

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.



**華潤水泥控股有限公司**

**China Resources Cement Holdings Limited**

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1313)

**UNAUDITED FINANCIAL INFORMATION  
FOR THE THREE MONTHS ENDED 31 MARCH 2023**

	<b>For the three months ended 31 March</b>		
	<b>2023 (unaudited)</b>	<b>2022 (unaudited)</b>	<b>(Decrease)</b>
Turnover ( <i>HK\$ million</i> )	<b>5,293.6</b>	6,976.7	(24.1)%
(Loss) profit attributable to owners of the Company ( <i>HK\$ million</i> )	<b>(37.1)</b>	729.5	
Basic (loss) earnings per share	<b>HK\$(0.005)</b>	HK\$0.104	
Interim dividend per share	<b>Nil</b>	Nil	
	<b>As at 31/3/2023 (unaudited)</b>	<b>As at 31/12/2022 (audited)</b>	<b>Increase</b>
Total assets ( <i>HK\$ million</i> )	<b>86,869.2</b>	80,613.8	7.8%
Equity attributable to owners of the Company ( <i>HK\$ million</i> )	<b>50,195.0</b>	49,233.4	2.0%
Gearing ratio ( <i>note 1</i> )	<b>45.2%</b>	33.4%	
Net assets per share – book ( <i>note 2</i> )	<b>HK\$7.19</b>	HK\$7.05	2.0%
<i>notes:</i>			
1. Gearing ratio is calculated by dividing the total bank borrowings and loans from related parties by equity attributable to owners of the Company.			
2. Net assets per share – book is calculated by dividing equity attributable to owners of the Company by the number of issued shares at the end of the relevant reporting period.			

The board (the “Board”) of directors (the “Directors”) of China Resources Cement Holdings Limited (the “Company”) hereby announces the unaudited consolidated financial information of the Company and its subsidiaries (collectively the “Group”) for the three months ended 31 March 2023 (the “Period”) as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	<i>Notes</i>	For the three months ended 31 March	
		2023 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
Turnover		5,293,589	6,976,702
Cost of sales		<u>(4,711,396)</u>	<u>(5,318,807)</u>
Gross profit		582,193	1,657,895
Other income		191,210	394,687
Selling and distribution expenses		(111,170)	(340,326)
General and administrative expenses		(516,628)	(719,131)
Exchange (loss) gain		(6,908)	14,332
Finance costs		(148,977)	(80,710)
Share of results of associates		(58,787)	(38,465)
Share of results of joint ventures		<u>13,713</u>	<u>(6,750)</u>
(Loss) profit before taxation		(55,354)	881,532
Taxation	2	<u>(17,834)</u>	<u>(211,599)</u>
(Loss) profit for the period		<u><b>(73,188)</b></u>	<u><b>669,933</b></u>
Attributable to:			
Owners of the Company		(37,076)	729,514
Non-controlling interests		<u>(36,112)</u>	<u>(59,581)</u>
		<u><b>(73,188)</b></u>	<u><b>669,933</b></u>
Basic (loss) earnings per share	3	<u><b>HK\$(0.005)</b></u>	<u><b>HK\$0.104</b></u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31/3/2023 <i>HK\$'000</i> (unaudited)	As at 31/12/2022 <i>HK\$'000</i> (audited)
<b>Non-current assets</b>		
Fixed assets	32,695,457	31,467,930
Right-of-use assets	5,210,174	5,128,710
Investment property	-	130,000
Other investment	38,959	39,361
Intangible assets	20,541,850	19,905,873
Interests in associates	6,357,584	6,304,386
Interests in joint ventures	2,038,937	2,070,095
Deposits for acquisition of assets	4,133,216	4,116,961
Deferred tax assets	950,742	881,164
Long term receivables	285,798	280,674
Pledged bank deposits	692,423	467,327
	72,945,140	70,792,481
<b>Current assets</b>		
Inventories	3,259,713	2,732,197
Trade receivables	3,165,646	2,900,660
Other receivables	1,980,023	1,660,315
Loan to a joint venture	218,623	211,134
Taxation recoverable	82,381	83,814
Pledged bank deposits	281	51,434
Cash and bank balances	5,217,442	2,181,728
	13,924,109	9,821,282

	As at 31/3/2023 <i>HK\$'000</i> (unaudited)	As at 31/12/2022 <i>HK\$'000</i> (audited)
<b>Current liabilities</b>		
Trade payables	2,909,902	3,241,807
Other payables	6,649,044	7,274,462
Taxation payable	139,770	242,427
Loans from non-controlling shareholders	466,574	462,888
Bank loans – amount due within one year	5,432,777	4,085,229
	<u>15,598,067</u>	<u>15,306,813</u>
Net current liabilities	<u>(1,673,958)</u>	<u>(5,485,531)</u>
Total assets less current liabilities	<u>71,271,182</u>	<u>65,306,950</u>
<b>Non-current liabilities</b>		
Bank loans – amount due after one year	16,576,627	11,751,356
Loans from non-controlling shareholders	189,396	133,790
Other long term payables	2,203,121	2,099,599
Deferred tax liabilities	485,629	481,937
	<u>19,454,773</u>	<u>14,466,682</u>
	<u>51,816,409</u>	<u>50,840,268</u>
<b>Capital and reserves</b>		
Share capital	698,294	698,294
Reserves	49,496,737	48,535,152
Equity attributable to owners of the Company	<u>50,195,031</u>	<u>49,233,446</u>
Non-controlling interests	<u>1,621,378</u>	<u>1,606,822</u>
Total equity	<u>51,816,409</u>	<u>50,840,268</u>



## INTERIM DIVIDEND

The Board does not recommend the payment of any dividend for the Period (Three months ended 31 March 2022: Nil).

## OPERATIONAL PERFORMANCE REVIEW

The functional currency of the Group is RMB while the financial figures are all denominated in HK\$. Comparing with the corresponding period in 2022, RMB had depreciated against HK\$ by approximately 6.8%.

### Turnover

The consolidated turnover for the Period amounted to HK\$5,293.6 million, representing a decrease of 24.1% from HK\$6,976.7 million for the corresponding period in 2022. An analysis of segmental turnover by product is as follows:

	For the three months ended 31 March					
	2023			2022		
	Sales volume '000 tons/m <sup>3</sup>	Average selling price HK\$ per ton/m <sup>3</sup>	Turnover HK\$'000	Sales volume '000 tons/m <sup>3</sup>	Average selling price HK\$ per ton/m <sup>3</sup>	Turnover HK\$'000
Cement (note)	12,192	370.9	4,522,436	12,193	436.4	5,320,604
Clinker	199	326.5	65,127	976	414.8	404,600
Concrete	1,535	459.8	706,026	2,218	564.3	1,251,498
Total			<b>5,293,589</b>			<b>6,976,702</b>

note: Inclusive of sales volume of 0.7 million tons of cement from related parties (0.9 million tons for the corresponding period in 2022).

Our cement sales by geographical areas were as follows:

Province/ Autonomous Region	For the three months ended 31 March					
	2023			2022		
	Sales volume '000 tons	Average selling price HK\$ per ton	Turnover HK\$'000	Sales volume '000 tons	Average selling price HK\$ per ton	Turnover HK\$'000
Guangdong	5,367	391.5	2,100,996	4,845	486.0	2,354,817
Guangxi	3,458	351.8	1,216,682	3,589	409.7	1,470,521
Fujian	1,424	340.9	485,504	1,812	345.9	626,819
Hainan	511	424.3	216,834	639	544.2	347,757
Yunnan	730	368.8	269,235	666	379.4	252,649
Guizhou	425	335.5	142,586	359	429.0	154,013
Shanxi	111	340.5	37,793	134	443.2	59,387
Hunan	166	318.1	52,806	149	366.7	54,641
Total	<b>12,192</b>	<b>370.9</b>	<b>4,522,436</b>	<b>12,193</b>	<b>436.4</b>	<b>5,320,604</b>

## **Gross Profit and Gross Margin**

The consolidated gross profit for the Period was HK\$582.2 million, representing a decrease of 64.9% from HK\$1,657.9 million for the corresponding period in 2022. The consolidated gross margin for the Period was 11.0%, representing a decrease of 12.8 percentage points from 23.8% for the corresponding period in 2022. The decreases in consolidated gross profit and consolidated gross margin for the Period were mainly attributable to the lower selling prices of the Group's products during the Period as compared with the corresponding period in 2022. The gross margins of cement, clinker and concrete for the Period were 11.3%, 5.8% and 9.6%, as compared with 23.4%, 29.6% and 23.3% respectively for the corresponding period in 2022.

## **Other Income**

Other income for the Period was HK\$191.2 million, representing a decrease of 51.6% from HK\$394.7 million for the corresponding period in 2022. This was mainly attributable to the one-off gain on disposal of a subsidiary of HK\$239.1 million in the corresponding period in 2022.

## **Selling and Distribution Expenses**

Selling and distribution expenses for the Period was HK\$111.2 million, representing a decrease of 67.3% from HK\$340.3 million for the corresponding period in 2022. This was mainly due to the reclassification of transportation cost from selling and distribution expenses to cost of sales during the Period for better benchmarking with other companies in the industry. The transportation cost amounting to HK\$219.2 million were recognized as selling and distribution expenses in the corresponding period in 2022.

## **(Loss) profit attributable to owners of the Company**

Loss attributable to owners of the Company for the Period was HK\$37.1 million, whereas profit attributable to owners of the Company of HK\$729.5 million was recorded in the corresponding period in 2022.

By order of the Board  
**China Resources Cement Holdings Limited**  
**JI Youhong**  
*Chairman*

Hong Kong, 28 April 2023

*As at the date of this announcement, the executive Directors are Mr. JI Youhong and Mr. JING Shiqing; the non-executive Directors are Mr. ZHU Ping, Mr. CHEN Kangren and Mr. YANG Changyi; and the independent non-executive Directors are Mr. IP Shu Kwan Stephen, Mr. SHEK Lai Him Abraham, Madam ZENG Xuemin and Mr. NG Kam Wah Webster.*