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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)

CONTINUING CONNECTED TRANSACTIONS:

- (1) 2025 RUIPING SHILONG CLINKER PURCHASE FRAMEWORK AGREEMENT**
- (2) 2025 RUIPING SHILONG RAW COAL SUPPLY FRAMEWORK AGREEMENT**
- (3) 2025 RUZHOU COKING RAW COAL SUPPLY FRAMEWORK AGREEMENT**

2025 RUIPING SHILONG CLINKER PURCHASE FRAMEWORK AGREEMENT

On 6 June 2025, Tianrui Cement entered into the 2025 Ruiping Shilong Clinker Purchase Framework Agreement with Ruiping Shilong in relation to the purchase of clinker from Ruiping Shilong by Tianrui Cement. The 2021 Ruiping Shilong Clinker Purchase Framework Agreement has expired on 31 December 2024 and accordingly the parties entered into the 2025 Ruiping Shilong Clinker Purchase Framework Agreement.

2025 RUIPING SHILONG RAW COAL SUPPLY FRAMEWORK AGREEMENT

On 6 June 2025, Tianrui Cement entered into the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement with Ruiping Shilong in relation to the sale of raw coal from Tianrui Cement to Ruiping Shilong. The Company has decided to develop the new business of sale of raw coal and accordingly the parties entered into the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement.

2025 RUZHOU COKING RAW COAL SUPPLY FRAMEWORK AGREEMENT

On 6 June 2025, Tianrui Cement entered into the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement with Ruzhou Coking in relation to the sale of raw coal from Tianrui Cement to Ruzhou Coking.

LISTING RULES IMPLICATIONS

Since Mr. Li and Ms. Li indirectly control more than 30% of the voting power at general meetings of Ruiping Shilong, Ruiping Shilong is an associate of Mr. Li and Ms. Li, therefore a connected person of the Company. As such, the transaction under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement and the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement will constitute continuing connected transactions under Chapter 14A of the Listing Rules. Ruzhou Coking is owned as to 80.5% by Tianrui Group Company which is in turn wholly owned by Mr. Li and Ms. Li, and is therefore a connected person of the Company. As certain applicable percentage ratios in respect of the Clinker Annual Caps, the Ruiping Shilong Raw Coal Annual Caps and the Ruzhou Coking Raw Coal Annual Caps, when aggregated, exceed 100%, the transactions contemplated under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement are subject to reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

An Independent Board Committee comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders in relation to the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement, the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement and the related proposed annual caps. Maxa Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders of the same.

A circular containing, among other matters, (i) further information on the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement; (ii) a letter from the Independent Financial Adviser; (iii) a letter from the Independent Board Committee; and (iv) the notice convening the EGM and a form of proxy will be despatched to the Shareholders in due course.

BACKGROUND

Reference is made to the circular of the Company dated 3 December 2021 with respect to, among others, the 2021 Ruiping Shilong Clinker Purchase Framework Agreement. The 2021 Ruiping Shilong Clinker Purchase Framework Agreement has expired on 31 December 2024, and accordingly the parties entered into the 2025 Ruiping Shilong Clinker Purchase Framework Agreement.

The Company has decided to develop the new business of sale of raw coal and accordingly entered into the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement.

2025 RUIPING SHILONG CLINKER PURCHASE FRAMEWORK AGREEMENT

Principal terms of the 2025 Ruiping Shilong Clinker Purchase Framework Agreement are set out below.

Date

6 June 2025

Parties

Tianrui Cement (as purchaser) and Ruiping Shilong (as supplier)

Term

The 2025 Ruiping Shilong Clinker Purchase Framework Agreement shall be effective from 1 August 2025 to 31 December 2027.

If the 2025 Ruiping Shilong Clinker Purchase Framework Agreement has not been approved by the shareholders of the Company before 1 August 2025, then the 2025 Ruiping Shilong Clinker Purchase Framework Agreement shall become effective on the date of Shareholders' approval.

Principal Terms

The 2025 Ruiping Shilong Clinker Purchase Framework Agreement sets out the general terms and conditions for the purchase of the clinker by Tianrui Cement and/or its subsidiaries from Ruiping Shilong. The prices payable by Tianrui Cement for the clinker will be agreed following arm's length negotiations between relevant parties with reference to the prevailing market price of clinker in Pingdingshan, Henan Province, the PRC.

Implementation Agreement

Tianrui Cement and/or its subsidiaries may, from time to time and as necessary, enter into separate implementation agreement for each specific transaction contemplated under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement. Each implementation agreement will set out specific details of the transaction, including price, quantity and other relevant details, and each implementation agreement will be based on the requirements of Tianrui Cement or its subsidiaries, with reference to market conditions at the relevant time.

Clinker Annual Caps

It is agreed that the maximum aggregate annual amount payable by Tianrui Cement to Ruiping Shilong for purchase of clinker for each of the years ending 31 December 2025, 2026 and 2027 shall not exceed the caps set out below:

	Proposed Annual Cap for the year ending		
	31 December 2025	31 December 2026	31 December 2027
Total purchase amount	RMB120,000,000	RMB120,000,000	RMB120,000,000

Note 1: the existing cap for the years ended 31 December 2022, 2023 and 2024 under the 2021 Ruiping Shilong Clinker Purchase Framework Agreement are RMB1,200,000,000, RMB1,200,000,000 and RMB1,200,000,000 respectively.

The Clinker Annual Caps are determined by taking into account the following factors:

- (i) The historical aggregate value for purchase of clinker from Ruiping Shilong paid by Tianrui Cement and/or its subsidiaries for the years ended 31 December 2021, 2022, 2023 and 2024 were approximately RMB821,800,000, RMB533,100,000, RMB136,000,000 and RMB6,348,000 respectively.
- (ii) Clinker is a semi-finished product that can be used to produce different types of cement products. The proposed annual cap of RMB120,000,000 has been determined based on the historical transaction amount during the past 4 years, future business plans, while providing flexibility to cater for the Company's business needs.

GENERAL PRICING POLICY UNDER 2025 RUIPING SHILONG CLINKER PURCHASE FRAMEWORK AGREEMENT

In line with the 2021 Ruiping Shilong Clinker Purchase Framework Agreement, for the clinker provided under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement to Tianrui Cement and/or its subsidiaries by Ruiping Shilong, Tianrui Cement shall obtain at least two price quotes from the Independent Third Parties producing clinker to determine if the prices and terms offered by Ruiping Shilong are fair and reasonable and around the ranges of those quotes offered by the Independent Third Parties. Tianrui Cement shall also take into consideration some independent market data of the clinker market to ensure that the prices of clinker are at the prevailing market rate. Tianrui Cement will ensure the terms of the 2025 Ruiping Shilong Clinker Purchase Framework Agreement are no less favourable than those terms offered by Ruiping Shilong to the Independent Third Parties. After all the foregoing analysis, the proposed clinker prices and purchase terms under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement will be submitted to the management of the Group for approval.

The finance department of the Company monitors the actual transaction amounts against any excess of the approved annual caps, and the Company engages the auditors of the Company to conduct an annual review of the continuing connected transaction of the Company to assess whether such transactions have been carried out in accordance with the relevant terms of the agreement entered into by the Company. The independent non-executive Directors conduct annual review of the implementation enforcement of the continuing connected transaction.

REASONS AND BENEFITS FOR ENTERING INTO THE 2025 RUIPING SHILONG CLINKER PURCHASE FRAMEWORK AGREEMENT

Clinker is a semi-finished product that can be used to produce different types of cement products with a profit margin lower than cement. Since 2009, Ruiping Shilong has been a clinker supplier to the Group. After considering the following factors: (1) the market status and trend of the Group's target market, which attributes to the Group's consistent need of clinker; (2) with the benefit of being within proximity of the Group's cement production base in Henan Province, PRC, Ruiping Shilong has been providing a stable supply of clinker with low logistics and transportation costs over the past years; (4) the Group's long-established relationship with Ruiping Shilong; and (5) the Group will obtain price quotes from Independent Third Parties producing clinker to determine if the prices and terms offered by Ruiping Shilong are fair and reasonable, the Directors (other than the independent non-executive Directors whose views will be contained in the circular after considering the advice from the Independent Financial Adviser) are of the view that the terms of the supply of clinker under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, including the Clinker Annual Caps for each of the three years ending 31 December 2025, 2026 and 2027, respectively, are fair and reasonable, and that the transactions are on normal commercial terms in the ordinary and usual course of businesses of the Group and in the interests of the Company and its Shareholders as a whole.

2025 RUIPING SHILONG RAW COAL SUPPLY FRAMEWORK AGREEMENT

Principal terms of the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement are set out below:

Date

6 June 2025

Parties

Ruiping Shilong (as purchaser) and Tianrui Cement (as supplier)

Term

The 2025 Ruiping Shilong Raw Coal Supply Framework Agreement shall be effective from 1 August 2025 to 31 December 2027.

If the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement has not been approved by the shareholders of the Company before 1 August 2025, then the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement shall become effective on the date of Shareholders' approval.

Principal Terms

The 2025 Ruiping Shilong Raw Coal Supply Framework Agreement sets out the general terms and conditions for the purchase of the raw coal by Ruiping Shilong from Tianrui Cement and/or its subsidiaries. The prices payable by Ruiping Shilong for the raw coal will be agreed following arm's length negotiations between relevant parties with reference to the Company's cost for sourcing the raw coal plus profit margin, and the prevailing market price of raw coal in Pingdingshan, Henan province, the PRC.

Implementation Agreement

Tianrui Cement and/or its subsidiaries may, from time to time and as necessary, enter into separate implementation agreement for each specific transaction contemplated under the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement. Each implementation agreement will set out specific details of the transaction, including price, quantity and other relevant details, with reference to market conditions at the relevant time and as agreed between Ruiping Shilong and the Group.

Ruiping Shilong Raw Coal Annual Caps

It is agreed that the maximum aggregate annual amount payable by Ruiping Shilong to Tianrui Cement for purchase of raw coal for the years ending 31 December 2025, 2026 and 2027 shall not exceed the caps set out below:

	Proposed Annual Caps for the year ending		
	31 December 2025	31 December 2026	31 December 2027
Total sales amount	<u>RMB60,000,000</u>	<u>RMB60,000,000</u>	<u>RMB60,000,000</u>

The Ruiping Shilong Raw Coal Annual Caps are determined by taking into account of Ruiping Shilong's historical demand as well as expected demand for raw coal as set out in the section headed "Reasons and Benefits for entering into the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement" below.

The historical aggregate value of raw coal sold by the Group to Ruiping Shilong is nil for each year ended 31 December 2022, 2023 and 2024.

GENERAL PRICING POLICY UNDER 2025 RUIPING SHILONG RAW COAL SUPPLY FRAMEWORK AGREEMENT

Apart from Ruiping Shilong and Ruzhou Coking which are connected persons, the Group also targets to sell raw coal to other independent third party buyers such as factory which has demand for raw coal in nearby area. The Group has relevant internal control policies and procedures including (1) the Company has incorporated in its mandatory guideline such that its subsidiaries or branches shall closely monitor the updated market price of raw coal in order to attain a reasonable sale price after taking into account the cost and profit margin and hence the sale price to Ruiping Shilong will be compared with the market price, such monitoring measures include (1) Tianrui Cement shall (through itself or third party as potential buyer) obtain at least two sale price quotes from the Independent Third Parties who sold raw coal, to probe their recent transacted prices in the market or willing unit offer price for raw coal no less frequently than on monthly basis to ascertain the market price for management's review; and (2) the Group will compare the sale price to Ruiping Shilong with the sale price stated on the raw coal sales invoice for all the sales within the immediately preceding 60 days made to other raw coal customers of the Group and the market price obtained from (1) above, thus the Group can ensure that the sale price to Ruiping Shilong will not be more favourable than the sale price to other raw coal customers of the Group for similar transactions. Based on the procedure set out above, the Directors consider that the procedures are sufficient to ensure that the transactions will be conducted on normal commercial terms and not prejudicial to the interests of the Company. After all the foregoing analysis, the proposed raw coal prices and sales terms under the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement will be submitted to the management of the Group for approval.

The finance department of the Company monitors the actual transaction amounts against any excess of the approved annual caps, and the Company engages the auditors of the Company to conduct an annual review of the continuing connected transactions of the Company to assess whether such transactions have been carried out in accordance with the relevant terms of the agreement entered into by the Company. The independent non-executive Directors conduct annual review of the implementation enforcement of the continuing connected transactions.

REASONS AND BENEFITS FOR ENTERING INTO THE 2025 RUIPING SHILONG RAW COAL SUPPLY FRAMEWORK AGREEMENT

Raw coal is a raw material that can be used to produce different types of cement products. Historically, the Group has purchased raw coal for its production of cement. With the benefits of the large scale of purchase, the Group is able to secure raw coal supply at a relatively low price, and hence is expected to be able to profit from sale of raw coal to buyers who do not have the benefit of scale to secure favourable pricing. As such, the Group intends to sell raw coal to third party such as Ruiping Shilong at a profit margin so as to generate new income stream. In light of Ruiping Shilong's anticipated consistent demand for raw coal, its location being within proximity of the Group's production facilities and the anticipated volume of raw coal available for sale, Tianrui

Cement entered into the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement with Ruiping Shilong. According to Ruiping Shilong, its average annual purchase of raw coal between 2021 and 2024 is approximately RMB206.0 million.

Upon considering the following factors that (1) the proposed annual cap of RMB60 million is within Ruiping Shilong's average purchase amount between 2021 and 2024; (2) Ruiping Shilong is a customer that has a demand for raw coal within the Pingdingshan area and its estimated annual purchase demand for each of the years 2025, 2026 and 2027 respectively; and (3) the Ruiping Shilong Raw Coal Annual Caps will provide flexibility for the Group to sell raw coal to Ruiping Shilong while the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement does not oblige the Group to make any sale of raw coal should the Group find a better customer who is willing to purchase its raw coal on better terms or the Group would wish to utilize the raw coal for self-use purpose, the Directors (other than the independent non-executive Directors whose views will be contained in the circular after considering the advice from the Independent Financial Adviser) are of the view that the terms of the transactions under the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement within the Ruiping Shilong Raw Coal Annual Caps for each of the three years ending 31 December 2025, 2026 and 2027 respectively are fair and reasonable, and that the transactions are on normal commercial terms in the ordinary and usual course of businesses of the Group and in the interests of the Company and its Shareholders as a whole.

2025 RUZHOU COKING RAW COAL SUPPLY FRAMEWORK AGREEMENT

Principal terms of the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement are set out below:

Date

6 June 2025

Parties

Ruzhou Coking (as purchaser) and Tianrui Cement (as supplier)

Term

The 2025 Ruzhou Coking Raw Coal Supply Framework Agreement shall be effective from 1 August 2025 to 31 December 2027.

If the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement has not been approved by the shareholders of the Company before 1 August 2025, then the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement shall become effective on the date of Shareholders' approval.

Principal Terms

The 2025 Ruzhou Coking Raw Coal Supply Framework Agreement sets out the general terms and conditions for the purchase of the raw coal by Ruzhou Coking from Tianrui Cement and/or its subsidiaries. The prices payable by Ruzhou Coking for the raw coal will be agreed following arm's length negotiations between relevant parties with reference to the prevailing market price of raw coal in Pingdingshan, Henan province, the PRC.

Implementation Agreement

Tianrui Cement and/or its subsidiaries may, from time to time and as necessary, enter into separate implementation agreement for each specific transaction contemplated under the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement. Each implementation agreement will set out specific details of the transaction, including price, quantity and other relevant details, with reference to market conditions at the relevant time and as agreed between Ruzhou Coking and the Group.

Ruzhou Coking Raw Coal Annual Caps

It is agreed that the maximum aggregate annual amount payable by Ruzhou Coking to Tianrui Cement for purchase of raw coal for the years ending 31 December 2025, 2026 and 2027 shall not exceed the caps set out below:

	Proposed Annual Caps for the year ending		
	31 December 2025	31 December 2026	31 December 2027
Total sales amount	<u>RMB1,900,000,000</u>	<u>RMB1,900,000,000</u>	<u>RMB1,900,000,000</u>

The Ruzhou Coking Raw Coal Annual Caps are determined by taking into account of the Group's raw coal supply capacity and Ruzhou Coking's expected demand for raw coal as set out in the section headed "Reasons and Benefits for entering into the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement" below.

The historical aggregate value of raw coal sold by the Group to Ruzhou Coking is nil for each year ended 31 December 2022, 2023 and 2024.

GENERAL PRICING POLICY UNDER 2025 Ruzhou Coking Raw Coal Supply Framework Agreement

The Group will adopt internal control policies and procedures for sale of raw coal to Ruzhou Coking in the same manner as the sale of raw coal to Ruiping Shilong under the section headed “General Pricing Policy under 2025 Ruiping Shilong Raw Coal Supply Framework Agreement” on page 7 in this announcement.

REASONS AND BENEFITS FOR ENTERING INTO THE 2025 Ruzhou Coking Raw Coal Supply Framework Agreement

Raw coal is a raw material that can be used to produce different types of cement products. Historically, the Group has purchased raw coal for its production of cement. Due to the large scale of purchase, the Group is able to secure raw coal supply at a relatively low price, and hence is expected to be able to profit from sale of raw coal to buyers who do not have the benefit of scale to secure favourable pricing. As such, the Group intends to sell raw coal to third party such as Ruzhou Coking at a profit margin so as to generate new income stream. In light of Ruzhou Coking’s anticipated consistent demand for raw coal, its location being within proximity of the Group’s production facilities and the anticipated volume of raw coal available for sale, Tianrui Cement entered into the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement with Ruzhou Coking. According to Ruzhou Coking, its average annual purchase of raw coal during 2021 and 2024 is approximately RMB1,939 million.

Upon considering the following factors that (1) the proposed annual cap of RMB1,900 million is in line with Ruzhou Coking’s average purchase amount between 2021 and 2024; (2) Ruzhou Coking is a customer that has a demand for raw coal within Pingdingshan area and its estimated annual purchase demand for each of the year 2025, 2026 and 2027 respectively; and (3) the Ruzhou Coking Raw Coal Annual Caps will provide flexibility for the Group to sell raw coal to Ruzhou Coking while the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement does not oblige the Group to make any sale of raw coal should the Group find a better customer who is willing to purchase its raw coal on better terms or the Group would wish to utilize the raw coal for self-use purpose, the Directors (other than the independent non-executive Directors whose views will be contained in the circular after considering the advice from the Independent Financial Adviser) are of the view that the terms of the transactions under the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement within the Ruzhou Coking Raw Coal Annual Caps for each of the three years ending 31 December 2025, 2026 and 2027 respectively are fair and reasonable, and that the transactions are on normal commercial terms in the ordinary and usual course of businesses of the Group and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE GROUP, RUIPING SHILONG AND RUZHOU COKING

The Group is principally engaged in businesses of the production, sale and distribution of clinker and cement.

Ruiping Shilong is mainly engaged in production, sale and distribution of clinker. Ruiping Shilong is held as to 40% by Tianrui Cement (a wholly-owned subsidiary of the Company) and as to 60% by Ruiping Power. Ruiping Power is indirectly owned as to 40% by Mr. Li and Ms. Li. Based on the available public records, Ruiping Power is held as to 60% by China Pingmei Shenma Energy Chemical Group Company Limited (中國平煤神馬控股集團有限公司) (“**Pingmei Shenma**”) which is held as to approximately 50.15% by State-owned Assets Supervision and Administration Commission of Henan Provincial People’s Government (河南省人民政府國有資產監督管理委員會), owned as to approximately 15% by Henan State-owned Capital Operation Group Co., Ltd. (河南國有資本運營集團有限公司), and owned as to approximately 11.6% by Wuhan Steel Company Limited (武漢鋼鐵有限公司) which is in turn wholly owned by Baoshan Steel Company Limited (寶山鋼鐵股份有限公司) (a company listed on the Shanghai Stock Exchange with stock code of 600019). Each of the remaining seven shareholders of Pingmei Shenma holds less than 10% in Pingmei Shenma respectively.

Ruzhou Coking is principally engaged in production of coal and related products. Ruzhou Coking is owned as to 80.5% by Tianrui Group Company (which is in turn wholly owned by Mr. Li and Ms. Li), and owned as to 19.5% by Tianrui Foundry (which is in turn owned as to 87.75% by Tianrui Group Company and as to 12.25% by Ms. Li).

IMPLICATIONS UNDER THE LISTING RULES

Since Mr. Li and Ms. Li indirectly control more than 30% of the voting power at general meetings of Ruiping Shilong, Ruiping Shilong is an associate of Mr. Li and Ms. Li, therefore a connected person of the Company. As such, the transactions under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement and the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement will constitute continuing connected transactions under Chapter 14A of the Listing Rules. Ruzhou Coking is owned as to 80.5% by Tianrui Group Company which is in turn wholly owned by Mr. Li and Ms. Li, and is therefore a connected person of the Company. As certain applicable percentage ratios in respect of the Clinker Annual Caps, the Ruiping Shilong Raw Coal Annual Caps and Ruzhou Coking Raw Coal Annual Caps, when aggregated, exceed 100%, the transactions contemplated under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement, and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement are subject to reporting, announcement and Independent Shareholders’ approval requirements under the Listing Rules.

GENERAL

Mr. Li and Ms. Li indirectly control more than 30% of the voting power at general meetings of Ruiping Shilong. Ruzhou Coking is owned as to 80.5% by Tianrui Group Company which is in turn wholly owned by Mr. Li and Ms. Li, and is therefore a connected person of the Company. Therefore, Mr. Li and Ms. Li (Mr. Li's spouse) and Mr. Li Jiangming (younger brother of Ms. Li) had abstained from voting on the relevant board resolutions approving the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement. Save as mentioned above, none of the Directors has any material interest in the transactions thereunder and therefore no other Director has abstained from voting on such board resolution. Yu Kuo Company Limited (a company indirectly held by Mr. Li and Ms. Li) shall abstain from voting at EGM on the resolutions relating to the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement and the transactions contemplated thereunder.

The EGM will be held for the Independent Shareholders to consider and approve the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement.

An Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement and the related proposed annual caps. Maxa Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders of the same.

A circular containing, among other matters, (i) further information on the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement; (ii) a letter from the Independent Financial Adviser; (iii) a letter from the Independent Board Committee; and (iv) the notice convening the EGM and a form of proxy will be despatched to the Shareholders in due course.

DEFINITIONS

“2021 Ruiping Shilong Clinker Purchase Framework Agreement”	the clinker framework agreement dated 12 November 2021 entered into between Ruiping Shilong (as supplier) and Tianrui Cement (as purchaser)
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“2025 Ruiping Shilong Clinker Purchase Framework Agreement”	the clinker framework agreement dated 6 June 2025 entered into between Ruiping Shilong (as supplier) and Tianrui Cement (as purchaser)
“2025 Ruiping Shilong Raw Coal Supply Framework Agreement”	the raw coal supply agreement dated 6 June 2025 entered into between Ruiping Shilong (as purchaser) and Tianrui Cement (as supplier)
“2025 Ruzhou Coking Raw Coal Supply Framework Agreement”	the raw coal supply framework agreement dated 6 June 2025 between Ruzhou Coking (as purchaser) and Tianrui Cement (as supplier)
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Clinker Annual Caps”	the respective annual caps for each of the three years ending 31 December 2025, 2026 and 2027 under the 2025 Ruiping Shilong Clinker Purchase Framework Agreement
“Company”	China Tianrui Group Cement Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for, among other matters, approving the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement, and 2025 Ruzhou Coking Raw Coal Supply Framework Agreement and the related proposed annual caps
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising all independent non-executive Directors, established to advise the Independent Shareholders in respect of the terms of the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement and the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement and the related proposed annual caps and the transaction contemplated thereunder.
“Independent Financial Adviser”	Maxa Capital Limited, the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in connection with the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement, the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement and the related proposed annual caps
“Independent Shareholder(s)”	Shareholders other than Yu Kuo Company Limited and those who are required under the Listing Rules to abstain from voting on the resolution to be proposed at the EGM to approve the 2025 Ruiping Shilong Clinker Purchase Framework Agreement, the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement, 2025 Ruzhou Coking Raw Coal Supply Framework Agreement and the related proposed annual caps
“Independent Third Party(ies)”	individual(s) or company(ies) not connected with (within the meaning of the Listing Rules) any directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Li”	Li Liufa (李留法), the founder, chairman, non-executive Director and a controlling shareholder of the Company
“Ms. Li”	Li Fengluan, the spouse of Mr. Li and an executive Director of the Company
“PRC”	the People’s Republic of China and for the purpose of this announcement, does not include Hong Kong, Macau Special Administrative Region and Taiwan

“Ruiping Power”	Pingdingshan Ruiping Coal Power Company Limited (平頂山市瑞平煤電有限公司), a company incorporated in the PRC with limited liability
“Ruiping Shilong”	Pingdingshan Ruiping Shilong Cement Company Limited (平頂山瑞平石龍水泥有限公司), a company incorporated in the PRC with limited liability
“Ruiping Shilong Raw Coal Annual Caps”	the respective annual caps for each of the three years ending 31 December 2025, 2026 and 2027 under the 2025 Ruiping Shilong Raw Coal Supply Framework Agreement
“Ruzhou Coking”	Ruzhou Tianrui Coking Company Limited (汝州天瑞煤焦化有限公司), a company incorporated in the PRC with limited liability
“Ruzhou Coking Raw Coal Annual Caps”	the respective annual caps for each of the three years ending 31 December 2025, 2026 and 2027 under the 2025 Ruzhou Coking Raw Coal Supply Framework Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianrui Cement”	Tianrui Cement Group Company Limited (天瑞水泥集團有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Tianrui Foundry”	Tianrui Group Foundry Company Limited (天瑞集團鑄造有限公司), a company established in the PRC with limited liability and a subsidiary of Tianrui Group Company
“Tianrui Group Company”	Tianrui Group Company Limited (天瑞集團股份有限公司), a company established in the PRC with limited liability, owned as to 70% by Mr. Li, and as to 30% by Ms. Li, and is a controlling shareholder of Company

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

Ruzhou City, Henan Province, PRC, 6 June 2025

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