

Huaxin Cement Co., Ltd.

Announcement on Resolutions of the Fourteenth 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 Fourteenth Meeting of the Tenth Board of Directors (interim meeting) of Huaxin Cement Co., Ltd. (hereinafter referred to as “the Company”) was convened in Wuhan on May 30, 2022 in person and by video/conference call. 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, Secretary to the Board was present at the Meeting. Chairman of the Board of Supervisors and some senior executives attended the Meeting. The Company sent the Meeting Notification to all the Directors on May 23, 2022 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 Related Party Transaction of Having a Stake in Huangshi State-owned Assets Operation Limited Company (Voting Result: Affirmative:7; Negative:0; Abstention:0).

Related directors Mr. Li Yeqing and Mr. Liu Fengshan recused from voting on this proposal.

This proposal has been approved by the independent directors of the Company in advance, and the independent directors also expressed their opinions on this proposal.

For detailed information, please refer to the 2022-050 Announcement of Huaxin Cement Co., Ltd. on the Related Party Transaction of Having a Stake in Huangshi State-owned Assets Operation Limited Company disclosed on the same day.

2. Proposal on the Grant Date, Grant Price and Grant Quantity of A-2.1 and A-2.2 in 2022 of the 2020-2022 Core Employee Stock Ownership Plan (Voting Result: Affirmative: 7; Negative: 0; Abstention: 0).

Related directors Mr. Li Yeqing and Mr. Liu Fengshan are the target grantees to be incentivized in the 2020-2022 Core ESOP, so they recused from voting on this proposal.

Please refer to the attachment I for detailed proposal.

It is herewith announced.

Huaxin Cement Co., Ltd.
Board of Directors
May 31, 2022

Attachment 1: Proposal on the Grant Date, Grant Price and Grant Quantity of A-2.1 and A-2.2 in 2022 of the 2020-2022 Core Employee Stock Ownership Plan

The Second Extraordinary Shareholders' General Meeting of 2020 held on September 25, 2020 reviewed and approved Huaxin Cement 2020-2022 Core Employee Stock Ownership Plan (hereinafter referred to as "ESOP") and Proposal on Requesting the Shareholders' General Meeting to Authorizing the Board to Handle Related Matters of 2020-2022 Core Employee Stock Ownership Plan.

According to the authorization of the Shareholders' General Meeting to the Board on the matters related to the ESOP, hereby the grant date, grant price and grant quantity of A-2.1 and A-2.2 in 2022 were defined as follows:

1. The grant date of A-2.1 and A-2.2 in 2022 fell on May 6, 2022.
2. A-2.1 and A-2.2 grant price in 2022 was confirmed to be 22.4 RMB.
3. A-2.1

According to the 2021 annual performance assessment results of the Company, the amount and quantity of shares granted at phase A-0 in 2020 and phase A-1.2 granted in 2021 were adjusted.

The grant amount and grant quantity of A-2.1 are as follows:

Holder (Including retired and resigned)	Grant amount (RMB)	Grant shares (round down)
Directors, Supervisors and Senior Management (24)	-6,577,118	-293,610
Other core employees (728)	-13,186,570	-588,345
Total	-19,763,688	-881,955

4. A-2.2

Grant at phase A-2.2 was made in 2022 according to the 2022 long-term incentive quotas of the new Target Grantees determined in 2022.

Holder	Grant amount (RMB)	Grant shares (round down)
Other core employees (51)	943,319	42,087

Due to the round down for grant shares, therefore, A-2.1 grant (adjusted) shares was -881,955 shares, A-2.2 grant shares was 42,087 shares, together -839,868 shares was granted (adjusted) in 2022.

After the grant to the new target grantees in A2.2, the remaining 839,868 shares shall be re-granted or be cancelled within the legal period after the 2022 annual performance assessment which shall be carried out in 2023. The cash dividends or other rights (if any) obtained before the re-grant or cancellation of these shares shall belong to the Company.