

Huaxin Cement Co., Ltd.
Announcement on Providing Working Capital to Changyang Tujia

The board of directors and all directors of the Company confirm that there are no false records, misleading statements or material omissions in the content of this announcement, and assume individual and joint responsibility for the authenticity, accuracy and completeness of its content.

I. Brief of financial assistance

Huaxin New Materials (Changyang) Company (Changyang aggregate) was a wholly-owned subsidiary of Huaxin Cement (Changyang) Company. The former has a 6 million tons of aggregate line constructed in November, 2017. In March 2021, Baishiping quarry right was obtained (reserve of 250 million tons).

Huaxin Cement (Changyang) Company signed an *Agreement of Cooperation to Build Huaxin Changyang Building Materials Industry Park* with *Changyang Tujia* (a wholly-owned subsidiary of *Changyang Tujia*) on March 10, 2022. The agreement is as follows:

III. Review procedure of the financial assistance

1. Board procedure

On March 29, 2022, 12th Meeting of the Tenth Board approved the proposal with 9 votes of consent. The Board approved the 80 million working capital and authorized the management to sign related contracts.

2. Opinions of independent directors

Independent directors believe that the 80 million working capital is to accelerate the progress. It will not harm the interests of shareholders. The proposal is agreed.

It is herewith announced.

March 30, 2022