

## **CONCH CEMENT 2025H1 NET PROFIT INCREASED BY 30% TO RMB4,631 MILLION, FIRST-EVER INTERIM DIVIDEND DISTRIBUTION OF RMB0.24 PER SHARE**

26 August 2025 -- Anhui Conch Cement Company Limited (“Conch Cement” or the “Company”, together with its subsidiaries as the “Group”, stock code: 00914) reported a revenue for the six months ended 30 June 2025 (the “Reporting Period”) prepared in accordance with International Financial Reporting Standards (“IFRSs”) of approximately RMB41,292 million. Profit attributable to equity shareholders of the Company amounted to approximately RMB4,631 million, representing a year-on-year increase of 32.83%; earnings per share were RMB0.88. The Company’s board of directors resolved to distribute an interim dividend of RMB0.24 per share (tax inclusive) for 2025, which was the first-ever interim distribution by Conch Cement.

During the first half of 2025, faced with the severe and complicated market environment, the Group actively responded to adverse effects such as insufficient demand, intensified competition and market volatility, strengthened operational coordination, made efforts to expand the market, and promoted the reduction of operating costs, and achieved a period-on-period increase in total profits. In the Reporting Period, the Group’s total net sales volume of cement and clinker amounted to 127 million tonnes, representing a period-on-period decrease of 0.09%. Revenue generated from principal activities amounted to approximately RMB34,837 million. As a result of period-on-period increase in product selling prices and the period-on-period decrease in sales costs, the gross margin of the Group’s self-produced products in various regions of China increased by varying degrees.

During the Reporting Period, the Group’s production capacity of clinker was increased by 1.80 million tonnes (overseas), that of cement was increased by 4.00 million tonnes, that of aggregates was increased by 3.50 million tonnes, that of commodity concrete was increased by 5.25 million cubic meters, and the capacity of new energy power storage generator was increased by 200MW. As at the end of the Reporting Period, the Group’s production capacity of clinker, cement, aggregates and commodity concrete in operation amounted to 276 million tonnes, 407 million tonnes, 167 million tonnes and 57.15 million cubic meters respectively, and the capacity of new energy power storage generator in operation amounted to 845MW.

During the Reporting Period, the Group actively pushed forward the construction and development of projects. In terms of core cement business, the Group successfully entered into a contract for the Yaobai project in Xinjiang, further improving its regional market layout. Development of the

Group's overseas projects advanced steadily. The acquisition of PT Conch West Papua Cement has effectively enhanced the Company's market competitiveness in Indonesia. The production line of 5,000 tonnes of cement clinker per day in Conch KT Cement (Phnom Penh) Company Limited in Cambodia was completed and put into operation. In terms of the development of industrial chain, the Group built and expanded 4 aggregate (manufactured sand) projects, and added 8 commodity concrete projects through leasing and commissioned processing. At the same time, the Group accelerated the development of consumer building materials business and clean energy, whereby it completed 3 dry-mixed mortar and tile glue projects, grid-connected for a number of its photovoltaic projects such as Pingliang Conch New Energy Co., Ltd.'s 100MW Wind Power Project and Changjiang Conch Huasheng Plastic Packaging Co., Ltd., and successfully launched the new energy storage project in Naimanqi, Tongliao City, Inner Mongolia.

Conch Cement management stated, "In the second half of 2025, the meeting of the Political Bureau of the Central Committee of the CPC proposed to accelerate the issuance and use of government bonds, promote the "implementation of major national strategies and security capacity building in key areas" with high quality and carry out urban renewal, horizontally and vertically promote the construction of a unified national market, manage the disorderly competition of enterprises according to laws and regulations, and promote the governance of the production capacities of key industries. Meanwhile, the National Development and Reform Commission and the State Administration for Market Regulation are promoting the amendment of the Price Law, intending to stipulate the recognized criteria for unfair pricing behaviors such as low-price dumping. A new round of steady growth work plan for ten key industries, such as building materials, will be implemented soon, aiming at promoting key industries' structure adjustment, supply optimization and backward production capacities elimination. On the demand side, China will continue to play a leading role in government investment. The promotion of major strategic engineering projects and urban renewal initiatives is expected to lead to more quantifiable output, and the infrastructure sector will continue to support the demand for cement. However, real estate market is still bottoming out, and the pressure on investment and construction persists, which is expected to continue to drag down the cement market demand. On the supply side, industry self-discipline and staggered production will still be important measures for supply control. At the same time, the government's management of "involutionary" competition will continue to be deepened, which will help standardize the order of cement market, push forward the improvement in balance of supply and demand, and promote a reasonable price recovery."

In terms of operation and management, Conch Cement will closely monitor market development, consolidate its cost and management advantages. The Group will strengthen the analysis of market supply and demand relationship, implement the marketing strategy of “one policy for one area, one policy for one enterprise, and differentiated policies”, thoroughly carry out the policy requirements of “anti-involution”. In addition, the Group will promote the “cement+” integrated sales mode to improve the advantages of non-price competition means and build customers’ preferred brand. Moreover, the Group will adhere to tapping the potential to increase efficiency, leverage advantages in procurement, and increase the proportion of direct supply of raw materials and fuel and the proportion of use of alternative fuels. The Group will also strengthen the management and control of production and operation, and optimize craftsmanship and key indicators and promote efficiency of operation through digitalization and intelligentization. Furthermore, the Group will push on with the upgrading and transformation of technologies, and the transformation of innovation achievements, improve the level of safety and environmental protection. At the same time, the Group will further strengthen the construction of compliance management system, optimize the decision-making mechanism, and continuously promote the operation of the Group in a smooth and orderly manner.

In terms of investment development, the Group will focus on effective investments and strengthen its core business. The Group will seize the opportunity presented by the consolidation of the domestic cement industry, seek merger and acquisition opportunities, and accelerate the pace of overseas development. Furthermore, Conch Cement will intensify extension of upstream and downstream industrial chains, accelerate production inauguration of aggregate projects and the layout of commodity concrete business, and promote the full-scale commercialization of consumer building materials. The Group will also pay equal attention to the development scale and quality of new formats, which will contribute to the digital intelligence transformation of Conch Cement. In terms of the new energy industry, the Group will focus on the positioning of “zero (low) carbon solution” providers, and strive to build an all-green electricity demonstration factory. In terms of the environmental protection industry, the Group will focus on its main business and explore the layout of new markets for disposing solid hazardous wastes in non-cement kilns in core cities.

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## **About Conch Cement**

Anhui Conch Cement Company Limited became listed on The Stock Exchange of Hong Kong Limited on 21 October 1997. The Group is principally engaged in the development, production and sale of middle- and high-grade cement and clinker. Conch Cement is one of the largest cement producers in the PRC and a major supplier of high-grade cement along the river and coastal areas in the eastern and central regions, as well as the southern and western regions of the PRC. The “Conch” trademark was the first in the PRC cement industry to be named as “Famous Brand Name in China”.

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**(Attached is Anhui Conch Cement Company Limited’s unaudited consolidated statement of profit or loss for the six months ended 30 June 2025)**

**Anhui Conch Cement Company Limited**  
**Unaudited Consolidated Statement of Profit or Loss**  
**For the six months ended 30 June 2025**  
**(Prepared in accordance with IFRS)**

	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue</b>	41,291,785	45,565,622
Cost of sales and services rendered	<u>(31,399,928)</u>	<u>(37,394,092)</u>
<b>Gross profit</b>	9,891,857	8,171,530
Other income	1,215,408	1,238,101
Selling and marketing costs	(1,634,828)	(1,564,328)
Administrative expenses	(2,718,004)	(2,572,953)
Research and development costs	(308,663)	(519,216)
Impairment loss on property, plant and equipment and prepayments	(296,657)	-
<b>Profit from operations</b>	<u>6,149,113</u>	<u>4,753,134</u>
Finance costs	(332,477)	(402,997)
Share of profits of associates	184,788	152,627
Share of profits of joint ventures	99,920	47,674
<b>Profit before taxation</b>	<u>6,101,344</u>	<u>4,550,438</u>
Income tax	(1,440,813)	(1,003,172)
<b>Profit for the period</b>	<u>4,660,531</u>	<u>3,547,266</u>
<b>Attributable to:</b>		
Equity shareholders of the Company	4,631,022	3,486,319
Non-controlling interests	29,509	60,947
<b>Profit for the period</b>	<u>4,660,531</u>	<u>3,547,266</u>
<b>Earnings per share</b>		
Basic	<u>RMB0.88</u>	<u>RMB0.66</u>
Diluted	<u>RMB0.88</u>	<u>RMB0.66</u>