326,856**	384,248
Amortisation of right-of-use assets	**13,554**	15,294
Amortisation of mining rights, included in cost of sales	**26,731**	32,917
Total depreciation and amortisation, in aggregate	**367,141**	432,459
Depreciation, labour and material costs recognised as cost of sales	**1,968,735**	3,058,427
Staff costs including retirement benefit	**231,628**	272,128

10. EARNINGS PER SHARE

The basic earnings per share attributable to owners of the Company for each of the Reporting Period is calculated based on the following data:

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Earnings		
Profit for the period attributable to owners of the Company	**28,290**	150,521

	For the six months ended 30 June	
	2024	2023
	'000	*'000*
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of shares for the purpose of calculating basic earnings per share	**2,938,282**	2,938,282

No diluted earnings per share is presented as the Company did not have any potential ordinary shares outstanding.

11. DIVIDENDS

During the current interim period, no dividend has been paid, declared or proposed to be paid, nor has any dividend been proposed during the current interim period.

12. INTERESTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES

As at 30 June 2024, the Group's interests in associates and amounts due from associates were RMB968,541,000 and RMB590,459,000, respectively. Among them, the balances of the interests in associates and the amounts due from associates in relation to one of our associates, Xinan Zhonglian Wanji Cement Company Limited ("**Wanji Cement**"), were RMB407,258,000 and RMB81,674,000, respectively. The balance of the interests in the associate, Wanji Cement, included the balance as at 31 December 2023 of RMB434,158,000 and the share of loss of associates recognised during this interim period in proportion to shareholding of RMB26,900,000.

Considering that Wanji Cement has ceased production since June 2023, the financial information attached to the letter from Wanji Cement received by the Company on 29 August 2024 indicating its net current liabilities of RMB705,146,000, as well as the subsequent letters requesting shareholders to inject capital or provide loans to address operational needs, the Group believes that there are significant uncertainties surrounding Wanji Cement which may cast substantial doubt on its ability to continue as a going concern. Therefore, it is necessary to assess the net book value of Wanji Cement in interests in associates and the recoverability of the amounts due from associates.

As at the date of approval of this financial report, despite active communication with Wanji Cement, the Group has not been able to obtain reliable financial information from Wanji Cement to verify whether its financial reports are true and fair, nor has it been able to perform the necessary tests for asset impairments and bad debt provisions for amounts due from associates based on the financial information provided. In respect of its share of losses and impairment loss on receivables of RMB26,900,000 and nil for the period ended 30 June 2024, respectively, and its interests in associates and receivables of RMB407,258,000 and RMB81,674,000 as at 30 June 2024, respectively, the Group is of the opinion that there may be misstatements in the aforesaid figures, which may affect the accuracy of the figures disclosed in the 2024 interim results of the Group.

13. TRADE AND OTHER RECEIVABLES

	As at 30 June 2024 ***RMB'000*** **(unaudited)**	As at 31 December 2023 *RMB'000* (audited)
Trade receivables	**154,458**	185,907
Less: allowances for credit losses	**(34,119)**	(43,202)
	120,339	142,705
Other receivables	**522,022**	555,479
Less: allowances for credit losses	**(54,998)**	(54,998)
	467,024	500,481
Bills receivables	**3,705,728**	3,811,454
Discounted bills with recourse	**484,952**	747,940
Prepayments to suppliers	**12,761,739**	14,374,681
Prepayments for various taxes	**32,567**	28,895
	17,572,349	19,606,156

The aged analysis of the Group's trade receivables (net of allowances for credit losses) from the goods delivery date to the end of each Reporting Period is as follows:

	As at 30 June 2024 ***RMB'000*** **(unaudited)**	As at 31 December 2023 *RMB'000* (audited)
Within 90 days	**42,887**	18,465
91–180 days	**7,948**	—
181–365 days	**62,319**	57,069
Over 1 year	**7,185**	67,171
Total	**120,339**	142,705

14. TRADE AND OTHER PAYABLES

	As at 30 June 2024 ***RMB'000*** **(unaudited)**	As at 31 December 2023 *RMB'000* (audited)
Trade payables	**894,865**	1,075,859
Bills payables	**3,365,664**	3,189,462
Construction costs payables	**219,979**	257,992
Other tax payables	**86,730**	34,971
Other long-term payables — current portion	**73,701**	73,701
Other payables and accrued expenses	**74,805**	75,433
	4,715,744	4,707,418

The aged analysis of the Group's trade payables from the goods receipt date to the end of each Reporting Period is as follows:

	As at 30 June 2024 ***RMB'000*** **(unaudited)**	As at 31 December 2023 *RMB'000* (audited)
Within 1–90 days	**553,490**	632,757
91–180 days	**70,648**	68,005
181–365 days	**74,950**	88,984
Over 1 year	**195,777**	286,113
Total	**894,865**	1,075,859

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2024, affected by the decreasing real estate investment and the slowdown in infrastructure investment, the demand for cement continued to decline and the cement prices remained at a low level. In line with the industry trend, the Group's results declined year-on-year.

As of 30 June 2024, the Group possessed clinker production capacity of 28.4 million tonnes, cement production capacity of 56.4 million tonnes and production capacity of limestone aggregate of 30.2 million tonnes.

In the first half of 2024, the sales volume of cement products of the Group amounted to 8.2 million tonnes, representing a decrease of approximately 3.8 million tonnes or approximately 31.4% as compared with approximately 12.0 million tonnes in the same period of 2023. The average price was approximately RMB227.0 per tonne, representing a decrease of RMB29.1 per tonne or 11.4% as compared with the same period of last year.

In the first half of 2024, the sales volume of limestone aggregate of the Group amounted to approximately 19.1 million tonnes, representing a decrease of approximately 2.4 million tonnes or 11.1% as compared with approximately 21.5 million tonnes in the same period of 2023. The average price was approximately RMB31.9 per tonne, representing a decrease of RMB2.2 per tonne or 6.5% as compared with the same period of last year.

In the first half of 2024, the Group sold approximately 0.5 million tonnes of clinker externally, representing a decrease of 0.2 million tonnes as compared with approximately 0.7 million tonnes in the same period of 2023. During the period, the clinker produced by the Group was mainly used to meet the Group's internal need of cement production.

In the first half of 2024, the Group recorded a revenue of RMB2,583.8 million, representing a decrease of approximately RMB1,414.8 million or 35.4% as compared with the same period of 2023. The profit attributable to owners of the Company amounted to approximately RMB28.3 million, representing a decrease of approximately RMB122.2 million or approximately 81.2% from approximately RMB150.5 million in the same period of 2023.

BUSINESS ENVIRONMENT

In the Government Work Report delivered at the Second Session of the 14th National People's Congress on 5 March 2024, it was pointed out that, acting on the guidelines of the Central Economic Work Conference, the PRC will adhere to the general principle of pursuing progress while ensuring stability, fully and faithfully apply the new development philosophy on all fronts, move faster to create a new pattern of development, and promote high-quality development. It will also deepen reform and opening up across the board, achieve greater self-reliance and strength in science and technology, strengthen macro regulation, expand domestic demand and deepen supply-side structural reform, and promote new urbanization and all-around rural revitalization in a coordinated way. The main target for development this year is a gross domestic product growth of around 5%. Its main measures are to actively increase effective investment and fully leverage the stimulating and multiplier effects of government investment, with a focus on supporting scientific and technological innovation programs, new types of infrastructure, and energy conservation and pollution and carbon reduction initiatives; increase efforts to shore up weak links in economic and social development, such as projects for ensuring people's wellbeing; build infrastructure for flood prevention, drainage, and disaster response, encourage upgrading and technological transformation of production and service equipment, and accelerate implementation of major projects included in the 14th Five-Year Plan.

In the first half of 2024, according to the statistical data from the National Bureau of Statistics, the gross domestic product (GDP) grew by 5% year-on-year. National fixed asset investment (excluding rural household) increased by 3.9% year-on-year. Infrastructure investment (excluding electricity, heat, gas, and water production and supply) recorded a year-on-year increase of 5.4%; of which investment in water conservancy management increased by 27.4%, investment in air transport increased by 23.7%, and investment in railway transport increased by 18.5%. In terms of regions and on a year-on-year basis, investment in East China increased by 3.8%, investment in Central China increased by 4.0%, investment in West China increased by 1.0%, and investment in Northeastern China increased by 3.4%.

The national investment in real estate development decreased year-on-year by 10.1% (on a comparable basis); and the housing construction area of real estate developers decreased year-on-year by 12.0%. The area of new housing construction decreased year-on-year by 23.7% and the area of housing completed decreased year-on-year by 21.8%. The sales area and the sales volume of newly built commercial housing dropped year-on-year by 19.0% and 25.0%, respectively.

In the first half of 2024, the Henan Provincial Bureau of Statistics and the Henan Survey Team of the National Bureau of Statistics announced the economic operation of the province in the first half of the year, showing a trend of steady progress and continuous improvement. According to the unified accounting results of regional gross domestic product, the province achieved a regional gross domestic product (GDP) growth of 4.9% year-on-year at constant prices. Fixed asset investment in the province increased by 6.5% year-on-year. Major projects had strong stimulating effects. Infrastructure investment grew steadily, with provincial infrastructure investment increasing by 6.1%, among which investment in the information transmission industry as well as the water conservancy and environment and public facility management industry increased by 30.6% and 13.4%, respectively. In the first half of the year, investment in real estate development in the province decreased by 9.1% year-on-year, the housing construction area decreased by 11.7% year-on-year, the area of new housing construction decreased by 25.4%; the area of housing completed decreased by 5.5%, and the sales area and the sales volume of newly built commercial housing decreased year-on-year by 19.4% and 22.6%, respectively.

In the first half of 2024, according to the statistical data from the Liaoning Provincial Bureau of Statistics, the province's GDP in the first half of 2024 was RMB1.4547 trillion, representing a year-on-year increase of 5.0%. Fixed asset investment in the province increased by 2.5% year-on-year. In terms of sectors, infrastructure investment increased by 11.6% year-on-year, and investment in the manufacturing industry increased by 7.8%. The number of construction projects increased by 32 or 0.3%; and the completed investment amount grew by 9.6%. Investment in real estate development decreased by 19.0%, and the sales area of commercial housing decreased by 13.6%.

From the analysis of statistical data, in the first half of 2024, the GDP of the country and the Henan and Liaoning regions all grew, especially for fixed asset investment and infrastructure investment, which increased and provided basic demand for cement and related construction materials; while the real estate market remained in a phase of continuous decline, affecting the demand for cement and related construction materials.

CEMENT INDUSTRY

In the first half of 2024, according to the analysis by Digital Cement of China Cement Association, the cement industry exhibited operational characteristics of "continuous decline in demand, price fluctuations at low levels, and sustained losses of the industry". The real estate industry was still in the phase of adjustment, while the growth rate of infrastructure investment continued to slow down, dragging down the overall demand for cement. The demand for cement continued the downward trend of the past two years. According to the National Bureau of Statistics, the national cement output in the first half of the year was 850 million tonnes, representing a year-on-year decrease of 10%.

In the first half of the year, according to the analysis by Digital Cement of China Cement Association, cement prices rebounded from the bottom. In the first quarter, due to the continued deterioration of the market supply and demand relationship, cement prices fell to the bottom, resulting in severe losses for the entire industry. In the second quarter, under the guidance of local industry associations, cement enterprises actively carried out industry self-discipline and staggered production, leading to a decline in cement inventory in the country and a countertrend rise in cement prices. The monthly price trend showed that the domestic cement market prices remained low from January to April, while a significant upward trend appeared from May to June, and by the end of June, the national cement prices had exceeded the levels of the same period of last year, performing remarkably well in the off-season. In terms of price performance across provinces, the most notable increase was in the Liaoning region, with a successful increase of RMB140 per tonne in the second quarter, representing a rise of 70% as compared with the end of 2023.

On the cost side, according to the analysis by the Cement Big Data Research Institute of Ccement.com, the price of thermal coal fluctuated downward overall in the first half of the year, with the average price lower than the same period of last year, alleviating the production cost pressure on cement enterprises. The average spot price of thermal coal decreased by 13.8% as compared with the same period of last year.

Despite the overall decline in coal prices alleviating production cost pressures, due to insufficient demand for cement and overall lower prices in the first half of the year, according to Digital Cement, the entire cement industry incurred an estimated loss of around RMB1 billion in the first half of the year.

FINANCIAL REVIEW

Revenue

The revenue of the Group was approximately RMB2,583.8 million in the first half of 2024, representing a decrease of RMB1,414.8 million, or 35.4%, from approximately RMB3,998.6 million in the same period of 2023.

Among others, the revenue from cement sales was approximately RMB1,870.2 million, representing a decrease of 39.2% as compared with approximately RMB3,077.5 million in the same period of 2023. The Group's sales volume of cement decreased by 3.8 million tonnes, or 31.4%, from approximately 12.0 million tonnes in the first half of 2023 to approximately 8.2 million tonnes in the same period of 2024. The decrease in revenue was mainly due to the decrease in both sales volume and sales price of cement.

Revenue from sales of limestone aggregate amounted to approximately RMB608.8 million, representing a decrease of RMB123.8 million, or 16.9%, from approximately RMB732.6 million in the same period of 2023. The sales volume of aggregate amounted to approximately 19.1 million tonnes, representing a decrease of approximately 2.4 million tonnes or 11.1% as compared with approximately 21.5 million tonnes in the same period of 2023. The decrease in revenue was mainly attributable to the decrease in both sales volume and sales price of aggregate.

Clinker is a semi-finished product used to produce cement. The Group's clinkers produced in the first half of 2024 were primarily used to satisfy the internal demand for cement production, and only approximately 0.5 million tonnes of clinkers were sold externally. Approximately RMB104.8 million of revenue generated from the Group's clinker sales was recorded in the first half of 2024, representing a decrease of RMB83.7 million, or 44.4%, from approximately RMB188.5 million in the same period of 2023. The decrease in revenue was mainly due to the decrease in both sales volume and sales price of clinkers.

In the first half of 2024, the Group's sales revenue from the Central China region amounted to approximately RMB2,131.9 million, representing a decrease of RMB1,157.3 million or 35.2% as compared with approximately RMB3,289.2 million in the same period of 2023. The Group's sales revenue from the Northeastern China region amounted to approximately RMB451.9 million, representing a decrease of RMB257.5 million or 36.3% as compared with approximately RMB709.4 million in the same period of 2023.

In the first half of 2024, revenue from the Group's sales of cement, clinker and limestone aggregate accounted for approximately 72.4% (same period of 2023: 77.0%), 4.0% (same period of 2023: 4.7%) and 23.6% (same period of 2023: 18.3%) of the total revenue, respectively.

Cost of Sales

During the first half of 2024, the Group strived to lower the unit production cost of cement and clinker by leveraging its economies of scale and through centralized procurement. The Group's cost of sales was approximately RMB1,968.7 million during the Reporting Period, representing a decrease of RMB1,089.7 million or 35.6% as compared with the first half of 2023. The decrease was primarily due to the decrease in the cement sales and the purchasing prices of rough coal and certain raw materials.

The Group's cost of sales mainly consists of the cost of raw materials, coal and electricity. In the first half of 2024, the Group's costs of raw materials, coal and electricity as a percentage of cost of sales were 28.9% (first half of 2023: 30.6%), 40.5% (first half of 2023: 44.7%) and 14.6% (first half of 2023: 13.4%), respectively. During the Reporting Period, the Group's costs of raw materials, coal and electricity consumed for one tonne of cement and clinker produced were RMB54.7 (first half of 2023: RMB63.9), RMB76.6 (first half of 2023: RMB93.2) and RMB27.6 (first half of 2023: RMB27.9), respectively, representing a decrease of RMB9.2, RMB16.6 and RMB0.3, respectively, as compared with the same period of 2023.

Gross Profit, Gross Profit Margin and Segment Profit

The Group's gross profit was approximately RMB615.1 million in the first half of 2024, representing a decrease of RMB325.1 million, or 34.6%, from approximately RMB940.1 million in the same period of last year. The Group's gross profit margin was 23.8% in the first half of 2024, which remained basically the same as compared with the same period of 2023.

In the first half of 2024, the Group's segment profit from the Central China region amounted to approximately RMB92.1 million, representing a decrease of approximately RMB68.3 million or 42.6% as compared with approximately RMB160.4 million in the same period of 2023. The decrease was due to the decrease in both sales volume and unit gross profit of cement in the region. The Group's segment loss from the Northeastern China region amounted to approximately RMB47.7 million, as compared with a segment profit of approximately RMB4.4 million in the same period of 2023. The turnaround was mainly attributable to the decrease in both sales volume and unit gross profit of cement in the Northeastern China region.

Other Income

Other income was approximately RMB297.8 million for the first half of 2024, representing an increase of RMB39.7 million, or 15.4%, from approximately RMB258.1 million for the same period of 2023. The increase was primarily due to the increase in other government subsidies.

Selling and Distribution Expenses

In the first half of 2024, the Group's selling and distribution expenses were approximately RMB115.9 million, representing a decrease of RMB48.4 million or 29.4% as compared with approximately RMB164.3 million for the same period of 2023. The decrease was mainly due to the decrease in transportation cost.

Administrative Expenses

Administrative expenses of the Group were approximately RMB361.3 million for the first half of 2024, representing a decrease of RMB85.4 million, or 19.1%, from approximately RMB446.7 million for the same period of 2023. The decrease was mainly due to the decrease in research and development expenses and cost savings.

Finance Costs

Finance costs were approximately RMB384.4 million for the first half of 2024, representing a decrease of RMB24.9 million, or 6.1%, from approximately RMB409.3 million for the first half of 2023, which was mainly attributable to the decrease in interest accrued as a result of the lower discount rates on discounted notes with recourse and the due repayment of certain borrowings.

Profit before Tax

As a result of the foregoing, the Group's profit before tax was approximately RMB30.9 million for the first half of 2024, representing a decrease of approximately RMB124.7 million, or approximately 80.2%, from approximately RMB155.6 million for the same period of 2023.

Income Tax Expenses

Income tax expenses of the Group were approximately RMB5.0 million for the first half of 2024, representing an increase of RMB4.8 million from approximately RMB0.2 million for the same period of 2023. This was mainly due to the withholding income tax of subsidiaries.

Profit Attributable to Owners of the Company and Net Profit Margin

As a result of the foregoing, profit attributable to owners of the Company for the first half of 2024 was approximately RMB28.3 million, representing a decrease of RMB122.2 million, or 81.2%, from approximately RMB150.5 million for the same period of 2023. The net profit margin for the first half of 2024 was 1.1%, representing a decrease of 2.7 percentage points as compared with the same period of 2023.

FINANCIAL AND LIQUIDITY POSITION

Interests in Associates

As at 30 June 2024, the Group's interests in associates amounted to RMB968.5 million. Among them, the balance in relation to one of our associates, Xinan Zhonglian Wanji Cement Company Limited ("**Wanji Cement**"), amounted to RMB407.3 million.

As stated in note 12, as at the date of approval of this financial report, the Group has not been able to obtain reliable financial data from Wanji Cement to verify whether its financial reports are true and fair, nor has it been able to perform the aforementioned necessary tests for asset impairments and bad debt provisions for amounts due from associates based on the financial information provided. Therefore, there is no assurance that the aforementioned investment loss of RMB26.9 million, the interests in such associate of RMB407.3 million, and the amount due from it of RMB81.7 million have been properly recognised and prepared.

Trade and Other Receivables

Trade and other receivables decreased from RMB19,606.2 million as at 31 December 2023 to RMB17,572.3 million as at 30 June 2024, mainly due to the reduction in advances required for the procurement of raw materials from suppliers.

Inventories

Inventories decreased from RMB819.1 million as at 31 December 2023 to RMB818.6 million as at 30 June 2024, which remained basically the same as compared with the beginning of the year.

Amounts Due from Associates

The amounts due from associates of approximately RMB590.5 million as of 30 June 2024 (31 December 2023: approximately RMB595.3 million) represents the advance payment paid to Pingdingshan Ruiping Shilong Cement Company Limited for the clinker purchased under the Clinker Supply Framework Agreement, and the shareholder loan due from an associate, Xinan Zhonglian Wanji Cement Company Limited which is indirectly held as to 49% by the Company.

Cash and Cash Equivalents

Cash and bank balance decreased from RMB1,174.8 million as at 31 December 2023 to RMB600.1 million as at 30 June 2024, primarily due to the effect of cash inflow from operating activities, net of cash outflow from investing activities and financing activities.

Trade and Other Payables

Trade and other payables increased from RMB4,707.4 million as at 31 December 2023 to RMB4,715.7 million as at 30 June 2024, which remained basically the same as compared with the beginning of the year.

Borrowings

Borrowings and bonds (including corporate bonds) of the Group amounted to approximately RMB15,397.6 million as at 30 June 2024, representing a decrease of approximately RMB3,181.0 million from RMB18,578.6 million as at 31 December 2023. Borrowings due within one year, borrowings from associates due within one year and other financial liabilities decreased from RMB13,345.3 million as at 31 December 2023 to RMB11,343.8 million as at 30 June 2024. Borrowings due after one year and other financial liabilities decreased from RMB5,233.3 million as at 31 December 2023 to RMB4,053.7 million as at 30 June 2024.

Principal Sources of Liquidity

The Group's principal sources of liquidity have historically been cash generated from operations and bank and other borrowings. The Group has historically used cash from such sources for working capital, production facility expansions, other capital expenditures and debt repayments. The Group anticipates these will continue to be the principal purposes for its financing in the future and expects its cash flow will be sufficient to fund the ongoing business requirements. Meanwhile, the Group will further broaden its financing channels to improve its capital structure.

GEARING RATIO, CURRENT RATIO, QUICK RATIO, DEBT EQUITY RATIO

As at 30 June 2024, the Group's gearing ratio was 57.7%, representing a decrease of 3.4 percentage points from 61.1% as at 31 December 2023. The change of gearing ratio was due to the decrease in borrowings.

As at 30 June 2024, the Group's current ratio was 1.5, and the Group's quick ratio was 1.4, which remained basically the same as 31 December 2023.

As at 30 June 2024, the Group's debt equity ratio was 1.4, representing a decrease of 13.0% from 1.6 as at 31 December 2023.

Notes:

1. Gearing ratio = total liabilities/total assets x 100%

2. Current ratio = current assets/current liabilities

3. Quick ratio = (current assets-inventory)/current liabilities

4. Debt equity ratio = total liabilities/equity interest, of which, equity interest includes minority interest or non-controlling interest

NET GEARING RATIO

As at 30 June 2024, the Group's net gearing ratio was 63.3%, representing a decrease of 16.0 percentage points from 79.3% as at 31 December 2023. Net gearing ratio is calculated by dividing net debts by equity attributable to owners of the Company.

CAPITAL EXPENDITURE AND CAPITAL COMMITMENT

Capital expenditure for the first half of 2024 was approximately RMB158.5 million (first half of 2023: approximately RMB353.2 million) and capital commitment as at 30 June 2024 was approximately RMB508.8 million (as at 31 December 2023: approximately RMB529.3 million). Both the capital expenditure and capital commitment were mainly related to the construction of production facilities for cement and aggregate businesses and the acquisition of machinery, office equipment, investment in construction in progress and mining rights. The Group funded capital expenditure through cash generated from operations and bank and other borrowings.

PLEDGE OF ASSETS

As at 30 June 2024, carrying amount of the assets of the Group pledged to secure the bank borrowings granted to the Group amounted to approximately RMB4,354.9 million (as at 31 December 2023: approximately RMB4,030.0 million).

FINANCIAL GUARANTEES

As at 30 June 2024, the Group has provided approximately RMB1,902.0 million (as at 31 December 2023: approximately RMB1,902.0 million) of authorized financial guarantees to related parties, among which approximately RMB1,150.0 million (as at 31 December 2023: approximately RMB1,150.0 million) have been utilized. The Group did not have other financial guarantees. The guarantees provided to the related parties have been provided pursuant to Tianrui Cement Guarantees according to the 2023 Framework Agreement in relation to provision of mutual guarantees, the details of which are set out in the circular of the Company dated 6 December 2023.

SIGNIFICANT INVESTMENTS, ACQUISITION OR DISPOSAL

During the Reporting Period, the Group was not involved in any significant investment, acquisition or disposal.

MATERIAL LITIGATION

During the Reporting Period, the Group was not involved in any material litigation or arbitration. To the best of the Directors' knowledge and belief, there was no outstanding or pending litigation or claim of material importance against the Group.

IMPORTANT EVENTS SINCE THE END OF THE REPORTING PERIOD

There is no important event affecting the Group since the end of the Reporting Period.

MARKET RISKS

Exchange Rate Risk

The businesses of the Group are principally conducted in RMB, and certain bank balances and borrowings are denominated in HK$ or US$, hence exposure to exchange rate fluctuation arises. The Group currently does not have any hedging policy on foreign currency. Facing the complex international financial environment, the management will closely monitor the exchange rate fluctuation risk on a real-time basis, rationally plan the local and foreign currency risk exposure, and take appropriate hedging measures to control significant exchange rate fluctuation risk when necessary.

Interest Rate Risk

The Group is exposed to interest rate risk resulting from its long-term and short-term borrowings. The Group reviews its borrowings regularly to monitor its interest rate exposure, and will consider hedging significant interest rate exposure should the need arise. As the Group's exposure to interest rate risk relates primarily to its interest-bearing bank loans, our policy is to keep the borrowings at variable rates of interest so as to minimize fair value interest rate risk, and to manage the interest rate exposure in all of the interest-bearing loans through the use of a mix of fixed and variable rates.

Liquidity Risk

The Group has established an appropriate liquidity risk management system for its short, medium and long-term funding and liquidity management requirements. We manage the liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate by the management to finance the operations and mitigate the effects of fluctuations in (both actual and forecasted) cash flows. Our management also monitor the utilization of bank borrowings and ensure compliance with loan covenants.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2024, the Group had 5,897 employees (2023: 6,892). As at 30 June 2024, the employees' cost (including remuneration) was approximately RMB231.6 million (first half of 2023: approximately RMB272.1 million). The remuneration policies bonus and training programs for employees of the Group have been implemented continuously.

PROSPECTS

Favorable policy:

The new cement standard GB 175–2023 was implemented on 1 June 2024, which further raised the requirements on cement quality and imposed stricter regulation on the production process of cement. The implementation of the new cement standard will compulsorily eliminate low-quality cement products and have a greater role in improving the supply and demand relationship in the industry.

On 28 July, the State Council issued the "Five-Year Action Plan on Deepening the People-Centered New Urbanization Strategy" (《深入實施以人為本的新型城鎮化戰略五年行動計劃》) (hereinafter referred to as the "Action Plan"), making deployment for the promotion of new urbanization in the next five years. Classified measures will be adopted to steadily improve the quality and level of urbanization, fully unleash the huge potential of domestic demand generated by the new urbanization, and provide a strong driving force and solid support for sustained promotion of the effective and reasonable growth of the economy.

On 30 July, at the meeting of the Political Bureau of the Central Committee, it was pointed out that industry self-regulation has to be strengthened to prevent "involutional" vicious competition; and it is necessary to strengthen the merit-based market mechanism and facilitate the exit channels for outdated and inefficient production capacity. After that, cement associations in a number of provinces announced their initiatives to enhance the high-quality development of the industry and jointly help the cement industry return to the right development track of healthy competition. Opposition to "involutional" vicious competition is becoming the consensus of a growing number of practitioners in the industry.

Regional opportunities:

Central China region: The General Office of the People's Government of Henan Province issued the "Notice on Issuing Several Measures to Solidly Promote Economic Stability and Improvement in the Second Half of 2024" (《關於印發扎實推進2024年下半年經濟穩進向好若干措施的通知》) (Yu Zheng Ban [2024] No. 37). Henan will vigorously promote infrastructure construction to continuously expand the linkage with places outside the province. It will accelerate the Phase III expansion project of Zhengzhou Xinzheng International Airport and the preliminary work of new feeder airports in Shangqiu, Zhoukou, Lushan and Huangchuan, and also strive to commence the construction of the aviation hub project of China Post. The preparation of the overall planning for Zhoukou Port, Xinyang Port and Luohe Port will be speeded up, the navigation of Jialu River and the interconnection projects of inland waterway systems such as Tangsha Canal are planned proactively, and a high-quality development coordination system for regional inland waterway shipping with Auhui and other downstream provinces will be established. The construction of the Jiaozuo-Luoyang-Pingdingshan High-Speed Rail will be commenced and the preliminary work of the Nanchang-Xinyang-Hefei High-Speed Rail will be accelerated; while the "13445" expressway project and the "Smooth and Uninterrupted" ordinary highway route project will be ongoing.

The construction of Zhengzhou metropolitan area will be speeded up and improved, the regional coordinated development will be continuously promoted, and the enhancement of the city's functions will be accelerated at all levels. Urban renewal actions will be further promoted to facilitate the stable and healthy development of the real estate market. Also, no effort will be spared to win the battle of "ensuring timely delivery of presold flats", and the delivery of two batches of special borrowing projects will be basically completed; the rectification of projects with issues in land acquisition and resettlement will be accelerated, and the delivery shall be fully completed by the end of September 2024. The "three major projects" in the real estate sector (planning and constructing indemnificatory apartments, transforming urban villages, and constructing "normal-emergency dual use" public infrastructure) will be actively promoted. Regional cooperation and development will be fueled, and the promotion of rural revitalization will be accelerated.

Northeastern China region: Since the beginning of this year, Liaoning Province's transportation system has focused on major projects and key engineering as the mainstay, continuously exerting efforts in key areas. Both the transportation investment amount and the commencement rate of key projects have reached a record high for the same period in history. In the first half of the year, constructions of 353 key transportation projects commenced across the province, including 76 major projects that involved above RMB100,000,000, and transportation investment of RMB31,200,000,000 was completed, achieving 130% of the half-year target. Recently, the China Transportation News reported that in the second half of the year, the transportation system of Liaoning Province will thoroughly realize the spirit of the Third Plenary Session of the 20th CPC Central Committee, spare no effort to tackle transportation investment, ensure that 430 key transportation projects are advanced on schedule, and that all 76 transportation projects involving RMB100,000,000 and above meet their established goals. Commencement of construction on the Qinshen and Xinfu expressways will be fully promoted, and no efforts will be spared to achieve the early completion of five expressways including Benhuan and Lingsui next year, and exert more efforts in rural road improvement and port construction to unblock the "main arteries" and smooth out the "microcirculation."

Industry opportunities:

According to the analysis from Digital Cement of China Cement Association, cement demand has marginally improved, and the supply strength has changed.

(I) On the demand side, cement demand has marginally improved. In the second half of the year, with the accelerated arrival of ultra-long treasury bonds, special-purpose bonds, and special funds from the central government, the cement demand for key construction projects under construction will be boosted, in addition to the demand arising from post-disaster reconstruction in certain areas, there will be an overall increase in cement demand both when compared with the first half of the year and on a year-on-year basis.

(II) The expectation for industry self-discipline is growing, and the efforts to compress supply are continuously intensifying. In the first half of the year, the domestic cement market demand remained weak. The market first experienced intense competition and then moved towards co-opetition. During this process, both large enterprises and small-to-medium-sized enterprises changed their business strategies from focusing on 'market share' to 'profit', showing a trend of continuous improvement. Facing the loss of the entire industry in the first half of the year, most cement enterprises are under significant operational pressure, thus have a strong demand for price and profit improvement in the second half of the year and will actively participate in industry self-regulation and staggered production to raise prices and strive to achieve the annual operational goals.

However, the contradiction of over-capacity in the industry still exists, and the anticipated weakness in the real estate market may lead to a decrease in demand and pressure on prices. The Group must remain vigilant against various unfavourable factors that may affect the Group's business development.

Main tasks and measures of the Group

(I) Cost reduction and efficiency enhancement. Firstly, we will focus on source management. For raw coal procurement, the Group will continue to primarily use centralized procurement, supplemented by flexible procurement by each plant, to continuously reduce raw coal procurement costs. In terms of mining, we will continue to strengthen mine management and operations to reduce limestone mining costs. Secondly, we will focus on process control, benchmark against advanced indicators in the industry, integrate fine management throughout the entire production process, utilize modern intelligent equipment, and adopt standardized and refined management processes along with advanced production technology to reduce consumption, improve efficiency, and lower production costs. Thirdly, we will focus on summarizing and improving. Each production unit should be adept at summarizing the cost reduction experiences both within and outside the Group, further optimizing production processes and management, and sharing them across the entire Group.

(II) Market development. Firstly, we will respond to the industry's "anti-involution" initiative, adhere to staggering production, and maintain order in the market. Secondly, we will meet the demand of our key project customers for high-grade product supply. Thirdly, we will open up urban and rural markets as new profit growth points. Fourthly, we will build and maintain the Tianrui brand, crack down on the production and sale of counterfeit and shoddy products, ensure the maintenance of intellectual property rights, and consolidate our market share. Fifthly, we will focus on our customers, provide excellent sales service, enhance customer loyalty, maintain long-term and harmonious customer relationships, and bring stable revenue to the Group.

(III) Quality comes first. We will regard quality as life, ensure good quality control management, produce high-quality products strictly according to the new standards of the cement industry, meet customer needs, and lay a foundation for the sustainable operation of the enterprise.

(IV) Extension and improvement of industrial chain. In addition to strengthening the development of new cement products, we will continue to enhance the research and production of building materials and products such as aggregates, dry mortar, shotcrete, and prefabricated construction, transforming the Group into a supplier of green building materials providing a wide variety of high-quality products.

(V) Sustainable development. Adhering to "green" and "intelligent" transformation and upgrade, we focus on ultra-low emissions, energy saving and carbon reduction, and maintain the Company's sustainable development capability.

CORPORATE GOVERNANCE AND OTHER IMPORTANT INFORMATION

Corporate Governance

The Company is committed to maintaining a high standard of corporate governance. The principle of the Company's corporate governance is to implement effective internal control measures and to increase the transparency of the Board and accountability to all shareholders.

During the Reporting Period, the Company had been applying the code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own code to regulate its corporate governance practice. Other than those disclosed in this section below, the Company had been in compliance with all code provisions set out in the Corporate Governance Code during the Reporting Period.

Given the resignation of the chief executive officer of the Company on 1 December 2015, the Company has not yet appointed a new chief executive officer up to the moment. The Company is actively looking for a new chief executive officer. In the meantime, the Board of the Company established an executive committee (the "**Executive Committee**"), which was composed of three executive Directors. The Executive Committee is in charge of the daily operation of the major businesses of the Group. The chairman of the Board is not included in the Executive Committee and this ensures that the authority will not be concentrated in one person.

COMPLIANCE WITH MODEL CODE BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors' securities transactions. Directors are reminded of their obligations under the Model Code on a regular basis. Having made specific enquiry with the Directors, all of them confirmed that they had complied with the required standards set out in the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

INTERIM DIVIDEND

The Directors of the Company did not recommend the declaration of any interim dividend for the Reporting Period (30 June 2023: Nil).

REVIEW OF FINANCIAL INFORMATION

The audit committee of the Board of the Company has discussed with the Company's management and reviewed the interim results of the Group for the six months ended 30 June 2023. The financial information in the condensed consolidated financial statements of the interim results have not been audited or reviewed by the auditors of the Company.

CONTINUED SUSPENSION

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted with effect from 9:00 a.m. on 10 April 2024 and will remain suspended until further notice. The Company will disclose the progress of the resumption of trading in the shares on the Stock Exchange in accordance with the Listing Rules as and when appropriate.

By order of the Board
China Tianrui Group Cement Company Limited
Li Xuanyu
Chairman

Hong Kong, 29 November 2024

As at the date of this announcement, the Board consists of Chairman and Executive Director, Mr. Li Xuanyu; Executive Directors, Ms. Li Fengluan, Mr. Ding Jifeng, Mr. Xu Wuxue and Mr. Li Jiangming; Non-executive Director, Mr. Li Liufa; and Independent Non-executive Directors, Mr. Kong Xiangzhong, Mr. Mak Tin Sang, Mr. Du Xiaotang and Mr. Li Wenfeng.