

Huaxin Cement Co., Ltd.
**Announcement on Resolutions of the Second Meeting of the Ninth
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 Second Meeting of the Ninth Board of Directors of Huaxin Cement Co., Ltd. May 23, 2018 by circular resolution. In principle, there should be 9 Directors attending the Meeting, actually 9 Directors attended. The Meeting was presided by the Chairman Mr. Xu Yongmo. The Company sent the Meeting Notification to all the Directors on May 16, 2018 by mail or by fax. 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 in Respect of Amending Partial Articles Contained in Articles of Association of the Company and its Attachment (Voting Result: Affirmative 9; Negative: 0; Abstention: 0)

For detailed information, please refer to Annex 1.

This proposal shall be submitted to the Shareholders General Meeting for approval.

2. Proposal in Respect of Replacing Accounting Firm for Annual Audit and Appointing Accounting Firm for 2018 Annual Audit (Voting Result: Affirmative 9; Negative: 0; Abstention: 0)

For detailed information, please refer to Annex 2.

This proposal shall be submitted to the Shareholders General Meeting for approval.

3. Proposal in Respect of Convening the First Extraordinary Share Meeting 2018 (Voting Result: Affirmative 9; Negative: 0; Abstention: 0)

For detailed information, please refer to Huaxin Cement Co., Ltd. Announcement on Convening the First Extraordinary Share Meeting 2018 (Ref: Lin 2018-019) published by the Company at the same day.

It is herewith announced.

Board of Directors of Huaxin Cement Co., Ltd.
May 25, 2018

Annex 1: Proposal in Respect of Amending Partial Articles Contained in Articles of Association of the Company and its Attachment

To further improve the corporate governance and promote standard operation of the Company, according to *Guidelines for Articles of Association of Listed Companies (2016 revision)* and *Rules of Shareholders Meeting of Listed Companies (2016 revision)* issued by China Securities Regulatory Commission, regulatory documents and relevant regulations in the Articles of Association issued by Shanghai Stock Exchange, in light of the practical situation of the Company, now we propose amendments to partial articles contained in the Articles of Association and its attachments *Rules of Procedure of Shareholders General Meetings and Rules of Board of Directors, Rules of Board of Supervisors*. Specific amendments are as followed:

No.	Original articles	Propose to be amended as	Remarks
1	Article 5 The address of the Company is: No. 897, Huangshi Avenue, Huangshi, Hubei Province Postal Code No. 435002	Article 5 The address of the Company is: No. 600, East Daqi Avenue, Huangshi, Hubei Province Postal Code No.: 435007	
2	Article 16 The business scope of the Company as approved by the registration authority is: manufacture and sales of cement, ready mixed concrete, other building material products and packaging materials; cement related technical service; architecture design and construction; manufacture, sales, erection and maintenance of equipment; transportation and storage of cement, clinker and cement-related goods; transportation agency services; trading of limestone, coal and industrial wastes used in cement production; trading of mechanical and electrical equipment and spare parts; trading of auxiliary material for import of auxiliary materials, equipment and spare parts for the production of the Company; contracting of foreign building materials projects and domestic international bidding projects; export of equipment and materials for the above foreign projects; dispatch of service personnel for implementing the above foreign projects.	Article 16 The business scope of the Company as approved by the registration authority is: manufacture, storage and sales of cement, clinker, ready mixed concrete, building materials, other building material products and packaging materials; cement and building materials related technical service; architecture design and construction; manufacture, erection, maintenance, lease and sales of equipment; trading of raw materials and fuel including limestone, coal and petroleum coke, and industrial wastes and auxiliary materials used in production; trading of mechanical and electrical equipment and spare parts; import and export of the , technology and agency service; contracting of foreign building materials projects and domestic international bidding projects and dispatch of service personnel for implementing foreign projects (operation by licenses if the projects involve license	

		permits); transportation agency services; opencast mining of limestone for cement use and sandstone as cement auxiliary materials. (If the projects require approval according to law, the operation can start after getting approval from related department.)	
3	<p>Article 24 According to the needs of business and development and in line with laws and regulations, the Company may, upon respective resolutions passed at the</p> <p>with any of the following methods:</p> <p>(1) by public offerings;</p> <p>(2) by private placement of new shares;</p> <p>(3) by issuing bonus shares to existing shareholders;</p> <p>(4) by converting the reserve fund into share capital; or</p> <p>(5) other methods approved by the laws and published administrative regulations, as well as by the China Securities Regulatory Commission (CSRC).</p>	<p>Article 24 According to the needs of business and development and in line with laws and regulations, the Company may, upon respective resolutions</p> <p>increase its share capital with any of the following methods:</p> <p>(1) by public offerings;</p> <p>(2) by private placement of new shares;</p> <p>(3) by issuing bonus shares to existing shareholders;</p> <p>(4) by converting the reserve fund into share capital; or</p> <p>(5) other methods approved by the laws and published administrative regulations, as well as by the China Securities Regulatory Commission (CSRC).</p> <p>If the registered capital of the Company increases because issued convertible corporate bonds are converted into stocks, the conversion shall be transacted according to laws, published administrative regulations, department rules and prospectus on convertible corporate bonds.</p>	Amendment based on <i>Guidelines for Articles of Association of Listed Companies (2016 revision)</i>
4	<p>Article 31 During the term of office, any director, supervisor and senior managerial personnel of the Company shall</p> <p>alteration of such holdings with seven (7) days after the end of</p>	<p>Article 31 Any director, supervisor and senior managerial personnel of the Company shall</p> <p>and any alteration of such holdings. During the</p>	Amendment based on <i>Guidelines for Articles of</i>

	<p>each quarter. During the term of office, they can transfer the amounting to no more than 25% of their respective holdings. And within six (6) months after leaving such office, they shall</p> <p>addition, any director, supervisor and senior managerial personnel of the Company shall respect the rules on shareholdings stipulated by the Board of Directors from time to time.</p>	<p>shares held by them in each calendar year amounting to no more than 25% of their respective holdings. And within six (6) months after leaving such office, they</p> <p>by them. In addition, any director, supervisor and senior managerial personnel of the Company shall respect the laws, published administrative regulations, department rules, regulatory documents and other business rules on shareholdings transfer stipulated by Shanghai Stock Exchange .</p>	<p><i>Association of Listed Companies (2016 revision)</i></p>
5	<p>Article 47 in terms of live conference, and a meeting place shall be</p> <p>Company may facilitate the attendance of the shareholders by making available safe, economic and convenient on-line voting or circular voting method. Shareholders who attend a shall be deemed as if present at the meeting.</p>	<p>Article 47 be held in terms of live conference, and a meeting</p> <p>Meeting. The Company will facilitate the attendance of the shareholders by providing on-line voting or other methods. Shareholders who foregoing methods shall be deemed as if present at the meeting.</p>	<p>Amendment based on <i>Guidelines for Articles of Association of Listed Companies (2016 revision)</i></p>
6	<p>Article 59 If it is planned to discuss the election of directors</p> <p>meeting notice shall make sufficient disclosure on the detailed information of the candidate directors and supervisors which at least shall include the following:</p> <p>(1) the educational background, working experience, part time engagement and other alike personal information;</p> <p>(2) controlling shareholder or the actual controlling person;</p>	<p>Article 59 If it is planned to discuss the election of</p> <p>Meeting, the meeting notice shall make sufficient disclosure on the detailed information of the candidate directors and supervisors which at least shall include the following:</p> <p>(1) the educational background, working experience, part time engagement and other alike personal information;</p> <p>(2) the relation (if any) with the Company, the</p>	<p>Amendment based on <i>Guidelines for Articles of Association of Listed Companies (2016 revision)</i></p>

	<p>(3) (4) whether or not they have ever received any penalties by CSRC or other competent authorities or have been sanctioned by the stock exchange; Each candidate director or supervisor shall be proposed separately. However, the voting by the shareholders on such proposals and the counting of votes can be otherwise conducted in an accumulative manner insofar as the accumulative voting method is applicable.</p>	<p>controlling person; (3) the amount of their holdings of the Company shares; (4) whether or not they have ever received any penalties by CSRC or other competent authorities or have been sanctioned by the stock exchange; Except for electing director or supervisor in an accumulative manner, each candidate director or supervisor shall be proposed separately.</p>	
7	<p>Article 69 All the directors, supervisors and the secretary of Meeting, and the manager and other senior managerial personnel shall be present at the meeting. Based on a prior written notice of absence, to be delivered to the Secretary of the Board, directors and supervisors are excused, if personal attendance is impossible due to other business engagements.</p>	<p>Article 69 All the directors, supervisors and the Secretary of the Board of Directors of the Company shall attend a Meeting, and the manager and other senior managerial personnel shall be present at the meeting.</p>	
8	<p>Article 81 A shareholder (including the proxy of the shareholder) shall exercise the voting right according to the shares with voting rights held by such shareholder. Each share shall entitle one vote to the holder of the share. The shares held by the Company shall not entitle any voting right to the Company, nor shall those shares be counted when calculating the total number of shares with voting right. Board of Directors, independent directors and qualified shareholders may seek proxies for voting rights from shareholders.</p>	<p>Article 81 A shareholder (including the proxy of the shareholder) shall exercise the voting right according to the shares with voting rights held by such shareholder. Each share shall entitle one vote to the holder of the share. When the Shareholders General Meeting reviews major issues concerning the interests of minority shareholders, votes of minority shareholders shall be counted separately. And the result shall be disclosed timely. The shares held by the Company shall not entitle any voting right to the Company, nor shall those shares</p>	<p>Amendment based on <i>Guidelines for Articles of Association of Listed Companies (2016 revision)</i></p>

	<p>the current Board of Directors. If new directors are not elected in time after the expiration of the term of office of the former director, the former director shall still, according to provisions of relevant laws and regulations and the Articles of Association of the company, exercise his/her responsibilities of being a director before the newly-elected director takes office.</p> <p>A director can concurrently take the position of manager or other senior managerial personnel, but the number of directors concurrently taking the position of manager or other senior managerial personnel shall not exceed one half of all the directors of the company.</p>	<p>General Meeting and shall expire upon the expiration of the term of office of the current Board of Directors. If new directors are not elected in time after the expiration of the term of office of the former director, the former director shall still, according to provisions of relevant laws and regulations and the Articles of Association of the company, exercise his/her responsibilities of being a director before the newly-elected director takes office.</p> <p>A director can concurrently take the position of manager or other senior managerial personnel, but the number of directors concurrently taking the position of manager or other senior managerial personnel shall not exceed one half of all the directors of the company.</p> <p>The Board of Directors of the Company does not set up the director position held by staff representative for the present.</p>	
11	<p>Article 161 The Company shall appoint an accounting firm that possesses the Qualification of Engaging in Securities Related Business to audit the accounting reports, verify the values of net assets, and conduct other related advisory services. The term of appointment is one year and extendable.</p>	<p>Article 161 The Company shall appoint an accounting firm that possesses the Qualification of Engaging in Securities Related Business to audit the accounting reports, verify the values of net assets, and conduct other related advisory services. The term of appointment is one year and extendable. For the accounting firm providing aforementioned service, if the continuous appointment reaches 8 to 10 years, the accounting firm has to be replaced.</p>	<p>Amendment based on the suggestions by the Governance & Compliance Committee</p>
12	<p>Article 173 The Company shall select two national financial newspapers and one financial website that appointed by the CSRC as medias to publish the public announcements of the</p>	<p>Article 173 The Company shall select two national financial newspapers that appointed by the CSRC and website of Shanghai Stock Exchange as</p>	<p>Specifically defined as website of</p>

	Company and any other information of the Company that required to be disclosed.	medias to publish the public announcements of the Company and any other information of the Company that required to be disclosed.	Shanghai Stock Exchange
13		<p>For detailed amendments, please refer to the attachment:</p> <p><i>Comments on Amending Partial Articles Contained in Rules of Procedure of the</i></p> <p style="text-align: center;"><i>c d c d</i></p>	Amendment based on <i>Guidelines for Articles of</i>

	<p>in both Chinese and English on the website of the Company at the same time.</p>		
<p>15</p>	<p>Article 20 Language Versions in the the Board of Supervisors</p> <p>Any meeting notice, proposal, resolution, and meeting minutes relating to a meeting of the Supervisory Committee, any subsequent submission to be filed with the supervisory authorities pursuant to a meeting of the Supervisory Committee, and any other documents deemed to be necessary by the majority of the supervisors, shall be prepared, delivered and signed in both Chinese and English. Both language versions shall be regarded as equally binding and authentic. The announcements published by the Company as required by CSRC or the Securities Exchange shall be published in both Chinese and English on the website of the Company at the same time.</p>	<p>s of Article 20 in the Supervisors</p> <p>Any meeting notice, proposal, resolution, and meeting minutes relating to a meeting of the Supervisory Committee, any subsequent submission to be filed with the supervisory authorities so</p>	<p>s of the Board of</p>

		General Meetings in an earnest and timely manner. All directors of the Company shall bear fiduciary duty to the regular proceeding and due functioning of the	
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2 Article 20 If it is planned to discuss the election of directors
General Meeting, the
meeting notice shall make sufficient disclosure of detailed

	<p>proceed in the form of a live conference. The Company may facilitate the attendance of the shareholders by making available safe, economic and convenient on-line voting or circular voting method. Shareholders who attend a</p> <p>methods shall be deemed as if present at the meeting.</p> <p>Meeting in person, or authorize proxies to attend the meeting and exercise the voting rights on their behalf.</p>	<p>Meeting shall proceed in the form of a live conference. The Company shall facilitate the attendance of the shareholders by making available safe, economic and convenient on-line voting or circular voting method according to laws, published administrative regulations, and regulations of CSRC or in the Articles of Association.</p> <p>Meeting with any of the foregoing methods shall be deemed as if present at the meeting.</p> <p>General Meeting in person, or authorize proxies to attend the meeting and exercise the voting rights on their behalf.</p>	<p><i>Companies (2016 revision)</i></p>
<p>4</p>	<p>Article 27 A shareholder shall present his/her identity card or other valid certificate or document evidencing his/her identity as well as the securities account card, if he/she attends the meeting in person; A proxy shall present his/her identity card, the power of attorney and the securities account card when attending the meeting as per authorization by the shareholder.</p> <p>As far as a legal person shareholder is concerned, the legal representative of the shareholder or a proxy authorized by the legal representative shall attend the meeting. The legal representative shall present his/her identity card or other valid documents evidencing his/her qualification as legal representative when attending the meeting. The proxy authorized by the legal representative shall present his/her identity card and the power of attorney legally issued by the legal representative of the legal person shareholder.</p>	<p>Article 27 A shareholder shall present his/her identity card or other valid certificate or document evidencing his/her identity as well as the securities account card, if he/she attends the meeting in person; A proxy shall present his/her identity card and the power of attorney when attending the meeting as per authorization by the shareholder.</p> <p>As far as a legal person shareholder is concerned, the legal representative of the shareholder or a proxy authorized by the legal representative shall attend the meeting. The legal representative shall present his/her identity card or other valid documents evidencing his/her qualification as legal representative when attending the meeting. The proxy authorized by the legal representative shall present his/her identity card and the power of</p>	<p><i>Amendment based on Rules of Shareholders General Meeting of Listed Companies (2016 revision)</i></p>

attorney legally issued by the legal representative 8(e).

	<p>shareholders may seek proxies for voting rights from shareholders.</p>	<p>be disclosed timely.</p> <p>Any shares held by the Company shall not entitle the Company to any voting rights, nor shall those shares be counted when calculating the total number of shares with voting rights.</p> <p>The Board of Directors, independent directors and qualified shareholders may seek proxies for voting rights from shareholders. When seeking proxies for voting rights from shareholders, specific information on the votes shall be disclosed to the shareholders whose voting rights are being sought. Seeking such rights with compensation or in a disguised form of compensation is forbidden. The Company shall not set minimum proportion of shareholding on seeking proxies for voting rights.</p>	
8	<p>Article 44 deliberates on related party transactions, the related shareholder shall not vote, and the shares such related shareholder holds shall not be counted when calculating the total valid votes. The General Meeting shall be published which shall fully disclose the voting status of the unrelated shareholders.</p> <p>When a proposal on security undertaking by the Company in favor of any of the shareholders, actual controlling person or related parties of the Company is being discussed by a</p> <p>shareholders controlled by such actual controlling person shall refrain from voting on such proposal. Such proposal shall be subject to the majority approval by the other shareholders present at the meeting.</p>	<p>Article 44 deliberates on related party transactions, the related shareholder shall not vote, and the shares such related shareholder holds shall not be counted when calculating the total valid votes.</p> <p>When the Shareholders General Meeting reviews major issues concerning the interests of minority shareholders, votes of minority shareholders shall be counted separately. And the result shall be disclosed timely.</p>	<p>Amendment based on <i>Rules of Shareholders General Meeting of Listed Companies (2016 revision)</i></p>

9	<p>Article 53 Meeting shall approve, disapprove, or abstain from voting with regard to the proposals submitted for voting. Where the accumulative voting is employed in electing directors or supervisors, however, the disapproving votes cast by shareholders shall cause no impact in deciding the sufficiency of the approving votes gained by any individual candidate pursuant to Article 46 of these Rules of Procedures.</p> <p>A voter who casts a vote that is not filled in, or falsely filled in or otherwise illegibly filled in shall be deemed to have waived his voting right. The voting result with regard to his shares</p>	<p>Article 53 General Meeting shall approve, disapprove, or abstain from voting with regard to the proposals submitted for voting. Securities Depository & Clearing Authority, as the nominal holder of Mainland-Hong Kong Stock Connect shares, declares based on the actual holders will, which is not included.</p> <p>A voter who casts a vote that is not filled in, or falsely filled in or otherwise illegibly filled in shall be deemed to have waived his voting right. The voting result with</p>	<p>Amendment based on <i>Rules of Shareholders General Meeting of Listed Companies (2016 revision)</i></p>
10	<p>Article 51 two shareholder representatives to participate in counting and supervising each vote. In case the issues deliberated in a S of certain shareholders, such shareholders or their proxies may not participate in counting and supervising the vote.</p> <p>lawyers, shareholders representatives shall be jointly responsible for counting and supervising the vote and shall announce the result of the vote during the meeting. The voting result shall be recorded in the minutes of the meeting.</p> <p>Those shareholders or proxies who have chosen to vote via the internet or by other methods, shall have the right to check the result of their vote via the respective voting system.</p>	<p>Article 51 appoint two shareholder representatives to participate in counting and supervising each vote. In General Meeting are related to the interests of certain shareholders, such shareholders or their proxies may not participate in counting and supervising the vote.</p> <p>and supervisor representatives shall be jointly responsible for counting and supervising the vote.</p> <p>Those shareholders or proxies who have chosen to vote via the internet or by other methods, shall have the right to check the result of their vote via the respective voting system.</p>	<p>Amendment based on <i>Rules of Shareholders General Meeting of Listed Companies (2016 revision)</i></p>
11	Article 55	Article 55	Amendment

12	<p>timely fashion the resolutions adopted, in which the numbers of shareholders and proxies, the total number of shares with voting rights and the percentage of such shares to the total shares with voting rights of the Company, voting methods, voting result of each submitted proposal and detailed content of such resolution shall be listed.</p> <p>Add an additional Article after the Article 56 of the original Rules of Procedure</p>	<p>publish in a timely fashion the resolutions adopted, in which the numbers of shareholders and proxies, the total number of shares with voting rights and the percentage of such shares to the total shares with voting rights of the Company, voting methods, voting result of each submitted proposal and detailed content of such resolution shall be listed.</p> <p>The Company shall respectively count and publish the presence and votes of shareholders of Renminbi ordinary stocks and domestic listed foreign investment stocks.</p> <p>Article 57 The convener shall ensure the successive holding of Shareholders General Meeting until the final resolution is achieved. If</p>	<p>based on <i>Rules of Shareholders General Meeting of Listed Companies (2016 revision)</i></p>
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	<p>violates the Articles of Association of the Company, the shareholders may request the People resolution within sixty (60) days after the date of resolution.</p>	<p>Company and minority shareholders. In case the convening process or voting methods of published administrative regulations or the Articles of Association of the Company, or in case the content of the resolution violates the Articles of Association of the Company, the shareholders may request the (60) days after the date of resolution.</p>	
14	<p>Article 60 in these Rules of Procedures refers to the respective information disclosure published in the newspapers or magazines designated by CSRC. Where the content of such public announcement or notice would take up considerable space, the Company may as well merely publish the summary of the respective content in the newspapers or magazines designated by CSRC, and the full text of such content shall however be published on the websites designated by CSRC in the meantime.</p> <p>published in the same newspaper or magazine where the meeting notice was published.</p> <p>Any meeting notice, proposal, resolution, and meeting minutes relating to the Shareholder's General Meeting, any subsequent submission to be filed with the supervisory authorities, and any other documents deemed to be necessary by the majority of the directors from time to time, shall be prepared, delivered and signed in both Chinese and English. Both language versions shall be regarded as equally binding and authentic. In case of any discrepancy</p>	<p>Article 61 mentioned in these Rules of Procedures refers to the respective information disclosure published in the newspapers or magazines designated by CSRC. Where the content of such public announcement or notice would take up considerable space, the Company may as well merely publish the summary of the respective content in the newspapers or magazines designated by CSRC, and the full text of such content shall however be published on the website of Shanghai Stock Exchange in the meantime.</p> <p>Procedures shall be published in the same newspaper or magazine where the meeting notice was published.</p> <p>Any meeting notice, proposal, resolution, and meeting minutes relating to the Shareholder's General Meeting, any subsequent submission to be filed with the supervisory authorities, and any other documents deemed to be necessary by the majority</p>	<p>Defined specifically as Website of Shanghai Stock Exchange</p>

	<p>between the Chinese versions and the English version, the Chinese version shall prevail. The announcements published by the Company as required by CSRC or the Securities Exchange shall be published in both Chinese and English on the website of the Company at the same time.</p>	<p>of the directors from time to time, shall be prepared, delivered and signed in both Chinese and English. Both language versions shall be regarded as equally binding and authentic. In case of any discrepancy between the Chinese versions and the English version, the Chinese version shall prevail.</p>	
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Annex 2: Proposal in Respect of Replacing Accounting Firm for Annual Audit and Appointing Accounting Firm for 2018 Annual Audit

According to the need of enhancing corporate governance and regulations in the Articles of Association that is intended to be revised, the Accounting Firm providing audit service for the financial statements has to be replaced if the continuous appointment reaches 8 to 10 years. Therefore, the Proposal in Respect of Replacing Accounting Firm for Annual Audit is hereby to be submitted to the Board of Directors.

I. Brief introduction of the to-be-replaced accounting firm

It has been 13 years since the PricewaterhouseCoopers Zhongtian LLP (hereby refers to PwC) took the responsibility of annual financial auditor and later assumed the responsibility of internal control auditor since 2011.

The Company has communicated with PwC on replacing financial auditor and internal control auditor beforehand and gained its understanding and support. In the spirit of independent audit, PwC objectively and fairly reflected the Company's financial situations and internal control professional, rigorous and responsible audit service for these years.

II. Selection and results of accounting firms

In light of the operation scale and complicated business of the Company, the Company adopted the way of tender invitation and issued the invitations to accounting firms including Deloitte Touche Tohmatsu Certified Public Accountants LLP, Earnest & Young Huaming LLP and KPMG Huazhen. The Company made comprehensive evaluations on the bidding documents from the three accounting firms based on the requirements in the Rules for the Bid Invitation of Accounting Firms for the Audit Entrustment (Caikuai [2006] No. 2). Independent Directors and Audit Committee heard the comprehensive results of the selection. Finally, the Audit Committee proposed to appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the financial auditor and internal control auditor for 2018.

III. Brief introduction of the accounting firm intended to be appointed