

# 2019 Annual Report SUMMARY



龍蟠佰利銀  
**Lomon Billions**

**March 2020**

## FINANCIAL HIGHLIGHTS

**Lomon Billions** is an established and dynamic titanium dioxide (TiO<sub>2</sub>) pigment manufacturing business with a strong and expanding global presence. We manufacture high performance TiO<sub>2</sub> pigments using both the chloride and sulfate process. Our TiO<sub>2</sub> pigments are key ingredients used to produce an enormous range of products including paints, plastics, inks and paper. Our prominent LOMON® and BILLIONS® pigment brands are recognized worldwide. We are currently ranked 3<sup>rd</sup> in the world and 1<sup>st</sup> in Asia in terms of TiO<sub>2</sub> pigment production capacity.

Lomon Billions has been manufacturing TiO<sub>2</sub> pigment for over 30 years. We have five established TiO<sub>2</sub> pigment production sites in four locations in China: Jiaozuo, Henan Province, Deyang, Sichuan Province, Xiangyang, Hubei Province and Chuxiong, Yunnan Province. Lomon Billions also owns an ilmenite mine in Panzhihua, Sichuan Province, an important raw material in TiO<sub>2</sub> production.

Our global headquarters and 12,000m<sup>2</sup> technology center are in Jiaozuo. We have regional offices in North America and in Europe. We are listed on the Shenzhen Stock Exchange: Shenzhen 002601.

Lomon Billions has published its 2019 annual report in China. The following summarizes its contents.

<b>Full Year 2019 Highlights</b>	
<b>Yuan 11.359 billion Revenue</b> Up 8.8% vs 2018	<b>Yuan 3.022 billion Total Profit</b> Up 11.3% vs 2018
<b>Yuan 2.594 billion Net Profit Attributable to Shareholders</b> Up 13.5% vs 2018	
<b>630 kt TiO<sub>2</sub> pigment manufactured</b>	<b>625 kt TiO<sub>2</sub> pigment sold</b>
<b>3519 kt iron ore concentrate mined</b>	<b>853 kt ilmenite mined</b>
<b>2019 production and sales targets achieved</b>	

### Strong Annual Results

Our strong annual results reflect the clear advantages of our integration strategy which is supported by strategic investment and the strength of our core technology. In 2019 we delivered outstanding commercial performance and significant growth.

### Investment for Growth

In 2019 we completed the acquisition of Xinli Titanium in Chuxiong, Yunnan Province, China, and bought 15.66% equity in Orient Zirconic in Chenghai, China. This investment has helped to grow our chloride TiO<sub>2</sub> pigment production and to develop our titanium and zirconium business.

## Main Financial Indicators (Yuan)

	2019	2018	+/- %
Revenue	11,358,539,703	10,440,588,458	+8.8%
Net profit attributable to shareholders of the listed company	2,593,975,280	2,285,728,664	+13.5%
Net profit attributable to shareholders of the listed company after deduction of non-recurring gains and losses	2,491,632,401	2,155,550,098	+15.6%
Net cash flow from operating activities	2,003,546,326	2,030,779,405	-1.3%
EPS (yuan per share)	1.29	1.15	+12.2%
Diluted EPS (yuan per share)	1.29	1.15	+12.2%

## 2019 Quarterly Financial Data (Yuan)

	Q1	Q2	Q3	Q4
Revenue	2,777,577,472	2,584,104,151	2,909,646,086	3,087,211,994
Net profit attributable to shareholders of the listed company	622,936,264	646,638,006	796,331,266	528,069,745
Net profit attributable to shareholders of the listed company after deduction of non-recurring gains and losses	611,073,504	611,414,267	772,389,514	496,755,116
Net cash flow from operating activities	575,570,682	290,979,950	126,756,449	1,010,239,244

This document is a free translation of the summary of the annual report and consolidated financial statements of Lomon Billions Group Co Limited for the year ended December 31, 2019 produced for the convenience of English-speaking readers.

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