

Huaxin Cement Co., Ltd.

Announcement on Resolutions of the Twenty 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 Twenty Second Meeting of the Ninth Board of Directors of Huaxin Cement Co., Ltd. (hereinafter referred to as “the Company”) was convened on October 12, 2020 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 September 30, 2020 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:

Proposal on the Grant Date, Grant Price and Grant Quantity of A-0 and B-0 in 2020 of the 2020-2022 Core Employee Stock Ownership Plan

(Voting Result: Affirmative: 7; Negative: 0; Abstention: 0)

Related director Mr. Li Yeqing, Mr. Liu Fengshan recused from voting.

On September 25, 2020, the Second Extraordinary Shareholders' General Meeting approved the 2020-2022 Core Employee Stock Ownership Plan (For details, please refer to the 2020-2022 Core Employee Stock Ownership Plan and Proposal on Requesting the Shareholders' General Meeting to Authorizing the Board to Handle Related Matters of 2020-2022 Core Employee Stock Ownership Plan published on the official website of Shanghai Stock Exchange www.sse.com.cn on September 26 by the Company).

According to the authorization of the Shareholders' General Meeting to the Board on the matters related to the ESOP, and grant date, pricing principle of grant price and calculation of shares, hereby we define the grant date, grant price and grant quantity of A-0 and B-0 in 2020.

1. The grant date of A-0 and B-0 in 2020 falls on May 29, 2020.
2. A-0 grant price shall be defined as 24 RMB. B-0 grant price shall be defined as 26.88 RMB.
3. Grant for A-0

Holder	No. of personnel	Grant amount (RMB)	Grant shares (round down)	Holding ratio
Director, Supervisor, Senior Management	18	35,248,500	1,468,682	28.9%(note)
Other core employees	680	86,755,901	3,614,564	71.1%(note)
Total	698	122,004,401	5,083,246	100.00%

Note: Compared with previous announcement, the ratio has changed because actual grant shares are smaller than prediction. The change is within the authorized scope of "Shareholders' General Meeting to Authorizing the Board to Handle Related Matters of the ESOP".

4. Grant for B-0

Holder	No. of Personnel	Grant amount (RMB)	Grant shares (round down)	Holding ratio
Director, Supervisor, Senior Management	18	131,510,000	4,892,476	33%
Other core employees	680	268,489,780	9,988,133	67%
Total	698	399,999,780	14,880,609	100%

Due to the round down for grant shares, therefore, A-0 grant shares for 2020 shall be 5,083,246 shares, B-0 grant shares shall be 14,880,609 shares, together 19,963,855 shares.

It is herewith announced.

Huaxin Cement Co., Ltd.
Board of Directors
October 13, 2020