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## **Asia Cement (China) Holdings Corporation**

**亞洲水泥(中國)控股公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 743)**

### **ANNOUNCEMENT OF UNAUDITED RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2026**

#### **SUMMARY**

The directors (“**Directors**”) of Asia Cement (China) Holdings Corporation (the “**Company**”) announce the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months ended 31 March 2026. This announcement is made as part of the Company’s practice to publish its financial results quarterly and pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

The unaudited consolidated loss attributable to owners for the three months ended 31 March 2026 was approximately RMB81,283,000.

The Directors of the Company are making this announcement of the Group’s unaudited consolidated results for the three months ended 31 March 2026 in line with its practice to publish the Group’s financial results quarterly and pursuant to Rule 13.09 of the Listing Rules.

## CONDENSED CONSOLIDATED INCOME STATEMENT

	<b>For the three months ended</b>	
	<b>31 March</b>	
	<b>2026</b>	<b>2025</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	<b>1,020,536</b>	1,149,339
Cost of sales	<b>(945,239)</b>	(1,005,946)
Gross profit	<b>75,297</b>	143,393
Other income	<b>34,110</b>	62,531
Reversal of (allowance for) expected credit losses on trade and other receivables, net	<b>2,660</b>	(14,357)
Other expenses, other gains and losses	<b>(6,912)</b>	(21,006)
Distribution and selling expenses	<b>(91,384)</b>	(74,773)
Administrative expenses	<b>(73,538)</b>	(75,314)
Share of losses of joint ventures	<b>(3,179)</b>	(1,680)
Share of losses of associates	<b>(1,910)</b>	(1,064)
Finance costs	<b>(10,670)</b>	(9,084)
(Loss) profit before tax	<b>(75,526)</b>	8,646
Income tax expenses	<b>(8,966)</b>	(4,687)
(Loss) profit for the period	<b>(84,492)</b>	3,959
Other comprehensive expense		
<i>Item that may be reclassified subsequently to profit for or loss:</i>		
Exchange differences arising on translation of foreign operations	<b>(152)</b>	–
(Loss) profit and total comprehensive expense for the period	<b>(84,644)</b>	3,959
(Loss) profit for the period attributable to:		
Owners of the Company	<b>(81,283)</b>	3,081
Non-controlling interests	<b>(3,209)</b>	878
	<b>(84,492)</b>	3,959

**For the three months ended  
31 March**

	<b>2026</b>	<b>2025</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b><i>(Unaudited)</i></b>	<b><i>(Unaudited)</i></b>

Total comprehensive expense attributable to:

Owners of the company	(152)	–
Non-controlling interests	–	–
	(152)	–

(Loss) profit and total comprehensive  
expense attributable to:

Owners of the company	(81,435)	3,081
Non-controlling interests	(3,209)	878
	(84,644)	3,959

	<b><i>RMB</i></b>	<b><i>RMB</i></b>
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(Loss) earnings per share:

Basic	(0.052)	0.002
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## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at <b>31 March 2026</b> <i>RMB'000</i> <i>(Unaudited)</i>	As at 31 December 2025 <i>RMB'000</i> <i>(Audited)</i>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	5,800,992	5,756,833
Quarry	1,130,119	716,651
Right of use assets	687,367	696,403
Investment properties	110,564	113,616
Goodwill	554,241	554,241
Intangible assets	2,266	2,448
Interest in joint ventures	83,625	69,104
Interest in associates	688,464	690,373
Restricted bank deposits	27,917	27,917
Bank deposits with original maturity over three months	4,451,000	4,211,000
Deferred tax assets	143,304	144,002
	<b>13,679,859</b>	12,982,588
<b>CURRENT ASSETS</b>		
Inventories	550,860	550,638
Trade and other receivables	985,313	1,126,764
Financial assets at fair value through profit or loss	77,802	81,172
Tax recoverable	5,750	617
Amount due from a joint venture	22,473	15,859
Amount due from the ultimate holding company	25,589	14,572
Amount due from a related company	32,935	–
Restricted bank deposits	228,698	286,231
Bank deposits with original maturity over three months	3,363,228	3,787,769
Cash and cash equivalents	901,064	955,630
	<b>6,193,712</b>	6,819,252
<b>CURRENT LIABILITIES</b>		
Trade and other payables	734,754	809,689
Amount due to a joint venture	16,030	13,093
Amount due to a related company	32,184	3,266
Tax payables	21,042	31,967
Borrowings – due within one year	1,473,844	1,452,117
Lease liabilities	4,809	5,334
Contract liabilities	121,025	150,452
Deferred income	4,997	4,997
	<b>2,408,685</b>	2,470,915
<b>NET CURRENT ASSETS</b>	<b>3,785,027</b>	4,348,337
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>17,464,886</b>	17,330,925

	As at 31 March 2026 <i>RMB'000</i> <i>(Unaudited)</i>	As at 31 December 2025 <i>RMB'000</i> <i>(Audited)</i>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	82,629	83,444
Provision for environmental restoration	75,159	74,648
Deferred income	51,175	52,128
Deferred tax liabilities	155,876	155,782
Long-term payables	219,767	–
	<u>584,606</u>	<u>366,002</u>
<b>NET ASSETS</b>	<u>16,880,280</u>	<u>16,964,923</u>
<b>CAPITAL AND RESERVES</b>		
Share capital	140,390	140,390
Reserves	16,378,820	16,460,254
	<u>16,519,210</u>	<u>16,600,644</u>
Equity attributable to owners of the Company	16,519,210	16,600,644
Non-controlling interests	361,070	364,279
	<u>16,880,280</u>	<u>16,964,923</u>
<b>TOTAL EQUITY</b>	<u>16,880,280</u>	<u>16,964,923</u>

#### CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the three months ended 31 March	
	2026 <i>RMB'000</i> <i>(Unaudited)</i>	2025 <i>RMB'000</i> <i>(Unaudited)</i>
Net cash (used in) from operating activities	(98,868)	91,259
Net cash from investing activities	32,218	287,933
Net cash from (used in) financing activities	12,084	(46,906)
	<u>(54,566)</u>	<u>332,286</u>
Net (decrease) increase in cash and cash equivalents	(54,566)	332,286
Cash and cash equivalents at beginning of the year	955,630	1,294,559
	<u>901,064</u>	<u>1,626,845</u>
Cash and cash equivalents at 31 March	<u>901,064</u>	<u>1,626,845</u>

The Group's unaudited consolidated results for the three months ended 31 March 2026 have been prepared in accordance with the same accounting policies adopted by the Group as disclosed in the last annual report for the year ended 31 December 2025.

The Directors do not recommend payment of a dividend in respect of the first three months of 2026 (2025: Nil).

## **BUSINESS REVIEW AND PROSPECTS**

In the first quarter of 2026, against the backdrop of a complex and evolving international environment and a weak global economic growth momentum, the domestic economy continued to show an upward trend and positive outlook. However, the foundation for economic recovery and improvement still needs to be consolidated due to insufficient effective domestic demand. In the first quarter of 2026, the national gross domestic product amounted to approximately RMB33.4 trillion, representing a 5% year-on-year increase, and a 1.3% growth when compared to that of the previous quarter. The national fixed asset investment grew by 1.7% year-on-year, infrastructure investment increased by 8.9% year-on-year, manufacturing investment increased by 4.1% year-on-year, and real estate development investment decreased by 11.2% year-on-year.

In the first quarter of 2026, cement demand remained at low levels with a slow recovery. The national cumulative cement output was approximately 300 million tonnes, representing a year-on-year decline of 7.1%. Cement demand entered a downward trend, and the key to market stabilization has shifted to supply regulation, with an aim to achieve a new market equilibrium amid supply reduction.

Situation of the Group's two major markets – the central and downstream region of the Yangtze River and Sichuan region where the Group has key operating activities – in the first quarter is as follows:

- A. The central and downstream region of the Yangtze River: cement demand dropped to its lowest level of the season before the Spring Festival, and the resumption of work at construction sites was sluggish after the festive holiday. In early March, cement demand showed a weak recovery, yet prices fell to cost level. In mid-to-late March, leading enterprises spearheaded cement price increases, pushing up cement prices by RMB10-20/tonne in the Yangtze River Delta region. Cement prices rose simultaneously in Yangzhou, Changjiu, Huanggang and Wuhan. However, as demand remained weak and the rainy season approached, prices retreated and were under pressure.
- B. Sichuan region: at the beginning of the year, cement price decreased due to adverse weather and influx of cement from surrounding regions. Although the association called for an increase in the number of staggered peak production days to 60 in the first quarter, the Chengdu market still saw a price decrease instead of an increase due to influx of low-priced cement from enterprises in Chongqing and other neighboring regions. In general, despite a weak demand recovery and downside support from staggered peak production, competition from external cement supplies and fragile industry collaboration made cement price recovery difficult.

The cement industry is currently in a period where demand is bottoming out and supply is significantly improving. Looking ahead, the Group is of the view that:

On the demand side, proactive fiscal policy is taking effect, with more flexible mechanisms for special-purpose bonds, while the scale of special government bonds and government-backed financial instruments are expanding. The National Development and Reform Commission has released the advance batch of the “Two Major” project list, approving a number of major infrastructure projects. With the above policies taking effect, infrastructure investment sustains growth and key projects construction provide core support to cement demand. In contrast, new property construction starts remain at low levels. All in all, demand for the full year will decrease moderately, with a slow pace of decline, and the performance in the second half of the year will improve over the first half.

On the supply side, the industry is witnessing intense “involutionary competition” and accelerating enterprise divergence. Entering 2026, key policies such as overproduction control, staggered peak production and the carbon market are fully implemented. Among which, policy to control production capacity is moving from pilot testing to nationwide rollout. A more mature carbon market is expected to drive green and low-carbon transformation. The aforementioned policies are expected to improve industry supply-demand balance in the medium term. In the short run, enterprises still face a strategic choice between gaining “market share” and “profit”, which is a key factor affecting prices.

Taking all factors into account, the cement industry in 2026 is likely to see a pattern of “a weak first half, a strong second half, a volatile upward trajectory and regional disparities.” Demand from the infrastructure sector unleashed in the second quarter is expected to stabilize price. However, the fundamental issue of excessive capacity remains unresolved. Prices will continue to experience periodic fluctuations.

In the first quarter of 2026, the Group perseveres with its focus on enhancing customer service. It continues to push ahead with transportation service and cost reduction and efficiency improvement. Its core customer base remains stable, demonstrating strong operational resilience. Looking ahead, its strategic focus will be more on developing its own internal strengths: take advantage of the Yangtze River’s strategic waterway to optimize transportation service; deepen end-user market penetration to consolidate market share and expand key projects; step up cost reduction and efficiency improvement efforts to cope with competitive pressures. With a series of measures in place, the Group’s performance is expected to improve in the second half of the year.

By Order of the Board  
**Asia Cement (China) Holdings Corporation**  
**HSU, Shu-tong**  
*Chairman*

Hong Kong, 24 April 2026

*As at the date of this announcement, the executive Directors are Mr. HSU, Shu-ping, Mr. CHANG, Chen-kuen and Mr. LIN, Seng-chang; the non-executive Directors are Mr. HSU, Shu-tong (Chairman), Mr. LEE, Kun-yen, Mr. CHEN, Ruey-long and Ms. WU, Ling-ling; the independent non-executive Directors are Mr. TSIM, Tak-lung Dominic, Mr. WANG, Wei, Mr. WU Chun-pang and Ms. HO LIN, Mei-hsueh.*