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**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 THE APPOINTMENT OF ACCOUNTANTS**

Reference is made to the announcement (the “**Announcement**”) of the Company dated 5 November 2024 in relation to, among others, the appointment of accountants to conduct the agreed upon procedures (“**AUP**”). Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the **Announcement**.

### **APPOINTMENT OF ACCOUNTANTS**

As disclosed in the **Announcement**, the Company has appointed ZhongHui in early November 2024 to carry out the **AUP** in relation to its 2024 Interim Results.

When deciding to appoint ZhongHui to carry out the **AUP**, the Company has taken into consideration, among other, the following factors:

- (i) the timeline that ZhongHui agreed to complete the **AUP** was acceptable and reasonable;
- (ii) the partner in charge of the **AUP** from ZhongHui formerly worked at Deloitte Touche Tohmatsu (the Company’s auditors), and was previously in charge of the Company’s annual auditing works for at least two years, and hence is familiar with the Group’s business operation. This can help speed up the **AUP** process; and
- (iii) given that this is special procedures, Audit Committee believes that ZhongHui, which is not the current auditors of the Group and is considered to be independent, would be able to provide objective and independent views to the Company.

Based on the above, it was considered that ZhongHui is eligible and suitable to conduct the **AUP** and that the Company has not engaged in any discussion with Deloitte Touche Tohmatsu in relation to the **AUP** on its 2024 Interim Results.

## SCOPE OF WORK OF ACCOUNTANTS

ZhongHui's scope of work includes (i) performing the AUP as set out below; and (ii) issuing an AUP report to the Company.

- (a) obtain the financial statements of the Associated Company for the six months ended 30 June 2024 and the relevant breakdowns, and compare them with the general ledger balances;
- (b) obtain the underlying documents prepared by Group in relation to the Associated Company's profit or loss attributable to the Group for the six months ended 30 June 2024, and review the calculation process;
- (c) obtain and compare (i) the financial information and audit report (if possible) of the Associated Company prepared by its auditors and (ii) the publicly disclosed financial information for the five months ended 31 May 2024 of the Associated Company on the website of the China Beijing Equity Exchange;
- (d) compare the financial statements prepared by the Associated Company for the six months ended 30 June 2024, with the financial data as at 31 May 2024 (including operating revenue, net loss, and owner's equity) publicly disclosed mentioned in (c) above;
- (e) review the relevant disclosures in relation to the Associated Company in the draft 2024 Interim Results announcement prepared by the Company;
- (f) recalculate the corresponding amounts, ratios, or percentages based on the descriptions, paragraphs, or tables found in the condensed consolidated financial position as at 30 June 2024, and the condensed consolidated income statement, statement of changes in equity, and cash flow statement for the six months ended 30 June 2024, prepared by the management;
- (g) compare the above comparative figures with the Group's interim report for the six months ended 30 June 2023, and the Group's annual report for the year ended 31 December 2023 and reconciled to the Group's management accounts based on the condensed consolidated financial statements prepared by management as at 30 June 2024; and
- (h) discuss with the Group's management any significant differences between the accounting policies and procedures adopted in the 2024 Interim Results announcement prepared by the Group's management and those used in the interim report for the six months ended 30 June 2023, and the annual report for the year ended 31 December 2023, as well as management's considerations regarding such differences (if any).

The management of the Company has explained the current situation in relation to the Associated Company to ZhongHui, including what information is currently available, when formulating the updated indicative timeline for the publication of the 2024 Interim Results. This indicative timeline was proposed after discussing with ZhongHui and on the basis that the Associated Company will not cooperate with the Company. Hence, the Company has no reason to cast doubt on the professional competency of ZhongHui to carry out the AUP in accordance with the indicative table.

## **CONTINUED SUSPENSION OF TRADING**

Trading in the shares of the Company will remain suspended until further notice.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company, and if they are in any doubt about their position, they should consult their professional advisers.**

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

Hong Kong, 8 November 2024

*As at the date of this announcement, the Board consists of Chairman and executive Director, Mr. Li Xuanyu; Executive Directors, Ms. Li Fengluan, Mr. Ding Jifeng, Mr. Xu Wuxue and Mr. Li Jiangming; Non-executive Director, Mr. Li Liufa; and Independent Non-executive Directors, Mr. Kong Xiangzhong, Mr. Mak Tin Sang, Mr. Du Xiaotang and Mr. Li Wenfeng.*