CHINA TIANRUI GROUP CEMENT COMPANY LIMITED

中 國 天 瑞 集 團 水 泥 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1252)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DELAY IN PUBLICATION OF 2025 ANNUAL RESULTS AND CONTINUED SUSPENSION OF TRADING

Reference is made to the announcement of China Tianrui Group Cement Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 30 March 2026 (the "**Announcement**") in relation to the delay in publication of annual results for the year ended 31 December 2025 and suspension of trading in the shares of the Company on the Stock Exchange. Capitalized terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

This announcement is made to provide supplemental information in relation to the delay in publication of annual results for the year ended 31 December 2025.

DELAY IN PUBLICATION OF THE 2025 ANNUAL RESULTS

As disclosed in the Announcement, the Company was in the process of collecting and collating the necessary information for the auditor to complete its audit work in relation to the 2025 Annual Results, including but not limited to certain audit procedures on the Prepayments and Independent Investigation.

In accordance with the Group's policy, each of the Subsidiaries is primarily responsible for preparing its own financial information and reporting the same to the Group's finance department for consolidation after approval by the general manager and chairman of the respective Subsidiaries. The Group's enterprise management department and finance department report the operating results of the Subsidiaries to the Group's management team at the financial analysis meeting（經濟分析會）. The Group's finance department also prepares and reports the consolidated financial and operating results of the Group to the Directors after approval by the general manager of the Group. Each of the Subsidiaries has timely prepared the regular financial and operating information to the Group. When conducting audit, if requested by the auditor, the Company also provides detailed supplemental documents to the auditor including but not limited to ledgers of the Prepayment, relevant bank remittances and bank statements and the Company has done the same for the audit of the 2025 Annual Results as well.

In addition to the above, since the publication of the Announcement, the Company has been working closely with the auditor to complete the audit work in relation to the 2025 Annual Results as soon as possible.

The Company has appointed Zhongxinghua (Hong Kong) Advisory Limited ("**ZXH Hong Kong**"), an independent firm of professional advisers, to conduct the Independent Investigation.

The Company has also resolved to engage (i) an internal control consultant to review the internal control procedures for the Prepayments and financial reporting and (ii) relevant institutions to provide trainings on internal control and financial reporting to the Directors and relevant management.

Nevertheless, the auditor additionally requested full records of its operational activities such as purchase orders, relevant supplier contracts and other walkthrough documents etc. Based on the preliminary estimates of the Company, the additional documents requested by the auditor involve over 1,600 transactions amongst around 20 subsidiaries of the Group. Due to the nature of those documents, some of them were inevitably kept in different files for operational purposes and not necessarily filed together with the accounting records. Therefore, significant amount of time is required to (i) retrieve the documents from various departments of those Subsidiaries; and (ii) check and organize each of these documents with the corresponding transactions in order to provide to the auditor for its further assessment.

In order to address the issues raised by the auditor, the Company has formulated the following action plan:

(i) required full co-operation from the Directors and management of the Company to collect and collate the additional supporting documents requested by the auditor and ZXH Hong Kong with regards to the audit and the Independent Investigation respectively;

(ii) delegated full authority and providing necessary resources to the Audit Committee (which consists of all Directors independent of and not involved in the daily decision-making and/or operations of the Group) to handle the Independent Investigation;

(iii) formulated and agreed the work scope of the Independent Investigation with the Audit Committee and the auditor;

(iv) evaluated, selected and engaged ZXH Hong Kong to carry out the Independent Investigation;

(v) discussing, assessing and reporting the results of the Independent Investigation with the Audit Committee, ZXH Hong Kong and the auditor;

(vi) addressing the issues arising from the Independent Investigation and disclosing the findings thereof (if applicable); and

(vii) engaging internal control consultant to perform a review on the internal controls of the Group over the prepayment process and provide recommendation.

The Audit Committee has discussed with the auditor and understands that the auditor is satisfied that such plan can address the underlying audit issues.

The Board considers that it would be appropriate to determine an expected date of publication of the 2025 Annual Results upon completion of the Independent Investigation where the Board and the Audit Committee will have a full and objective picture over the Fund Flows and ascertain the completeness of the supporting documents, as well as any outstanding issues raised by the auditor.

THE INDEPENDENT INVESTIGATION

Identity, qualification and experience of ZXH Hong Kong

As disclosed above, the Company has engaged ZXH Hong Kong to perform the Independent Investigation. In assessing the suitability of ZXH Hong Kong to perform the agreed-upon procedures engagement on the focused matters, the Board (including the Audit Committee) has examined and considered, among others, the following:

(a) ZXH Hong Kong's background – ZXH Hong Kong is the offshore service platform of Zhongxinghua ("**ZXH**") Group for the Hong Kong capital market, focusing on agreed-upon procedures, forensic investigation, crisis management, dispute and litigation support and related advisory services. ZXH CPA Firm (Special General Partnership) （中興華會計師事務所（特殊普通合夥））, the PRC platform of ZXH Group, is a top-ten large-scale integrated accounting firm in the PRC;

(b) ZXH Hong Kong's independence – ZXH Hong Kong maintains strict independence and objectivity in accordance with ZXH Group's Independence Code of Conduct which is applicable to all member firms.

As informed by ZXH Hong Kong, prior to accepting the engagement, ZXH Hong Kong has conducted a comprehensive, multi-layered independence review, which confirmed that:

- the Company is not an audit or assurance client of ZXH Group, with no cross-service conflicts with any existing ZXH Group's engagements; and

- no conflicts exist between the Company and ZXH Hong Kong's partners, directors, or the engagement team members, including absence of direct or indirect financial interests, business interests, shareholding interests, family relationships, or other connections that may compromise independence and objectivity;

(c) ZXH Hong Kong team's credentials on forensic investigations for the resumption cases of companies listed on the Stock Exchange;

(d) ZXH Hong Kong's proposed allocation of human resources and their availability to undertake the Independent Investigation – As informed by ZXH Hong Kong, its dedicated team to conduct the services will comprise 4 to 5 accounting, tax and investigation professionals with relevant experience and expertise, whose responsibilities are based on their positions to optimize work and reporting efficiency;

(e) based on ZXH Hong Kong's expected timetable, the Independent Investigation will be completed within 8-10 weeks which is considered reasonable; and

(f) ZXH Hong Kong's terms of engagement (including but not limited to, the scope of Independent Investigation, the methodology, the expected timetable, the alternative measures which may be adopted in the event that any hurdle is encountered during the process, fee proposal, etc.), which the Board (including the Audit Committee) considers reasonable in the present circumstances.

Based on the foregoing, the Board (including the Audit Committee) is satisfied that ZXH Hong Kong is qualified, suitable and able to offer sufficient resources to discharge its duties to the expected standards.

Scope of the Independent Investigation

The independent Investigation shall be conducted with reference to Hong Kong Standard on Related Services 4400 (Revised) "Agreed-Upon Procedures Engagement" issued by the Hong Kong Institute of Certified Public Accountants and the guidance as set out in the guidance letter HKEX-GL120-24 issued by the Stock Exchange. The scope of the Independent Investigation includes a review and investigation on the two specific issues raised by the auditor:

(i) the background and reasons for the fund flows with one of coal suppliers during the Year with unaudited balance of approximately RMB8.26 billion as at 31 December 2025 (RMB8.81 billion as at 31 December 2024).

ZXH Hong Kong shall independently (a) review the relevant operational and accounting records of the Subsidiaries relating to the Fund Flows (including those additional documents requested by the auditor); (b) conduct interviews with the Directors, the management, relevant accounting and operational personnels of the relevant Subsidiaries; (c) conduct interviews with the coal suppliers.

ZXH Hong Kong shall then gain an understanding on the commercial rationale of the Fund Flows explained by the personnels of the Subsidiaries and cross-examine their responses against the information and documents collected from the Subsidiaries and the coal suppliers. The results of its review shall be reported to the Audit Committee. Any irregularity identified during the Independent Investigation may also be further investigated and shall be reported to the Audit Committee; and

(ii) the recoverability of the outstanding Prepayment balances with coal suppliers, as no significant utilisation was observed during the Year.

ZXH Hong Kong shall conduct independent background check and on-site interviews with coal suppliers to ascertain their existence, nature of business, scale of operations, business history with the Group etc. ZXH Hong Kong shall also independently review settlement records provided by the Subsidiaries and check against those provided by external parties such as financial institutions.

ZXH Hong Kong shall then be able to report on the subsequent settlement status of the outstanding Prepayment balances since 1 January 2026 for the Audit Committee and the auditor to assess the recoverability issue. Any irregularity arising from the Independent Investigation shall also be reported to the Audit Committee.

On the basis of the above, the Board (including Audit Committee) considers the Independent Investigation of ZXH Hong Kong is sufficient and appropriate. However, should the procedures identify any indication of fraud, intentional misconduct, management override or other material irregularities beyond the current scope, the Audit Committee will promptly consider whether the scope should be expanded or whether additional forensic procedures should be performed and discuss with the Board and ZXH Hong Kong accordingly.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:07 a.m. on 23 March 2026 and will remain suspended pending (i) the publication of the findings of the Independent Investigation; and (ii) the release of the 2025 Annual Results. Further announcement(s) will be made by the Company in relation to the publication of the 2025 Annual Results and/or further Board meeting for the 2025 Annual Results as and when appropriate and in accordance with the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the securities of the Company.

By order of the Board
China Tianrui Group Cement Company Limited
Li Liufa
Chairman

Hong Kong, 23 June 2026

As at the date of this announcement, the Board consists of executive Directors, Ms. Li Fengluan, Mr. Ding Jifeng, Mr. Li Jiangming and Mr. Li Tao; Chairman and non-executive Director, Mr. Li Liufa; and Independent Non-executive Directors, Mr. Kong Xiangzhong and Mr. Mak Tin Sang.