

## Huaxin Cement Co., Ltd.

### Announcement on Resolutions of the Annual Shareholders' General Meeting 2017

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.

#### Important Notice:

- Proposal be voted down: Nil

#### I. Convening and Presence of the Meeting

(I) Convening Time: April 24, 2018

(II) Convening Place: Meeting Room on the 22nd floor of Tower B, Huaxin Building, No. 426 Gaoxin Avenue, East Lake High-tech Development Zone, Wuhan City, Hubei Province

(III) Information of Present Ordinary Shareholders and Shares They Hold:

1. Number of present shareholders and proxies	102
Includes: Shareholders of A share	16
Shareholders of domestic listed foreign shares (B share)	86
2. Total voting shares held by present shareholders (share)	942,250,353
Includes: Total shares held by A share shareholders	565,526,094
Total shares held by Shareholders of domestic listed foreign shares (B share)	376,724,259
3. The proportion of voting shares held by present shareholders to total voting right shares of the Company (%)	62.92
Includes: The proportion of voting right shares held by present A share shareholders to total shares of the Company (%)	37.76
The proportion of voting right shares held by present B share shareholders to total shares of the Company (%)	25.16

(IV) The Meeting was convened by the Board of Directors, and presided by Mr. Xu Yongmo, the Chairman of the Board of Directors. The Meeting adopted a voting method of on-site voting combined with online voting. The calling and convening procedure, qualification of attendees, share registration and voting procedure of the Meeting were in compliance with the stipulations contained in the *Company Law*, the *Rules of Shareholders' General Meeting of Listed Companies* and the *Articles of Association of the Company*.

(V) Presence of Directors, Supervisors and Secretary to the Board

1. 6 of the 9 Directors of the Company were present at the Meeting, Directors of the Eight Board of Directors Mr. Martin Kreigner and Mr. Daniel Bach did not attend the Meeting due to the

change of term of office. Independent Director Mr. Simon MacKinnon did not attend the Meeting for he had other commitments.

2. All the 5 Supervisors of the Company were present at the Meeting.

3. Vice President / Secretary to the Board Mr. Wang Ximing was present at the Meeting. VP Ms. Kong Lingling also attended the Meeting.

## II. Review on the Proposals

### (I) Proposals Voted by Non- cumulative Voting

#### 1. Annual Work Report 2017 of the Board of Directors

Voting result: Pass

Information of the Voting:

Shareholder type	Affirmative		Negative		Abstention	
	Number	%	Number	%	Number	%
A share	565,524,094	99.9996	2,000	0.0004	0	0.0000
B share	376,724,259	100.0000	0	0.0000	0	0.0000
Total Number of the ordinary shares	942,248,353	99.9997	2,000	0.0003	0	0.0000

#### 2. Annual Work Report 2017 of the Board of Supervisors

Voting result: Pass

Information of the Voting:

Shareholder type	Affirmative		Negative		Abstention	
	Number	%	Number	%	Number	%
A share	565,524,094	99.9996	2,000	0.0004	0	0.0000
B share	376,724,259	100.0000	0	0.0000	0	0.0000
Total Number of the ordinary shares	942,248,353	99.9997	2,000	0.0003	0	0.0000

#### 3. Final Financial Report 2017 and Financial Budget Report 2018 of the Company

Voting result: Pass

Information of the Voting:

Shareholder type	Affirmative		Negative		Abstention	
	Number	%	Number	%	Number	%
A share	565,524,094	99.9996	2,000	0.0004	0	0.0000
B share	376,724,259	100.0000	0	0.0000	0	0.0000
Total Number of the ordinary shares	942,248,353	99.9997	2,000	0.0003	0	0.0000

#### 4. Profit Distribution Plan 2017 of the Company

Voting result: Pass

Information of the Voting:

Shareholder type	Affirmative		Negative		Abstention	
	Number	%	Number	%	Number	%
A share	565,524,094	99.9996	2,000	0.0004	0	0.0000
B share	376,724,259	100.0000	0	0.0000	0	0.0000
Total Number of the ordinary shares	942,248,353	99.9997	2,000	0.0003	0	0.0000

#### 5. Proposal in Respect of Providing Guarantees for Bank Loans of Some Subsidiaries

Voting result: Pass

Information of the Voting:

Shareholder type	Affirmative		Negative		Abstention	
	Number	%	Number	%	Number	%
A share	562,672,108	99.4953	2,853,986	0.5047	0	0.0000
B share	315,417,245	83.7262	61,307,014	16.2738	0	0.0000
Total Number of the ordinary shares	878,089,353	93.1906	64,161,000	6.8094	0	0.0000

#### (II) Proposals voted by cumulative voting

#### 6. Proposals in Respect of Electing Mr. Xu Yongmo, Mr. Li Yeqing, Mr. Liu Fengshan, Mr. Ian Riley, Mr. Roland Koehler, Ms. Geraldine Picaud as Directors of the Ninth Board of Directors

No.	Proposal	Votes received	Proportion of the votes in the effective votes presenting at the Meeting	Elected or not
6.01	Mr. Xu Yongmo	942,355,857	100.0111	Elected
6.02	Mr. Li Yeqing	942,355,857	100.0111	Elected
6.03	Mr. Liu Fengshan	938,838,690	99.6379	Elected
6.04	Mr. Ian Riley	942,573,457	100.0342	Elected
6.05	Mr. Roland Koehler	942,573,457	100.0342	Elected
6.06	Ms. Geraldine Picaud	942,573,457	100.0342	Elected

#### 7. Proposals in Respect of Electing Ms. Liu Yan, Mr. Simon MacKinnon, Mr. Wang Liyan as Independent Directors of the Ninth Board of Directors

No.	Proposal	Votes received	Proportion of the votes in the effective votes presenting at the Meeting	Elected or not
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7.01	Ms. Liu Yan	942,064,360	99.9802	Elected
7.02	Mr. Simon Mackinnon	941,901,160	99.9629	Elected
7.03	Mr. Wang Liyan	942,064,360	99.9802	Elected

Mr. Xu Yongmo, Mr. Li Yeqing, Mr. Liu Fengshan, Mr. Ian Riley, Mr. Roland Koehler, Ms. Geraldine Picaud, Ms. Liu Yan, Mr. Simon MacKinnon and Mr. Wang Liyan form the Ninth Board of Directors with the term of office of 3 years since the approval of Shareholders' General Meeting.

#### 8. Proposals in Respect of Electing Mr. Peng Qingyu, Mr. Fu Guohua, Mr. Yu Yousheng as the Supervisors of the Ninth Board of Supervisors

No.	Proposal	Votes received	Proportion of the votes in the effective votes presenting at the Meeting	Elected or not
8.01	Mr. Peng Qingyu	943,540,475	100.1369	Elected
8.02	Mr. Fu Guohua	938,617,508	99.6144	Elected
8.03	Mr. Yu Yousheng	938,617,508	99.6144	Elected

Mr. Peng Qingyu, Mr. Fu Guohua, Mr. Yu Yousheng, along with Employee Supervisors Mr. Zhang Lin and Mr. Yang Xiaobing form the Ninth Board of Supervisors with the term of office of 3 years since the passage of the Shareholders' General Meeting.

Resumes of Mr. Zhang Lin and Mr. Yang Xiaobing as followed:

Mr. Zhang Lin, born in September 1972, MBA, CPA. He graduated from Hangzhou Business School, Zhejiang Business Administration University, majoring in accounting in June 1995; graduated from Huazhong University of Science and Technology, majoring in Business Administration in December 2002. He joined the company in July 1995, served as the Company's accountant, Chief of Plan and Finance Department of Xiantao Company and Yichang, Financial Manager of Zhaotong Company, member of HARP project, Vice Manager of ERP Department, Director of Internal Control Department, Deputy Financial Director of Overseas BU and he is currently the Chief of the Internal Control and Internal Audit Department of the Company. He took the position of Supervisor from Mar 2017.

Mr. Zhang Lin has no association relationship with the largest shareholder and the actual controller of the Company. He does not hold any share of the Company. Neither has he been punished by China Securities Regulatory Commission and other related departments nor disciplined by the stock exchange.

Mr. Yang Xiaobing, born in July 1970, bachelor's degree, Human Resources Professional. He joined the Company in March 1992. He once served as investigator of the Planning & Development Department; deputy chief and chief of the Business Administration Division of the Corporate Office; Chief of the Human Resources Development of Huaxin Golden Cat Company, human resources manager of the Company, Professional Assistant Deputy Director of Southwest BU. He currently takes the position of the Chief of the Labor Union Office. He took the position of Supervisor from April 2013.

Mr. Yang Xiaobing has no association relationship with the largest shareholder and the actual controller of the Company. He does not hold any share of the Company. Neither has he been punished by China Securities Regulatory Commission and other related departments nor disciplined by the stock exchange.

(III) Voting result of Cash Dividend Distribution Calculated in sections

	Affirmative		Negative		Abstention	
	Number	%	Number	%	Number	%
Shareholder possesses more than 5% ordinary shares	808,578,790	100	0	0.0000	0	0.0000
Shareholder possesses 1%-5% ordinary shares	57,703,830	100	0	0.0000	0	0.0000
Shareholder possesses less than 1% ordinary shares	75,965,733	99.99737	2,000	0.00263	0	0.0000
Including: Shareholder possesses less than 500 k Yuan worth ordinary shares	22,883,559	99.99126	2,000	0.00874	0	0.0000
Shareholder possesses more than 500 k Yuan worth ordinary shares	53,082,174	100	0	0.0000	0	0.0000

(IV) Voting result of the shareholders with less than 5% shareholding on major issues

No.	Proposal	Affirmative		Negative		Abstention	
		Number	%	Number	%	Number	%
4	Proposal in Respect of 2017 Profit Distribution	133,669,563	99.9985	2,000	0.0015	0	0.0000

(V) Relevant information on the proposal voting

Voting matters of the Shareholders' General Meeting are all ordinary matters. Ordinary resolutions made by the Shareholders' General Meeting shall be passed by over half the voting rights held by shareholders (including shareholder proxy) present at the meeting.

III. Witness by Lawyers

1. Name of the Law Firm: Hubei Sunshine Law Firm

Lawyers: Ms. Han Jing, Ms. Mei Mengyuan

2. Conclusion of the opinions:

Through on-site verification, we consider that, the calling and convening procedures of the Meeting were in compliance with the relevant laws, administrative regulations, the Rules of Procedure of Shareholders' General Meeting and Articles of Association of the Company; qualification of attendees and the convener were legitimate and valid; voting procedure and the voting results of the Meeting were legitimate and valid.

IV. Documents for Inspection:

1. Resolutions of the Shareholders' General Meeting with the official seal of the Board of Directors and signatures of all present Directors and the recorder;
2. Letter of Legal Opinions with the official seal and signature of the Head of Hubei Sunshine Law Firm

Huaxin Cement Co., Ltd.

April 25, 2018