Stock Codes: 600801, 900933 Stock Abbreviations: Huaxin Cement, Huaxin B Share Ref: 2022-004

Huaxin Cement Co., Ltd.
Announcement on the Progress of the Matters Related to the Domestically Listed Foreign Shares Changing the Listing Venue and Listed on the Main Board of Hong Kong Stock Exchange Limited By Way of Introduction

To the best of our knowledge, the Board of Directors of the Company and its members

option distribution, exercise declaration, exercise clearing and settlement, and will no longer be traded.

The company will provide B-share shareholders with cash option declaration and exercise services through the SSE trading system declaration method.

5. After the declaration of the exercise of the cash option is completed, when one of the following circumstances occurs, the cash option will not be executed and the whole plan will be terminated, and the company's B shares will continue to be traded in the B-share market of the Shanghai Stock Exchange: (1) The number of shares declared to exercise the cash option exceeds 154,408,766 shares, or the top three B-share public shareholders will hold the total shares after the exercise of the option. (2) The number of public shareholders in Hong Kong is less than 300.

6. After the implementation of the cash option is completed and the number of overseas public shareholders who have opened accounts in Hong Kong is determined to be no less than 300, the company will apply to the Stock Exchange for the removal of B shares, and will obtain the official approval of the Hong Kong Stock Exchange for the listing of the company's H shares. After the letter was issued, it was listed and traded on the main board of the Hong Kong Stock Exchange in the form of H shares.

I. Matters related to domestic transactions

If this plan is successfully implemented, when the company's shares are listed and traded on the main board of the Hong Kong Stock Exchange, the H-shares held by the original B-share holders can be converted from B-shares to H-shares according to their own circumstances and the principle of voluntariness, in compliance with laws, regulations and trading rules. Under the premise, you can choose to conduct trading activities through the trading system of domestic securities companies or transfer to theot BT1 0 0 1 ad

choose cross-border transfer custody, it is first necessary to confirm whether the trading system of the account-opening securities company has been upgraded to provide real-time H shares after the conversion and accept transaction declarations; if the account-opening securities company has completed the transformation of the trading system Update, the investor's trading operation method through the securities company where the account is opened remains basically unchanged except for the change of the stock trading code (the changed stock trading code will be announced separately), but only has the right to hold or sell the company's H shares. If the account-opening securities company has not completed the transformation and update of the trading system, the investor can cancel the designated transaction at the account-opening securities company, and select a domestic securities company that has completed the transformation and update of the trading system to re-handle the designated transaction, and then go through the completed transaction system transformation. The updated securities company conducts transaction reporting.

II. Cross-border transfer custody matters

Shares held by foreign investors can apply for transferring the custody from domestic securities companies to overseas securities companies (i.e. "cross-border transfer custody"). Investors trading in China (including domestic investors and foreign investors who do not choose cross-border transfer custody) can only sell, not buy the company's H shares. After foreign investors complete the cross-border transfer of custody, they can buy or sell the company's H shares in accordance with the general H share trading rules without transaction restrictions.

Reminder: In order to support the smooth implementation of the company's H-share listing, and meet the requirement of not less than 300 overseas public shareholders who have opened an account in Hong Kong as soon as possible, those who can meet the cross-border transfer custody requirements and wish to transfer to the Hong Kong market for direct transactions please submit an application for cross-border transfer of custody to CSDC Shanghai Branch as soon as possible through its designated trading securities company or designated settlement custodian bank.

(I) Cross-border transfer custody process

Before applying for cross-border custody transfer, foreign investors should open a securities trading account with any securities company or custodian bank in Hong Kong, and need to fill in the relevant information of the securities account when applying for custody transfer. The specific process of cross-border transfer custody is as follows:

(1) The investor shall submit the application for cross-border transfer of H shares to the securities company designated for trading or the designated custodian bank for settlement with his or her identification document.

(2) After the securities company or the custodian bank has verified that information is correct, and verified that the cross-border transfer custody shares declared by the investor have no flaws in shareholding rights (including but not limited to judicial freezing, share pledge, etc.), it will fill in the application form for cross-border transfer custody declaration and the cross-border transfer custody detailed data file, and submit the transfer custody application to China Clearing through its registered mailbox in China Settlement.

(II) Attention for cross-border transfer custody

Foreign investors who have not opened a securities trading account with a Hong Kong securities company or a custodian bank cannot conduct cross-border transfer custody.

Investors who apply for cross-border transfer of custody shall not trade or transfer the shares declared for cross-border transfer of custody.

If the investor's securities account balance is less than the number of cross-border transfer custody applications, the cross-border transfer custody application becomes invalid and will be cancelled.

If the investor continues to declare the cash option after submitting the cross-border transfer custody, the declaration of the cash option will be invalid.

For specific cross-border transfer custody details, please refer to the above-mentioned "China Securities Depository and Clearing Corporation Limited Shanghai Branch B-to-H Registration and Settlement Business Guide", or you can consult the account-opening securities company or the company.

III. Implementation Arrangements for the Cash Option Scheme

According to the company's B-share listing and listing plan on the main board of the Hong Kong Stock Exchange by way of introduction, the company's B-shares will apply to the

Shanghai Stock Exchange for suspension of trading in the near future, and the company's B-shares will be subject to cash option distribution and exercise. In the stage of declaration, exercise, clearing and settlement, there will be no more transactions.

The company will provide B-share shareholders with cash option declaration and exercise services through the SSE trading system declaration method.

If, after the declaration for the exercise of the cash option, the cash option in this plan will not be implemented, the plan will be terminated, and the B shares will continue to be traded on the B-share market of the Shanghai Stock Exchange when one of the following circumstances occurs: (1) Apply for the exercise of the cash option 154,408,766 shares or more than 154,408,766 shares, or the top three public shareholders of B shares hold more than 50% of the public shares of B shares after the exercise of the options, and (2) the number of public shareholders in Hong Kong is less than 300.

After the implementation of the cash option is completed and the number of overseas public shareholders who have submitted a valid cross-border transfer custody application and opened an account in Hong Kong is confirmed to be no less than 300, the company will apply to the Stock Exchange for the removal of B shares, and will obtain the Hong Kong Stock Exchange After the Exchange formally approves the approval letter of the company's H-share listing, it will be listed and traded on the main board of the Hong Kong Stock Exchange in the form of H-shares.

The Company has obtained the approval letter for the hearing. Nevertheless, the listing still needs to comply with other listing conditions. Investors should be aware of the risks of investment.

For further questions, please contact the following parties:

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It is herewith announced.

Huaxin Cement Co., Ltd.
Board of Directors

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