Huaxin Cement Co., Ltd.
Announcement on the Reappointment of the Accounting Firm for 2022 Financial Audit and Internal Control Audit

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.

Key note:

The Accounting Firm to be appointed: Deloitte Accounting Firm

I. Basic information of the accounting firm to be appointed

(I) Information on the agency

1. Basic information

Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership) (hereinafter referred to as Deloitte Touche Tohmatsu) was formerly known as Hujiang Deloitte Touche Tohmatsu Certified Public Accountants Co., Ltd., which was established in February 1993. Later it was renamed as Deloitte Touche Tohmatsu Certified Public Accountants LLP in 2002. With the approval of the Ministry o17(h)-8(6C)-8(d)13( )-2P Fc-221(2)-221(t).(f)-(6C)-8(d)13( )-2P Fc-22tBT BT.0P-8(17(h)-8(6C

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3. Business scale

Deloitte Touche Tohmatsu's audited business income for 2020 totaled RMB 4.0 billion, of which audit business income was RMB 3.1 billion and securities business income was RMB 688 million. Deloitte provided 2020 annual report audit service for 60 listed companies with total service fee of 205 million RMB. Industries engaged in by listed companies that Deloitte provided service to are mainly manufacturing, finance, real estate, transportation, warehouse and postal service, mining.

4. Capacity to protect investors

The cumulative compensation limit of occupational insurance purchased by Deloitte Touche Tohmatsu exceeds RMB 200 million, which is in compliance with relevant regulations. Deloitte Touche Tohmatsu has not assumed civil liability in relevant civil lawsuits due to its practice in the past three years.

5. Independence and integrity record

Deloitte Touche Tohmatsu and its employees have not received any criminal or administrative penalties due to their practice in the past three years, and have not received any administration supervision measures by securities regulatory authorities or self-regulatory measures and disciplinary sanctions by self-regulatory organizations such as stock exchanges and industry associations.

(II) Information on the project members

1. Member information

Mr. Chen Jialei, partner of the project, joined Deloitte Touche Tohmatsu in 2002 and has been engaged in professional service of audit and capital market. He is now a practising member of China Certified Public Accountants and has been in securities service over 19 years, provided audit service for listed companies and served as project partner and signature certified public accountant, is well equipped with professional competence.

Mr. Yuan Shouqing, the quality control re-auditor has long been engaged in audit and professional services related to capital market and now he is a practising member of China Certified Public Accountants. Mr. Yuan Shouqing has been in securities service over 25 years, provided audit service for listed companies and served as project partner and signature certified accountant, is well equipped with professional competence.

The proposed signature CPA Mr. Pang Yong has long been engaged in audit and professional services related to capital market and he is now a practising member of China Certified Public Accountants. Mr. Pang Yong has been in securities service over 12 years, provided audit service for listed companies and served as signature certified accountant, is well equipped with professional competence.

2. Independence and integrity record of the above members

The above members have not received any criminal or administrative penalties due to their practice in the past three years, and have not received any

administration supervision measures by securities regulatory authorities or self-regulatory measures and disciplinary sanctions by self-regulatory organizations such as stock exchanges and industry associations.

There is no circumstance that may affect independence for Deloitte Touche Tohmatsu and the above project partner, the signature certified accountants, and the project quality control re-auditor.

II. Procedure of the reappointment

The Audit Committee acquired a full knowledge of Deloitte in advance, acknowledging that Deloitte is professional, practicing in a standard manner, conducting independent audit objectively and fairly, fulfilling the responsibility and obligation as an external audit firm. It has the professional ability and capacity to protect investors. It can meet the requirements of financial audit and control audit. In conclusion, we agreed to reappoint Deloitte as the audit firm for 2022 and to submit the proposal for 12th Meeting of the Tenth Board of Directors for review.

Independent Directors issued opinions on the proposal, indicating that Deloitte is equipped with the qualification of securities and futures, responsibility and professional ethics. It is capable of providing professional service to the financial report and internal control audit. The decision-making procedure of the reappointment is line with laws, regulations and Articles of Association. There is no harm to the Company and shareholders. We agreed with the reappointment.

The 12th Meeting of the Tenth Board of Directors on March 29, 2022 reviewed the proposal and agreed to submit it for shareholders general meeting for approval. And the Board is authorized to decide on the audit fee of 2022.

The proposal requires the approval of shareholders general meeting.

It is herewith announced.

Huaxin Cement Board
March 30, 2022