

Huaxin Cement Co., Ltd.

Announcement on 2024 Profit Distribution Proposal

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.

Importance:

- Distribution ratio per share: Cash dividend of 0.46 Yuan per share (incl. tax).
- The profit distribution is based on the total shares registered on the equity rights registration date. The specific date will be specified in the Announcement on 2023 Dividend Distribution. If the total share capital of the company changes before the record date for the implementation of equity distribution, it is proposed to maintain the total distribution amount unchanged, adjust the distribution ratio per share accordingly, and the specific adjustment will be announced separately.
- The profit distribution does not trigger the scenario stipulated in Item (8) of Article 9.8.1 of the “Stock Listing Rules of Shanghai Stock Exchange (Revised in April 2024)” that may lead to the implementation of other risk warnings.

I. Profit Distribution Proposal

(I) The specific content of the profit distribution proposal

Audited by Ernst & Young Hua Ming Certified Public Accountants LLP, in 2024, the net profit of the Company in 2024 amounted to RMB 1,928,498,891, and the consolidated net profit attributable to the shareholders amounted to RMB 2,416,280,487. The profit of the Company available for distribution was RMB 10,748,397,602 as at the end of 31 December 2024.

According to the resolution of the Tenth Meeting of the Eleventh Board of Directors of the Company, the profit distribution is based on the total number of shares registered on the record date for implementing dividend distribution. The profit distribution proposal is as follows:

Based on the Company's total share capital of 2,078,995,649 shares on the record date for the implementation of the profit distribution for year 2024, a cash dividend of RMB 0.46 per share (tax inclusive) was proposed to be distributed to all shareholders. The total amount of dividends to be distributed is RMB 956,337,999 (tax included), which represents 40% of the net profit attributable to the shareholders of the listed company for this year. No public reserve capitalization is provided in the profit distribution plan for the year 2024.

The profit distribution proposal shall be submitted to the Shareholders' Meeting of the Company for review.

(II) Whether it may trigger other risk warning scenarios

	2024	2023	2022
Cash dividend (Unit: Yuan)	956,337,999	1,101,867,694	1,068,424,438
Repurchase and cancelled amount (Unit: Yuan)	0	0	0
Net profit attributable to the ordinary shareholders in the consolidated statements for the dividend year	2,416,280,487	2,762,116,715	2,698,868,510
Undistributed profit at the end of the Reporting Period for the latest fiscal year (Unit: Yuan)	10,748,397,602		
Accumulated cash dividend for the last three fiscal years (Unit: Yuan)	3,126,630,131		
Repurchase and cancelled amount for the last three fiscal years (Unit: Yuan)	0		
Average annual net profit for the last three fiscal years (Unit: Yuan)	2,625,755,237		
Accumulated cash dividend and repurchase and cancelled amount for the last three fiscal years (Unit: Yuan)	3,126,630,131		
Whether the cumulative total of cash dividends and repurchase cancellations over the past three fiscal years is less than 50 million yuan?	NO		
Proportion of cash dividend for the last three fiscal years	119		
Whether the Proportion of cash dividend for the last three fiscal years is less than 30%?	NO		
Whether it triggers the scenario stipulated in Item (8) of Article 9.8.1 of the "Stock Listing Rules of Shanghai Stock Exchange (Revised in April 2024)" that may lead to the implementation of other risk warnings	NO		

As shown in the table above, the company's cumulative cash dividend amount over the last three fiscal years is higher than 30% of the average net profit over the last three fiscal years. Therefore, it does not trigger the situation stipulated in Article 9.8.1, Paragraph 1, Item (8) of the Shanghai Stock Exchange Stock Listing Rules, which may lead to the implementation of other risk warnings.

II. Decision-making procedures performed by the Company

The Company convened the Tenth Meeting of the Eleventh Board of Directors on 26 March 2025. The Meeting approved the 2024 Profit Distribution Proposal of the Company, and agreed to submit the profit distribution proposal to the Annual Shareholders' Meeting 2024 for review.

III. Relevant risks

This profit distribution proposal has comprehensively considered factors such as the development stage and future fund demand of the Company, and will not pose significant impact on the operating cash flow of the Company, nor will it affect the normal operations and long term development of the Company.

It is herewith announced.

Board of Directors of Huaxin Cement Co., Ltd.
27 March 2025