

**Huaxin Cement Co., Ltd.****Announcement on the Completion of the Sale of Shares of the 2020-2022 Core Employee Stock Ownership Plan**

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.

All the shares of Huaxin Cement Co., Ltd (the Company) held under the 2020-2022 Core Employee Stock Ownership Plan(the Plan) have been sold out. According to the Guiding Opinions on the Implementation of Employee Stock Ownership Plan of Listed Companies issued by the China Securities Regulatory Commission, Shanghai Stock Exchange Listed Companies Self-discipline Guidance No.1-Standard Operation and 2020-2022 Core Employee Stock Ownership Plan of the Company, the related matters are published as follows:

**I. The basic information of the Plan**

Huaxin Cement Co., Ltd (the Company) held the 18<sup>th</sup> Meeting of the Ninth Board of Directors and 2<sup>nd</sup> Extraordinary Shareholders' General Meeting 2020 on 11 August 2020 and 25 September 2020. The meetings approved the Proposal on the 2020-2022 Core Employee Stock Ownership Plan (Draft) and its Summary, Proposal on Requesting the Shareholders' General Meeting to Authorize the Board to Handle Related Matters of the 2020-2022 Core Employee Stock Ownership Plan. For specific details, please refer to the announcements published on 13 August 2020 and 26 September 2020.

In accordance with the Plan, all stocks under the Plan are the ordinary A stocks of Huaxin Cement that are repurchased by the Company through its special repurchase account. This Plan contains two parts, i.e. Plan A and Plan B, Plan A is centered on phased grant, phased evaluation and phased unlocking, and after the implementation of Plan A in 2020, grant-related changes will be made by the Board of Directors of the Company in 2021, 2022 and 2023 according to the Company's performance in the preceding year and the list of employees participating in this Plan (those newly promoted and newly employed) in the year. Plan B is centered on one-time grant in 2020, one-time performance evaluation in 2023 and one-time unlocking in 2024. The term of this Plan is 72 months from the month when the initial grant is made. The unlocking time is calculated from the date announced by the Company when the underlying stocks to be granted at each phase were transferred to the Plan through non-trading transfer or any other means permitted by laws and regulations.

The Company transferred 19,963,855 and 1,075,506 A shares (totally 21,039,361 shares) from the special repurchase account to the special securities account of the Plan through non-trading on 23 October 2020 and 21 May 2021 respectively. Please refer to the announcements published on 29 October 2020 and 27 May 2021 for details.

The grant (or adjustment) of each phase of the Plan A and Plan B has been approved by the 22<sup>nd</sup> Meeting of the Ninth Board of Directors, 2<sup>nd</sup> Meeting of the Tenth Board of Directors, 14<sup>th</sup> Meeting of the Tenth Board of Directors, 25<sup>th</sup> Meeting of the Tenth Board of Directors. Details can be referred to in the announcements published on 13 October 2020, 19 May 2021, 30 May 2022 and 10 June 2023.

Based on relevant regulations and evaluation results of each year, 17,604,206 A shares that can't be vested due to failure in achieving the performance target have been cancelled on 28 August 2023. Details can be referred to in the announcement on 26 August 2023.

The first, second and third lock-up periods of this Plan expired on 28 October 2023, 26 May 2024 and 28 October 2024 respectively. Details can be referred to in the announcements published by the Company on 27 October 2023, 28 May 2024 and 26 October 2024.

## **II. Sale of This Employee Stock Ownership Plan**

As of 24 July 2025, all the shares held under the plan have been sold through centralized price-competitive transactions. The sale of the shares strictly complies with the market trading rules and the regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange that prohibit the purchase and sale of shares during information-sensitive periods. There is no situation of trading on insider information.

## **III. Arrangement following the Plan**

The assets held under the Plan have been converted into cash. In accordance with the relevant provisions of the 2020-2022 Core Employee Stock Ownership Plan, the Administrative Committee of the Plan will dispose assets according to the regulations as authorized by the Holders' Meeting. After the completion of the relevant work, the Plan will be terminated.

It is herewith announced.

Board of Directors of Huaxin Cement Co. Ltd.  
25 July 2025