Huaxin Cement Co., Ltd.

Announcement on Providing the Financing Guarantee for Some Subsidiaries

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.

Key notes:

Guaranteed subject: Huaxin Cement (Huangshi) Co., Ltd. and other wholly-owned subsidiaries and holding subsdiaries

The guarantee for Huaxin Cement (Huangshi) Co., Ltd. and other wholly-owned subsidiaries and holding subsdiaries amounted to RMB 19.049 billion. As of the end of 2023, the actual guarantee balance provided to the above companies was RMB 10.016 billion.

Any counter guarantee for this new guarantee: Joint shareholders of Huaxin Green Building Materials (Wuxue) Co., Ltd. to provide counter guarantee, no other counter guarantee.

Cumulative number of overdue external guarantees of the company: None

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II. Subsidiaries and guarantee amount

(1) Guarantee for the working capital loans (includes establishing letters of credit, bank acceptances, letters of guarantee)

Unit 10,000 RMB

NO.	Guarantee	Guarantee amount	Registered capital

NO.	Guarantee	Guarantee amount	Registered capital	Share holding	Assets by the end of 2023	Liabilities by

NO.	Guarantee	Guarantee amount	Registered capital	Share holding	Assets by the end of 2023	Liabilities by the end of 2023	Net assets by the end of 2023	Operating revenue 2023	Net profit 2023
28	Huaxin Cement (Daoxian) Ltd.	3,000	18,000	100%	35,324	13,042	22,282	26,911	-405
29	Huaxin Cement (Enping) Ltd.	3,000	280M HKD	65%	68,472	67,927	545		

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(2) **Guarantee for the fixed assets loan**

Unit 10,000 RMB

NO	Guarantee	project name	Total project investment	Last approval	increase or decrease	Guarantee amount	Registered capital	Share holding	Assets by the end of 2023	Liabilities by the end of 2023	Net assets by the end of 2023	Operating revenue 2023
1	Huaxin Cement (Huangshi) Ltd.	cement clinker production line with annual output of 2.85 million tons Mining rights,	184,757	120,000	-	120,000	111,600	94%	321,565	205,120	116,445	91,461
2	Huaxin Cement (Huangshi) Ltd.											

NO	Guarantee

11	Huaxin new material (Changyang) Co., Ltd	Lion Pack Mining Rights	38,513

17	CHILANGA Cement PLC	Renovation and expansion of the Ndola project in Zambia	$15 Million	-	7,560	7,560	12.3 million Zambian Kwacha	75%	113,209	38,481	74,728	13,443
18	Portland Cement (Malawi) Limited	Malawi project renovation and expansion	$50 Million	-	32,400	32,400	15786274.47 Kwacha	100%	12,326	7,568	4,758	27,525
19	Maweni limestone limited	Tanzania Phase II Clinker Production Line	68,343	-	40,000	40,000	TZS 307 billion	100%	204,881	177,305	27,576	73,885
20	Kunming Chongde Cement Co., Ltd	Chongde Phase II	75,000	44,500	-14,500	30,000	38,200	100%	106,640	74,797	31,843	

3 Bonds and others

III. Guarantee items

(1) Scope of guarantee: Between the Company and wholly owned subsidiaries, between the Company and controlling companies.

(2) Guarantee amount: The total amount of guarantee is RMB 19.049 billion.

(3) Terms of guarantee: For the working capital loan guarantee, guarantee contracts shall be signed from the date of approval of the shareholders' general meeting to the date of three years' expiration, and the Company is authorized to continue to provide guarantee for it when the business is renewed within the authorization period. For the fixed asset loan guarantee, guarantee contracts shall be signed in the period from the date of approval by the shareholders' general meeting to the date of expiration of three years, and the specific guarantee period shall be determined according to the signed guarantee contracts.

(4) Mode of guarantee: Wholly owned subsidiaries and controlling subsidiaries can utilize the guarantee within the above amount at one time or for several times. Specific guarantee amount, duration and mode of guarantee shall be confirmed in the contracts (including signed or to be signed agreements on the transfer of benchmark interest rate of overseas loans). The Company undertakes joint and several liability guarantee. Guarantee amount can be distributed among wholly owned subsidiaries based on actual need within the aforesaid total guarantee amount. The Company can provide guarantee and sign guarantee agreements without convening board meetings or the shareholders general meeting.

(5) Counter guarantee of this time: The joint venture shareholders of Huaxin Green Building Materials (Wuxue) Co., Ltd. provide counter guarantee, there are no other counter guarantees.

IV. Main contents of guarantee agreements

The company will determine the specific guarantee amount within the above applied guarantee amount according to the production and operation of all wholly-owned and holding subsidiaries, and sign relevant agreements when each guarantee business occurs.

V. Opinion of the Board

In view of the fact that the above-mentioned companies are all wholly-owned subsidiaries and holding subsidiaries of the Company, and that the above-mentioned companies have good financial status and solvency, and that the Company has effective control over their operation and management, finance, investment and financing, the Company has the ability to fully grasp and monitor the business activities of the guaranteed companies.

The purpose of providing the financing guarantee for some subsidiaries is to meet the financing needs of different subsidiaries and provide guarantee for their financing business such as bank borrowing, letter of credit, bank acceptance, letter of guarantee, financial leasing, bond issuance, and foreign exchange risk management etc. The guarantee risk can be controlled, therefore, the board of directors of the company agrees to the above financing guarantee and agrees to submit this matter to the shareholders' meeting for approval.

VI. The company's total number of external guarantees and the number of overdue guarantees

As of December 31, 2023, the actual utilized