

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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)**

**(1) SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DELAY  
IN PUBLICATION OF 2024 INTERIM RESULTS; AND  
(2) CONTINUED SUSPENSION OF TRADING**

This announcement is made by China Tianrui Group Cement Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

References are made to the announcements of the Company dated 30 August 2024, 1 September 2024, 4 September 2024 and 15 September 2024, in relation to the delay in publication of the 2024 Interim Results (collectively, the “**Announcements**”). Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the Announcements.

**1. SUPPLEMENTAL INFORMATION IN RELATION TO REASON FOR DELAY  
IN PUBLICATION OF 2024 INTERIM RESULTS**

In light of the need to prepare the 2024 Interim Results of the Company, the Company obtained the unconfirmed financial information for the first half of 2024 of the Associated Company on 22 August 2024 (the “**Unconfirmed 2024H1 Financial Information**”), which has not been officially confirmed by the Associated Company and its finance department. Subsequently, the Company discovered that there were material differences between the Unconfirmed 2024H1 Financial Information and the Associated Company’s financial information for the five months ended 31 May 2024 which was publicly disclosed on the website of the China Beijing Equity Exchange on 22 July 2024 (the “**Public Financial Information of Associated Company**”). According to the Public Financial Information of Associated Company, as the 51% shareholder of the Associated Company intends to conduct

a public sale of its 51% equity interest, it is required to publicly disclose the Associated Company's financial information for the five months ended 31 May 2024 on the website of the China Beijing Equity Exchange according to the "Measures for the Supervision and Administration of the Trading of State-Owned Assets of Enterprises". The aforesaid circumstance means that, not only the Company's recognition of gain and loss of its investment in the Associated Company is affected, the Company is also unable to assess whether it needs to conduct asset impairment test on its investment and shareholder loan's creditor right with respect to the Associated Company. Accordingly, the Company has communicated with the Associated Company various times to obtain its confirmed financial information for the first half of 2024. However, as of 30 August 2024, the Associated Company has not formally provided its confirmed financial information for the first half of 2024, and therefore the Company was unable to publish the 2024 Interim Results by the end of August 2024.

## **2. SUBSEQUENT DEVELOPMENT AFTER OBTAINING THE RELEVANT FINANCIAL INFORMATION FROM THE ASSOCIATED COMPANY**

After 30 August 2024, Tianrui Cement has communicated with the Associated Company several times to obtain its confirmed financial information for the first half of 2024, and in light of the material differences between its Unconfirmed 2024H1 Financial Information and the Public Financial Information of Associated Company, the Company requested the Associated Company to accommodate Tianrui Cement's audit and valuation works on the Associated Company (the "**Special Audit Work**"). As of 3 September 2024, the Company has formally engaged the PRC auditor and valuer for the purpose of the Special Audit Work.

On 9 September 2024, the Company received the official reply from the Associated Company, in which it provided the incomplete financial information for the first half of 2024 of the Associated Company (without the contents of notes) (the "**Confirmed 2024H1 Financial Information**"), and provided explanation for difference in data between the Public Financial Information of Associated Company and the Unconfirmed 2024H1 Financial Information, but it did not provide the relevant supporting documents for such explanation of difference, and also did not confirm whether the aforesaid two sets of financial information are prepared based on the uniform measure and accounting adjustments. Meanwhile, the Associated Company in its reply indicated that it, for the time being, would not accommodate Tianrui Cement's Special Audit Work on the Associated Company.

The Company noted the material differences between the Public Financial Information of Associated Company and the Unconfirmed 2024H1 Financial Information as well as the Confirmed 2024H1 Financial Information. In particular, the Confirmed 2024H1 Financial Information stated the loss of approximately RMB43.5 million, the Unconfirmed 2024H1 Financial Information

stated the loss of approximately RMB40.6 million, while the Public Financial Information of Associated Company stated the loss of approximately RMB8.1 million.

The Company has communicated with the Associated Company by letter several times, and has received letter from the Associated Company stating its plan to temporarily halt production due to financial pressure, and its loan request to the Company for financial support to settle its expenses such as employee salary and social security payments. However, the Associated Company has not provided definitive reply on its financial information's accuracy and truthfulness, and also has not provided reasonable explanation for the financial data difference, and it also did not confirm on the Company's request for Special Audit Work. The circumstances above have caused the Company to become skeptical of the effectiveness of the Associated Company's internal control measures for financial reporting. Accordingly, the Company has expressly stated to the Associated Company that, if the Associated Company continued to disagree on the Company's request for the Special Audit Work, the Company would suggest that the Associated Company and its shareholders convene a meeting to discuss the matter.

In light of the Company's significant equity investment (approximately RMB424 million) and creditor right investment in shareholders' loan (approximately RMB82 million) in the Associated Company, the Associated Company's continuous loss-making operation status, and its 51% shareholder's intended share sale, the management of the Company has decided to conduct a complete assessment of whether impairment is needed for the aforesaid equity investment and creditor right investment in shareholders' loan, and therefore the Company considers that it is necessary to complete the Special Audit Work and assessment before publishing the 2024 Interim Results. Full impairment, if implemented, will amount to 336.2% of the profit attributable to owners of the Company for the six months ended 30 June 2023, and 79.8% of the loss attributable to owners of the Company in 2023, which would have impact on the disclosure of the Group's financial status in a fair manner.

In light of the above subsequent developments, the Board maintains the view stated in the announcement dated 4 September 2024 that the Board is aware that the delay in publishing the 2024 Interim Results announcement constitutes a non-compliance with Rule 13.49(6) of the Listing Rules, but the Board is also of the view that, based on the information currently available, the 2024 Interim Results (such as assets, liabilities, income and expenses and changes in shareholders' equity) can only be meaningfully disclosed after the reliable financial information of the Associated Company is ascertained.

On 22 September 2024, the independent non-executive Directors (INEDs) at the relevant time, that is, Mr. Wang Ping, Mr. Du Xiaotang, Mr. Kong Xiangzhong and Mr. Li Wenfeng, expressed views to the effect that the Company should consider the applicable Listing Rules and accounting requirements, and take all appropriate

measures to publish the 2024 Interim Results as soon as possible so as to meet the requirements and guidance of the Stock Exchange. Subsequently, as announced by the Company on 23 September 2024, Mr. Wang Ping, an INED and chairman of the audit committee (the “**Audit Committee**”) of the Board, resigned with effect from that date, and on the same date, Mr. Mak Tin Sang was appointed as an INED and chairman of the Audit Committee. As at the date of this announcement, the current INEDs, namely, Mr. Mak Tin Sang, Mr. Du Xiaotang, Mr. Kong Xiangzhong and Mr. Li Wenfeng, have discussed the matters set out in this announcement, and are of the view that the 2024 Interim Results can only be meaningfully disclosed after reliable financial information of the Associated Company is ascertained.

## **CONTINUED SUSPENSION OF TRADING**

The Company will use its best endeavours to ascertain the reliable financial information of the Associated Company in order to determine the accounting treatment of the long-term investment in the Associated Company. In light of the above developments, the Company has not yet been able to commence the Special Audit Work and therefore it will not be able to publish the 2024 Interim Results on 30 September 2024 as previously disclosed in the announcement dated 4 September 2024. The Company will announce an expected date of publication of the 2024 Interim Results as soon as there is further development on obtaining the reliable financial information from the Associated Company.

Further announcement(s) will be made by the Company to inform its Shareholders of (1) the revised date of the meeting of the Board to consider and approve the 2024 Interim Results of the Company; and (2) the date of release of the 2024 Interim Results, as and when appropriate.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).**

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

Hong Kong, 30 September 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.*