

Huaxin Cement Co., Ltd. Announcement on 2023 Shares Dividend Distribution

To the best of our knowledge, the Board of Directors of the Company and its members confirm that there is no material false, misleading statement or material omission in this announcement and shall be severally and jointly liable for the truthfulness, accuracy and completeness of its content.

Importance:

- Cash dividend of 0.53 Yuan per A share

- Relevant dates

| Stock type | Date of share registration | Last trading date | Ex-dividend date | Date of cash dividends distribution |
|------------|----------------------------|-------------------|------------------|-------------------------------------|
| A Share | 2024/6/17 | — | 2024/6/18 | 2024/6/18 |

- Differentiated dividend distribution: no

I. Shareholders' General Meeting that adopted the Profit Distribution Plan

On 21 May 2024, the Annual Shareholders' General Meeting 2023 of the Company reviewed and adopted the Profit Distribution Plan.

II. Profit Distribution Plan

1. Distribution year: 2023

2. Distribution range:

All shareholders of the Company registered in China Securities Depository and Clearing Corporation Limited Shanghai Branch (hereinafter referred to as the "CSDC SH Branch) after the closing of Shanghai Stock Exchange (SSE) on the date of share registration.

3. Distribution Plan:

(1) Differentiated dividend distribution plan

On the basis of the total 2,078,995,649 shares, a cash dividend of 0.53 Yuan per share (incl. tax) shall be distributed to all shareholders. Hence 1,101,867,694 Yuan shall be distributed.

III. Relevant dates

| Stock type | Date of share registration | Last trading date | Ex-dividend date | Date of cash dividends distribution |
|------------|----------------------------|-------------------|------------------|-------------------------------------|
| A Share | 2024/6/17 | — | 2024/6/18 | 2024/6/18 |

IV. Implementation method of dividends distribution

1. Implementation Method

For unconditional ordinary shares, CSDC SH Branch shall be entrusted to distribute the cash dividends through its capital clearing system to holders of tradable shares who have registration records on the stock right registration date after SSE closes and have transacted the appointed trade in member brokerages of SSE. Shareholders who have already transacted the appointed trades can withdraw the dividends in cash in the appointed securities brokerages on the distribution day. Cash dividends for shareholders who haven't transacted the appointed trades shall be temporarily kept by CSDC SH Branch, and the shareholders can withdraw their cash dividends after they transact the appointed trades.

If bonus shares are distributed or share capital is transferred, it will be directly credited to the shareholders' account by China Securities Clearing and Settlement Corporation Shanghai Branch on a pro rata basis according to the number of shares held by shareholders registered on the Shanghai Stock Exchange after the close of business on the share registration date.

2. Cash dividends that will be distributed by the Company

Cash dividends for the following shareholders shall be distributed by the Company:

| Serial number | Shareholder account | Shareholder name |
|---------------|---------------------|---|
| <u>1</u> | B880854819 | Huaxin Group Co., Ltd |
| <u>2</u> | B880008361 | Huaxin Group Co., Ltd |
| <u>3</u> | B881807417 | HOLCHIN B.V. |
| <u>4</u> | B883549727 | Huaxin Cement-2020-2022 Core ESOP |
| <u>5</u> | B885953045 | The Phase I (2023) ESOP Under Huaxin Cement-2023-2025 Core ESOP |

3. Tax deduction instructions

According to Notice on Differentiated Personal Income Tax on Dividend of Listed

Company (2015 Caishui No.101) and Notice on the Implementation of Differentiated Personal Income Tax on Dividend of Listed Company (2012 Caishui No.85), the Company shall suspend the income tax withholding and shall actually distribute the dividends of 0.53 Yuan per share to individual A share holders and securities investment funds. When individual shareholders and securities investment funds transfer their stocks, actual tax amount payable shall be measured by CSDC Shanghai branch based on the period of shares held, and be deducted and transferred by securities firms from individual accounts to CSDC Shanghai branch and then transfer to the Company within 5 working days of next month. The Company shall declare tax to taxation authorities within the prescribed time limit in the same month that the company receives the tax payment.

Actual tax calculation: for shares holding within 1 month (incl. 1 month), all dividends shall be measured as taxable income, actual tax burden is 20%; for 1 month to 1 year (incl. 1 year) 50% deducted temporarily and actual tax burden is 10%; and for more than 1 year, the income tax withholding on dividends is suspended.

(2) For A share institutional investors who are recognized as “resident enterprises” defined in “Enterprise Income Tax Law”, the Company shall not withhold and pay the income tax for them. The actual cash dividends shall be paid to them is 0.53 Yuan per share.

(3) For Qualified Foreign Institutional Investors (QFII) who hold shares of the Company, the Company shall withhold and pay the income tax for them at the tax rate of 10% according to the "State Administration of Taxation – Notification on Relevant Issues Regarding China Resident Enterprises Distributing Dividends or Interests to QFII and Withholding and Paying Income Tax for Them" (Guoshui Han 2009 No. 47). Hence the actual distribution amount after tax shall be 0.477 Yuan/share. If the relevant shareholder considers that the dividend income received by him/her needs to enjoy the tax treaty (arrangement) treatment, he/she can apply to his/her competent tax authority on his/her own in accordance with the regulations after receiving the dividend.

(4) For investors of the Company’s A Share (SH-HK Stock Connect program) from Hong Kong Stock Exchange, the Company will withhold the income tax at 10% rate according to the Notice on Tax Policy for SH-HK Stock Exchange Market Transaction Interconnection and Interworking Mechanism Pilot (Caishui [2014]No.81), and the actual dividend is RMB 0.477 Yuan per share after tax. For Shanghai Stock Connect investors who are tax residents outside of China and the there is a tax agreement signed between their home country and China, the income tax rate for cash dividends is lower than 10%. Enterprises or individuals can report to the Company tax authority either by themselves or entrust a withholding agent for enjoying the benefits of the tax agreement. The competent tax authority will refund the difference between the tax already collected and the tax payable calculated according to the tax rate of the tax agreement after the competent tax authority examines it.

V. Consultation Information

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It is herewith announced.

Board of Directors of Huaxin Cement Co., Ltd.
12 June 2024