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Dongwu Cement International Limited
東吳水泥國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 695)

PROFIT WARNING

This announcement is made by Dongwu Cement International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors that based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 and information currently available to the Board, the Group expects that the profit (loss) attributable to owners of the Company for the year ended 31 December 2022 will be decreased to the loss of approximately HK\$43,073,000 (for the year ended 31 December 2021: profit of approximately HK\$44,006,000, representing a decrease of approximately 197.9%. Such loss was primarily attributable to (1) in 2022, an unprecedented vertiginous decline in cement demand hit by factors including several production suspensions of the Group caused by the severe situation of epidemic prevention and control, the continued dip looming of the real estate market and the increasing downward pressure on the economy. (2) the obvious declining trend of prices for cement market throughout the year as the sluggish demand in the cement market resulted in a nosedive on prices of cement market across China. (3) On the other hand, a severe decline in profits against the backdrop of a two-way impact of both decreases in volume and price of cement and higher costs, although the price of coal, a raw material, rose from the beginning to the end of the year.

As the Company is still in the process of finalising the results of the Group for the year ended 31 December 2022, the information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group, which have not been confirmed, reviewed or audited by the Company's auditors and may be subject to adjustments. Detailed financial information of the Group will be disclosed in the annual results announcement of the Group for the year ended 31 December 2022 which is expected to be published by the Company on or before 31 March 2023.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

By Order of the Board
Dongwu Cement International Limited
Liu Dong
Chairman

Hong Kong, 23 February 2023

As at the date of this announcement, the Board comprises Mr. Liu Dong and Mr. Wu Junxian as executive Directors; Mr. Tseung Hok Ming and Ms. Xie Yingxia as non-executive Directors; and Mr. Cao Kuangyu, Ms. Yu Xiaoying and Mr. Suo Suo as independent non-executive Directors.