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**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 NINE MONTHS ENDED 30 SEPTEMBER 2021**

	<b>For the nine months ended 30 September</b>		<b>Increase/ (Decrease)</b>
	<b>2021</b>	<b>2020</b>	
	<b>(unaudited)</b>	<b>(unaudited)</b>	
Turnover ( <i>HK\$ million</i> )	<b>30,816.1</b>	27,201.1	13.3%
Profit attributable to owners of the Company ( <i>HK\$ million</i> )	<b>5,313.7</b>	7,392.5	(28.1)%
Basic earnings per share	<b>HK\$0.761</b>	HK\$1.059	
	<b>As at 30/9/2021</b>	<b>As at 31/12/2020</b>	<b>Increase</b>
	<b>(unaudited)</b>	<b>(audited)</b>	
Total assets ( <i>HK\$ million</i> )	<b>71,858.4</b>	68,532.5	4.9%
Equity attributable to owners of the Company ( <i>HK\$ million</i> )	<b>51,424.9</b>	49,626.8	3.6%
Gearing ratio ( <i>note 1</i> )	<b>14.1%</b>	13.8%	
Net assets per share – book ( <i>note 2</i> )	<b>HK\$7.36</b>	HK\$7.11	3.5%
<i>notes:</i>			
1. Gearing ratio is calculated by dividing the total bank borrowings and unsecured medium term notes 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”) is pleased to announce the unaudited consolidated financial information of the Company and its subsidiaries (collectively the “Group”) for the nine months ended 30 September 2021 (the “Period”) as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Turnover		<b>10,636,469</b>	10,316,753	<b>30,816,102</b>	27,201,081
Cost of sales		<b>(7,566,860)</b>	(6,211,792)	<b>(21,473,582)</b>	(16,232,639)
Gross profit		<b>3,069,609</b>	4,104,961	<b>9,342,520</b>	10,968,442
Other income		<b>167,444</b>	208,261	<b>531,925</b>	538,925
Selling and distribution expenses		<b>(513,810)</b>	(474,329)	<b>(1,475,112)</b>	(1,185,233)
General and administrative expenses		<b>(575,412)</b>	(470,290)	<b>(1,636,599)</b>	(1,272,045)
Exchange (loss) gain		<b>(952)</b>	39,780	<b>(6,037)</b>	40,197
Finance costs		<b>(61,332)</b>	(58,289)	<b>(156,829)</b>	(203,261)
Share of results of associates		<b>106,312</b>	190,902	<b>311,267</b>	397,784
Share of results of joint ventures		<b>51,021</b>	80,392	<b>195,311</b>	191,475
Profit before taxation		<b>2,242,880</b>	3,621,388	<b>7,106,446</b>	9,476,284
Taxation	2	<b>(581,632)</b>	(380,256)	<b>(1,818,900)</b>	(2,021,186)
Profit for the period		<b><u>1,661,248</u></b>	<u>3,241,132</u>	<b><u>5,287,546</u></b>	<u>7,455,098</u>
Attributable to:					
Owners of the Company		<b>1,680,149</b>	3,201,233	<b>5,313,665</b>	7,392,522
Non-controlling interests		<b>(18,901)</b>	39,899	<b>(26,119)</b>	62,576
		<b><u>1,661,248</u></b>	<u>3,241,132</u>	<b><u>5,287,546</u></b>	<u>7,455,098</u>
Basic earnings per share (HK\$)	3	<b><u>0.241</u></b>	<u>0.459</u>	<b><u>0.761</u></b>	<u>1.059</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30/9/2021 <i>HK\$'000</i> (unaudited)	As at 31/12/2020 <i>HK\$'000</i> (audited)
<b>Non-current assets</b>		
Fixed assets	28,521,410	28,485,137
Right-of-use assets	3,980,904	3,410,139
Investment property	120,000	120,000
Other investment	59,844	72,295
Intangible assets	9,770,451	2,702,986
Interests in associates	6,630,011	6,635,957
Interests in joint ventures	1,607,891	1,563,639
Deposits for acquisition of assets	3,013,152	4,028,926
Deferred tax assets	462,118	375,578
Long term receivables	286,931	288,511
Pledged bank deposits	335,108	273,573
	<b>54,787,820</b>	47,956,741
<b>Current assets</b>		
Inventories	3,023,388	1,853,151
Trade receivables	5,713,748	2,991,597
Other receivables	1,569,343	1,065,768
Loan to a fellow subsidiary	487,499	477,957
Loan to an intermediate holding company	-	832,139
Taxation recoverable	16,800	9,362
Pledged bank deposits	96,031	118,816
Cash and bank balances	6,163,802	13,226,924
	<b>17,070,611</b>	20,575,714
<b>Current liabilities</b>		
Trade payables	3,593,198	3,723,079
Other payables	7,275,707	5,604,670
Taxation payable	632,536	1,349,896
Unsecured medium term notes	-	3,564,480
Bank loans - amount due within one year	6,261,287	-
	<b>17,762,728</b>	14,242,125
Net current (liabilities) assets	<b>(692,117)</b>	6,333,589
Total assets less current liabilities	<b>54,095,703</b>	54,290,330

	As at <b>30/9/2021</b> <i>HK\$'000</i> <b>(unaudited)</b>	As at 31/12/2020 <i>HK\$'000</i> (audited)
<b>Non-current liabilities</b>		
Bank loans - amount due after one year	<b>1,000,000</b>	3,300,000
Other long term payables	<b>626,281</b>	543,508
Deferred tax liabilities	<b>312,304</b>	422,989
	<u><b>1,938,585</b></u>	<u>4,266,497</u>
	<u><b>52,157,118</b></u>	<u>50,023,833</u>
<b>Capital and reserves</b>		
Share capital	<b>698,294</b>	698,294
Reserves	<b>50,726,646</b>	48,928,528
	<u><b>51,424,940</b></u>	<u>49,626,822</u>
Equity attributable to owners of the Company	<b>51,424,940</b>	49,626,822
Non-controlling interests	<b>732,178</b>	397,011
	<u><b>52,157,118</b></u>	<u>50,023,833</u>
Total equity	<u><b>52,157,118</b></u>	<u>50,023,833</u>

*Notes:*

**1. BASIS OF PREPARATION**

The accounting policies and methods of computation adopted in the preparation of the condensed consolidated financial statements for the Period are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of certain amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants, which are effective for the financial year beginning on or after 1 January 2021 and the amendment to HKFRS16. The application of these amendments to HKFRSs in the Period has had no material impact on the condensed consolidated financial statements of the Group.

**2. TAXATION**

Hong Kong Profits Tax was calculated at 16.5% of the estimated assessable profit for both periods.

Chinese Mainland Enterprise Income Tax includes the income tax calculated at 25% on the taxable income of the group entities in the Chinese Mainland, the withholding tax calculated at 5% on dividends in the Chinese Mainland, and the deferred tax calculated at 5% on the intended distribution profits from subsidiaries in the Chinese Mainland to a holding company in Hong Kong, for both periods.

**3. EARNINGS PER SHARE**

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	<b>For the nine months ended 30 September</b>	
	<b>2021 HK\$'000 (unaudited)</b>	<b>2020 HK\$'000 (unaudited)</b>
<b>Earnings</b>		
Earnings attributable to owners of the Company for the purpose of basic earnings per share	<u><u>5,313,665</u></u>	<u><u>7,392,522</u></u>
	<b>For the nine months ended 30 September</b>	
	<b>2021 (unaudited)</b>	<b>2020 (unaudited)</b>
<b>Number of shares</b>		
Weighted average number of shares for the purpose of basic earnings per share	<u><u>6,982,937,817</u></u>	<u><u>6,982,937,817</u></u>

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

**4. REVIEW OF FINANCIAL INFORMATION**

The financial information for the Period has been reviewed by the Audit Committee of the Company.

## INTERIM DIVIDEND

An interim dividend of HK\$0.24 per share for the six months ended 30 June 2021 (HK\$0.275 per share for the six months ended 30 June 2020) was declared by the Board on 13 August 2021 and paid to shareholders on 21 October 2021. The Board does not recommend the payment of any dividend for the three months ended 30 September 2021 (Three months ended 30 September 2020: Nil).

## OPERATIONAL PERFORMANCE REVIEW

The functional currency of the Group is RMB while the financial figures are all denominated in HK\$. Comparing with corresponding period last year, RMB had appreciated against HK\$ by approximately 8.2%.

### Turnover

The consolidated turnover for the Period amounted to HK\$30,816.1 million, representing an increase of 13.3% from HK\$27,201.1 million for the corresponding period last year. An analysis of segmental turnover by product is as follows:

	For the nine months ended 30 September					
	2021			2020		
	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 ( <i>note</i> )	<b>63,104</b>	<b>387.3</b>	<b>24,441,899</b>	59,599	368.4	21,959,125
Clinker	<b>2,805</b>	<b>310.3</b>	<b>870,313</b>	2,657	292.6	777,330
Concrete	<b>10,896</b>	<b>505.1</b>	<b>5,503,890</b>	9,161	487.4	4,464,626
Total			<b><u>30,816,102</u></b>			<b><u>27,201,081</u></b>

*note:* Inclusive of sales volume of 3.3 million tons of cement from related parties (2.7 million tons for the corresponding period in 2020).

Our cement sales by geographical area were as follows:

Province/ Autonomous Region	For the nine months ended 30 September					
	2021			2020		
	Sales volume <i>'000 tons</i>	Average selling price <i>HK\$ per ton</i>	Turnover <i>HK\$'000</i>	Sales volume <i>'000 tons</i>	Average selling price <i>HK\$ per ton</i>	Turnover <i>HK\$'000</i>
Guangdong	24,506	442.8	10,852,083	22,788	420.4	9,580,076
Guangxi	18,717	358.2	6,704,469	18,288	347.1	6,347,122
Fujian	7,528	351.3	2,644,619	6,934	318.5	2,208,490
Hainan	2,990	459.5	1,373,918	2,732	382.8	1,045,925
Yunnan	3,727	353.5	1,317,472	3,842	377.2	1,449,054
Guizhou	2,580	242.3	625,080	2,077	229.1	475,744
Shanxi	3,056	302.4	924,258	2,938	290.2	852,714
Total	<b>63,104</b>	<b>387.3</b>	<b>24,441,899</b>	<b>59,599</b>	<b>368.4</b>	<b>21,959,125</b>

### Gross Profit and Gross Margin

The consolidated gross profit for the Period was HK\$9,342.5 million, representing a decrease of 14.8% from HK\$10,968.4 million for the corresponding period last year. The consolidated gross margin for the Period was 30.3%, representing a decrease of 10.0 percentage points from 40.3% for the corresponding period last year. The decreases in consolidated gross profit and consolidated gross margin for the Period were mainly attributable to the increase in cost of production of our cement products compared to the corresponding period last year. The gross margins of cement, clinker and concrete for the Period were 32.1%, 24.6% and 23.4%, as compared with 43.4%, 38.7% and 25.5% respectively for the corresponding period last year.

### Profit Attributable to Owners of the Company

Profit attributable to owners of the Company for the Period was HK\$5,313.7 million, representing a decrease of 28.1% from HK\$7,392.5 million for the corresponding period last year.

By order of the Board  
**China Resources Cement Holdings Limited**  
**JI Youhong**  
*Chief Executive Officer*

Hong Kong, 22 October 2021

*As at the date of this announcement and after the changes of Directors on the even date, the non-executive Directors are Mr. LI Fuli (Chairman), Mr. ZHU Ping, Mr. CHEN Kangren and Mr. YANG Changyi; the executive Director is Mr. JI Youhong (Chief Executive Officer); and the independent non-executive Directors are Mr. IP Shu Kwan Stephen, Mr. SHEK Lai Him Abraham, Madam ZENG Xuemin and Mr. LAM Chi Yuen Nelson.*