

## **Huaxin Cement Co., Ltd.**

### **Third Reminder Announcement on B Shares Cash Option Declaration for Changing Listing Venue for Domestic Listed Foreign Shares and Listing on the Main Board of The Stock Exchange of Hong Kong Limited by Way of Introduction**

The board of directors and all directors of the Company confirm that there are no false records, misleading statements or material omissions in the content of this announcement, and assume individual and joint responsibility for the authenticity, accuracy and completeness of its content.

#### **Key notes:**

**1. No need to operate if domestic/overseas investors wish to hold the shares until the shares listed in Hongkong.**

**2. If investors wish to exercise cash option, operate as below:**

**Declaration time: On the trading day from 8th March 2022 to 10th March 2022, 9:30am-11:30am, 1:00pm-3:00pm. The deadline for application is 3:00pm on 10th March 2022. During the period, the Company's B shares will be suspended from trading.**

**Declaration method: declare through the Shanghai Stock Exchange trading system. The Company does not provide on-site declaration methods.**

**Declaration code: 706080**

**Declaration direction: declare to sell.**

**Declare to buy is invalid. Within the declaration time, invalid declaration is can be cancelled on the day to sell.**

**Purchase price: \$1.945 per share.**

**3. Warning: when one of the following circumstances occurs, the B to H conversion will cease to be listed in Hongkong Stock Exchange and cash option will not be executed. B share will continue to be traded on Shanghai Stock Exchange: (1) declaration of cash option shares exceeds 154,408,766, or after the exercise of the option, the total number of shares held by the top three B share public shareholders exceeds 50% of the B share public float, or (2) the number of Hong Kong public shareholders is less than 300.**

on B Shares Cash Option Declaration for Changing Listing Venue for its Domestic Listed Foreign Shares and Listing on the Main Board of The Stock Exchange of Hong Kong, which was disclosed on the designated information disclosure channel on 1<sup>st</sup> March 2022, with the announcement number 2022-007.

The exercise price of the B

154,408,766 shares.

The same stock account can make multiple declarations within the valid declaration period, and the number of valid declarations is the sum of the number of selling shares in each declaration, but does not exceed the upper limit of shares set out under the number of declarations. The upper limit of the number of shares declared by shareholders is the number of shares held by their shareholders' accounts after the market closes on the equity registration date for the implementation of the cash option, which is not subject to pledge, judicial freeze or other rights restrictions, and the excess is invalid.

If the cash option exercise declaration is completed, the cash option will not be exercised and the B shares will continue to be traded in the B share market of the Shanghai Stock Exchange when any one of the following circumstances occurs: (1) The number of shares declared for exercising the cash option exceeds 154,408,766 shares, or after the exercise of the option, the total number of shares held by the top three B share public shareholders exceeds 50% of the B share public float, or (2) the number of Hong Kong public shareholders is less than 300.

9. The provider of the cash option is Conch International Holdings (HK) Limited. Shareholders exercising the cash option are equivalent to selling their shares to Conch International Holdings (HK) Limited at USD 1.945 per share.

## **II. Matter of concern**

(1) The declaration is only for selling and declaration to buy is invalid. Within the valid declaration period, the declaration instruction order can be withdrawn on the same day, and cannot be withdrawn from the next day.

(2) Shareholders should negotiate with the pledgee or the judicial authority to release the share pledge or judicial freeze before making a declaration; for the shares that are still pledged or judicially frozen at the time of settlement, the declaration of the cash option is considered invalid.

(3) For the shares held under the same account, shareholders may apply for partial exercise to sell part of their shares.

(4) The Company will publish a reminder announcement on the exercise of the cash option on the first day and the deadline for the declaration of the cash option.

(5) Prior to and during the declaration of the cash option, any shares originally held by the Company's B shareholder which are already declared for cross-border transfer of custody, or subject to freezing or non-trade transferred shall be deemed as an invalid declaration.

(6) If the number of B shares declared to exercise the cash option exceeds 154,408,766 shares after the cash option exercise application is completed, or the cumulative shareholding of the top three B public shareholders exceeds 50% of the total number of public B shares after the exercise of the option, then the cash option will be terminated, and B shares will continue to be traded on the B share market of the Shanghai Stock Exchange.

### **III. Cost**

When the cash option declarer and provider go through the subsequent share transfer settlement procedures, the taxes and expenses shall be calculated with reference to the B share transaction.

### **IV. Contact person and contact information**

Applicant: Huaxin Cement Co., Ltd.

Address: No. 600, Daqi Avenue East, Huangshi City, Hubei Province

Contact: Wang Lu, Wu Xin

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### **V. Follow-up matters**

1. Upon expiration of the validity period of this declaration, the Company will issue a separate announcement on the results of the declaration. Investors are requested to pay attention to the date of the funds settlement in the account.

2. Upon expiration of the declaration period of the cash option, the Company needs to check the declaration results and exclude invalid declarations.

3. If the number of B shares declared for exercising the cash option exceeds 154,408,766 shares after the cash option exercise declaration is completed, or the cumulative shareholding of the top three B public shareholders exceeds 50% of the total number of public B shares after the exercise of the option, the cash options will be terminated, and the Company B shares will continue to be traded on the B share

market of the Shanghai Stock Exchange.

4. After the exercise of the cash option is completed and the number of overseas public shareholders who have opened accounts in Hong Kong is determined to be no less than 300, the Company will apply to the Shanghai Stock Exchange for the delisting of B shares. Upon obtaining the official approval letter from the Hong Kong Stock Exchange for the listing of the Company's H shares, the shares of the Company will be listed and traded on the main board of the Hong Kong Stock Exchange in the form of H shares.

5. Time schedule for the exercise of the cash option (if there are any subsequent changes, it will be announced separately)

10<sup>th</sup> Match 2022