

Huaxin Cement Co., Ltd.
**Announcement on the Resolution of the 25th Meeting of the Tenth
Board of Directors**

To the best of our knowledge, the Board of Directors of the Company and its members confirm that there is no material false or misleading statement or material omission in this announcement and shall be severally and jointly liable for the truthfulness, accuracy and completeness of its content.

I. Convening of the Board meeting

The Twenty Fifth Meeting of the Tenth Board of Directors of Huaxin Cement Co., Ltd. (hereinafter referred to as “the Company”) was convened in Wuhan on 9 June, 2023 by circular resolution. In principle, there should be 9 Directors present at the Meeting, actually 9 Directors were present. The Meeting was presided by the Chairman Mr. Xu Yongmo. The Company sent the Meeting Notification to all the Directors on 2 June, 2023 by mail. The Meeting was in compliance with the provisions contained in relevant laws, rules, regulations and the Articles of Association of the Company, so it was legitimate and valid.

II. Reviewing of the Board Meeting

Through reviewing and voting, this Board Meeting adopted the following important resolutions:

1. Proposal on the Result of Share Granting of 2020-2022 Core Employees Stock Ownership Plan (Voting Result: Affirmative:7; Negative:0; Abstention:0)

Director Li Yeqing, Liu Fengshan are among the incentivized subjects in the 2020-2022 Core Employee Stock Ownership Plan, hence they recused from voting.

For detailed information, please refer to Attachment 1.

2. Proposal on the Repurchase and Cancellation of Partial Shares in the 2020-2022 Core Employees Stock Ownership Plan (Voting Result: Affirmative:9; Negative:0; Abstention:0)

For the full text of the 2023-18 Announcement on the Repurchase and Cancellation of Partial Shares in the 2020-2022 Core Employees Stock Ownership Plan.

The Proposal is subject to the Shareholders' General Meeting for approval.

3. Proposal on Requesting the Shareholders' General Meeting to Authorize the Board and its Authorized Person to Handle All the Matters Related to the Repurchase and Cancellation of Partial Shares of the 2020-2022 ESOP and Capital Reduction (Voting Result: Affirmative:9; Negative:0; Abstention:0)

For detailed information, please refer to Attachment 2.

The Proposal is subject to the Shareholders' General Meeting for approval.

4. Proposal on Designating Authorized Representative of the Board (Voting Result: Affirmative:9; Negative:0; Abstention:0)

To efficiently and orderly complete the repurchase, cancellation of partial shares of the

2020-2022 ESOP and capital reduction, after the shareholders' general meeting's approval of the Proposal on Authorizing the Board and its Authorized Person to Handle All the Matters Related to the Repurchase and Cancellation of Partial Shares of the 2020-2022 ESOP and Capital Reduction, the Board agrees to authorize Mr. Li Yeqing and its authorized representatives to execute the rights granted by the proposal and handle related matters in the proposal and others that can be authorized by the Board related to the proposal.

The Proposal is subject to the Shareholders' General Meeting for approval.

The above 2-4 proposals are subject to the Shareholders' General Meeting for approval. The Shareholders' General Meeting will be subject to further notice.

It is herewith announced.

Huaxin Cement Co., Ltd.
Board of Directors
June 10, 2023

Attachment 1: Proposal on the Result of Share Granting of 2020-2022 Core Employees Stock Ownership Plan

On September 25, 2020, the 2nd Extraordinary Shareholders' General Meeting approved the 2020-2022 Core Employees Stock Ownership Plan (the ESOP) and Proposal on Authorizing the Board to Handle Related Matters of ESOP. According to the authorization by the EGM, hereby the result is as followed:

I. Granting result of Plan A

1. Granting result of A-3

Grant at phase A-3 is the adjustment of granting shares according to the performance assessment of target grantees in 2022. Given the above assessment result, the quantity of shares granted for 2022 at phase A-0 in 2020, phase A-1.2 in 2021 and phases A-2.2 in 2022 should be adjusted.

Deducted shares in A-3 are as followed:

Holder (Including retired and resigned)	Grant (adjusted) shares
(24人) Directors, Supervisors and Senior Management (24)	-622,236
Other core employees (779)	-1,261,493
Total	-1,883,729

2. Granting result of Plan A

A-0、A-1.1、A-1.2、A-2.1、A-2.2 shares granting (adjustment) have been approved by the 22nd meeting of the Ninth Board of Directors (October 12, 2020), 2nd meeting of the Tenth Board of Directors (May 18, 2021) and 14th meeting of the Tenth Board of Directors (May 30, 2022).

In 2022, after the granting adjustment at phase A-2.1 and granting to newly added target grantees at phase A-2.2, there remained 839,868 shares yet to be re-granted. Plus 1,883,729 shares adjusted at A-3, totally 2,723,597 shares in Plan A can't be vested and finally the actual granting amount is 3,435,155 shares.

II. Granting result of Plan B

Plan B granted 14,880,609 shares at phase B-0 in 2020 (total grant of the milestone target for 2020-2022). In line with the above assessment result, the granted shares can not be vested to employees, so the actual grant is 0.

III. Granting result of the ESOP

As of now, Plan A and Plan B hold 21,039,361 shares totally. According to the

assessment result of Plan A and 2020-2022 result in Plan B, 17,604,206 shares should not be vested and those shares should be repurchased with zero price by the Company and cancelled within a statutory period. The dividend of those shares before the cancellation will be attributed to the Company. Actual granted shares in the ESOP so far is 3,435,155 shares, which will be execute as the unlock time and ratio as regulated in the plan.

Attachment 2: Proposal on Requesting the Shareholders' General Meeting to Authorize the Board and its Authorized Person to Handle All the Matters Related to the Repurchase and Cancellation of Partial Shares of the 2020-2022 ESOP and Capital Reduction

To successfully execute the repurchase, cancellation of partial shares of the 2020-2022 ESOP and capital reduction, the Board requests the Shareholders' General Meeting to authorize the Board and its authorized persons to handle all the matters related to the repurchase and cancellation of partial shares of the 2020-2022 ESOP, including but not limited to:

- (1) Authorize the Board and its authorized persons to notify all creditors;
- (2) To authorize the Board and its authorized persons to make decisions on requests from creditors to settle debts or provide guarantees as a result of the Company's capital reduction (except when the matter of providing guarantees meets the criteria for consideration by the shareholders' meeting);
- (3) Authorize the Board and its authorized persons to determine the implementation date of the share repurchase and cancellation and the registration date of the capital reduction, and to handle the required approval, registration, filing and approval procedures with the relevant government authorities and institutions, including but not limited to applying to the stock exchange for the repurchase and cancellation of shares, applying to the registration and settlement company for the relevant registration and settlement or inquiry business, amending the Articles of Association and going through the relevant business registration matters such as change of registered capital and filing of Articles of Association in accordance with the law;
- (4) Authorize the Board and its authorized persons to sign, execute, modify and terminate any agreement and documents related to the repurchase and cancellation of the shares. Authorize the Board to hire law firms and other intermediaries to implement the repurchase, cancellation and capital reduction.
- (5) After the approval by the shareholders' general meeting on the repurchase, cancellation and capital reduction, authorize the Board and its authorized persons to make adjustments to related matters accordingly in the event of changes in relevant laws, regulations and policies.
- (6) Authorize the Board and its authorized persons to handle relevant matters of the repurchase, cancellation and capital reduction within the permissible range of laws,

regulations and Articles of Association, except where the relevant documents expressly provide for the exercise of rights by the general meeting of shareholders.

The above authorization shall be effective from the date of the approval by shareholders' general meeting to the date of the completion of all the matters related to the repurchase, cancellation of the shares, and capital reduction.