

Huaxin Cement Co., Ltd.

Announcement on Forecast Growth of Operation Results for the First Half of 2018

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.

Highlights:

Performance for the first half of 2018 is predicted to increase by 1300 million RMB to 1400 million RMB, an increase of 179%-192% over the same period of last year.

I. Performance forenotice

(I) Period of performance forenotice

From January 1, 2018 to June 30, 2018.

(II) Performance forenotice

1. According to the preliminary accounting of the Financial Department of the Company, it is estimated that the net profit attributable to shareholders of the Company for the first half of 2018 would increase by 1300 million RMB to 1400 million RMB, up by 179%-192% over the same period of last year (data disclosed in the periodic report according to the relevant regulations).

2. Net profit attributable to shareholders of the Company after extraordinary items would increase by 1312 million RMB to 1412 million RMB, up by 192% to 206% over the same period of last year (data disclosed in the periodic report according to the relevant regulations).

II. Performance for the same period of the previous year

1. The net profit attributable to shareholders of the Company: 727.96 million RMB. The net profit attributable to shareholders of the Company after extraordinary items: 684.76million RMB.

2. Earnings per share: 0.49 Yuan.

III. Main reasons for the forecast increase of operation results in the reporting period

During the reporting period, performance of the Company rose significantly, mainly benefiting from the Country's vigorous push of supply-side structural reforms and resolutely battling for environmental governance. It led to major changes in the supply side of the cement market, thus supply and demand was improved accordingly. The price of cement and clinker, the main products of the Company, has increased significantly compared with the same period of last year. At the same time, the operation management of the Company has been further improved. Eco disposal and fuel substitution have effectively offset some of the factors on prices rise of raw

materials and fuel, and the profitability of unit products has been improved. The increase in both volume and price of aggregate and overseas business expansion have led to further improvement in performance.

IV. Risks notice

There are no uncertain factors that have an impact on the accuracy of the forecast growth of operation results of the Company.

V. Other relevant explanation

The data listed above are just preliminary accounted. For detailed and accurate financial data, please refer to the Half Year Report 2018. Public investors are hereby kindly requested to notice investment risks.

It is herewith announced.

Board of Directors of Huaxin Cement Co. Ltd.
July 10, 2018