

Huaxin Cement Co., Ltd.

Announcement on Resolutions on the 2020-2022 Core Employee Stock Ownership Plan of the Fifth Meeting of the Eighth Employees' Representatives Conference

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.

Huaxin Cement Co., Ltd (hereinafter referred to as "the Company") held the Fifth Meeting of the Eighth Employees' Representatives Conference at the meeting room of the Company on August 11, 2020. The meeting solicited opinions from employees on the planned 2020-2022 Core Employee Stock Ownership Plan. 233 representatives should attend the conference and actually 233 representatives attended the conference. The Employees' Representatives Conference was presided by Chairman of the Workers Union Mr. Peng Qingyu. The convening and decision procedure were in compliance with the provisions contained in relevant regulations of employees' representative conference.

After discussion, the employee representatives believed that the "2020-2022 Huaxin Cement Co., Ltd. Core Employee Stock Ownership Plan (Draft)" complies with the China Securities Regulatory Commission *Guiding Opinions on the Implementation of Pilot Employee Stock Ownership Plans for Listed Companies* and other relevant laws, administrative regulations, rules, and regulatory documents, follows the principles of compliance with laws and regulations, voluntary participation, assumption of risks by self. There is no situation where the interests of the company and all shareholders are harmed, and there is no circumstance where such as apportionment or forced distribution to force employees to participate in the plan. The company's employee stock ownership plan is footed on the Company's long-term development goals. Through long-term incentive mechanisms, it establishes and improves the benefit-sharing mechanism between workers and owners in an effort to achieve common interests among the Company, shareholders and employees, which is conducive to promoting the Company's sustainability, health, and Long-term development.

After voting by the employee representatives, the Conference unanimously agreed to the "Huaxin Cement Co., Ltd. 2020-2022 Core Employee Stock Ownership Plan (Draft)".

It is herewith announced.

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

