

## Huaxin Cement Co., Ltd.

### Announcement on Abnormal Fluctuation on Stock Trading

To the best of our knowledge, the Board of Directors of the Company and its members confirm that there is no material false or misleading statement or material omission in this announcement and shall be severally and jointly liable for the truthfulness, accuracy and completeness of its content.

#### Key points:

- ◆ The A share of Huaxin Cement Ltd. (hereinafter referred to as the “Company”) experienced abnormal stock trading fluctuations defined in relevant provisions of Shanghai Stock Exchange, which, to be specific, relates to a cumulative deviation of more than 20% increase when comparing its closing price with Shanghai Composite Index for the past three consecutive trading days from July 21, 22 and 23, 2024.
- ◆ Upon the Company's self-inspection and verification with the largest shareholder, as of the date of this announcement, there is no material information that should be disclosed but has not been disclosed.
- ◆ Investors are hereby reminded to be aware of the trading risks on the secondary market, make rational decisions, and invest prudently.

#### I. Specific Circumstances of the Abnormal Stock Fluctuations

The cumulative deviation in the closing price increase of the A share reached 20% during three consecutive trading days on July 21, 22, and 23, 2025. In accordance with the relevant provisions of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, this constitutes abnormal trading fluctuations.

#### II. Relevant Information Attended and Verified by the Company

Regarding the abnormal fluctuations in the A share, the Company has conducted verifications on related matters and made written inquiries to its largest shareholder. We hereby brief as follows:

##### (I) Production and Operations Status

Upon the Company's self-inspection, it is currently operating under normal conditions with no material changes in market environment or industry policies, no significant fluctuations in production costs or sales performance, and routine functioning of internal operations.

On July 15, 2025, the company released the “Profit Increase Announcement for the First Half of 2025”. Based on preliminary estimates by the company's finance department, the company is expected to achieve a net profit attributable to the parent company's owners of 1,095,830,000 to 1,132,360,000 yuan in the first half of 2025, an increase of 50% to 55% year-on-year. It is also estimated that the net profit attributable to the parent company's owners after extraordinary items will be 1,061,260,000 to 1,095,280,000 yuan in the first half of 2025, an increase of 56% to 61% year-on-year. The above forecast are only preliminary calculation data, and the specific and accurate financial data shall be based on the company's officially disclosed report for the first half of 2025.

##### (II) Significant Matters Update

Following an internal review and confirmation from our largest shareholder, as of today's announcement, apart from what's already been publicly shared, there are no major issues known to us that would cause unusual swings in our stock price. We also confirm there are no other important details about the company that haven't been disclosed, including but not limited to major matters such as asset restructuring, share issuance, acquisitions, debt restructuring, business reorganization, asset divestiture, asset injection, share repurchase, equity incentive plans, bankruptcy restructuring, significant business collaborations, or introduction of strategic investors.

### (III) Media Coverage, Market Talk, and Trending Topics

The company has noted that the concepts of "anti-involution competition" and "Yarlung Zangbo River downstream hydropower station construction" have recently received high attention in the market.

(1) Regarding "anti-involution competition": Politburo meeting of the Central Committee proposed to strengthen industry self-discipline to prevent "involution competition". The China Cement Association has also issued the "Opinions on Further Promoting the High-quality Development of the Cement Industry through 'Anti-involution Competition' and 'Stabilizing Growth'". The company will actively respond to the call of the policy, strengthen industry self-discipline, focus on improving quality and efficiency, and promote the high-quality development of the cement business.

(2) Regarding "Yarlung Zangbo River downstream hydropower station construction", after self-inspection by the company, the company has cement, aggregate, and RMX production capacity in Xizang Autonomous Region of China, which enables it to provide building materials for large infrastructure projects. Whether the company can obtain business income related to the "Yarlung Zangbo River downstream hydropower station construction", the amount, and the profitability are all subject to a certain degree of uncertainty.

Apart from the aforementioned situations, no other media reports or market rumors that have a significant impact on the company's stock trading price or matters involving hot concepts have been found at present.

### (IV) Other Price-Sensitive Details

After verification, the company has not found any other major events that may have a significant impact on the company's stock price. During the period of the company's abnormal stock trading fluctuations this time, the directors, supervisors, senior management, and the largest shareholder of the company did not engage in buying or selling the company's stock.

## **III. Important Risk Note**

The company's stock experienced a cumulative price increase deviation exceeding 20% over three consecutive trading days on July 21, 22, and 23, 2025. Please be advised that investors should pay attention to trading risks and exercise discretion when investing.

## **IV. Statement from the Board and Commitments**

The Board of Directors confirms that (except for the disclosure matters mentioned in the second part above) the company has no matters that should be disclosed but have not been disclosed in accordance with the relevant provisions of the "Stock Listing Rules" or any planning, consultation, intention, agreement, etc., related to such matters. The Board of Directors has also not learned of any information that should be

disclosed but has not been disclosed in accordance with the relevant provisions of the “Stock Listing Rules” and may have a significant impact on the trading price of the company’s stock and its derivative products. There is no need to correct or supplement the information disclosed by the company earlier.

It is herewith announced.

Board of Directors of Huaxin Cement Co., Ltd  
24 July 2025