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HUAXIN CEMENT CO., LTD.*

華新水泥股份有限公司

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 6655)

DISCLOSABLE TRANSACTION

COMPLETION OF ACQUISITION OF THE TARGET COMPANY

This is a follow-up to the announcement of Huaxin Cement Co., Ltd. (the “**Company**”) dated March 13, 2023 and April 5, 2023 (the “**Previous Announcements**”) regarding the acquisition of the 59.58% equity interest (the “**Transaction**”) in Oman Cement Company SAOG (the “**Target Company**”) by a wholly-owned subsidiary of the Company (the “**Purchaser**”). Unless otherwise specified, the terms used in this announcement have the same meanings as those defined in the Previous Announcements.

On March 27, 2023 the Purchaser, in accordance with the terms of the Share Purchase Agreement, assigned the right to receive the sale shares to Abra Holdings Ltd. (“**Abra**”), a wholly-owned subsidiary of the Purchaser incorporated in the Republic of Mauritius. On April 5, 2023 Abra completed the Transaction and the financial results of the Target Company are being consolidated into those of the Group since that date.

The Board is pleased to announce that on June 25, 2023, the acceptance period in relation to the offer to the remaining shareholders of the Target Company (pursuant to the Takeover and Acquisition regulation of the Capital Markets Authority of the Sultanate of Oman) expired and that the remaining shareholders have accepted to sell 5.08% of the issued shares of the Target Company to Abra; Abra will acquire these shares on July 2, 2023 through the Muscat Stock Exchange.

Upon the execution of the purchase of the shares offered to Abra by the remaining shareholders, the Company will hold, through its indirectly wholly-owned subsidiary Abra, 64.66% of the Target Company's issued shares.

According to the Previous Announcements, the initial consideration paid at completion for the acquisition of the 59.58% of the issued shares of the Target Company was USD 193.1 million whereas this initial consideration was subject to a post-completion adjustment to consider the actual equity value of the Target Company as at the completion date (taking into consideration cash, debt, and working capital movements as at the completion date) as well as the dividends for 2022. This post-completion adjustment yielded a final purchase price for the 59.58% of the issued shares of the Target Company of USD 199.7 million which corresponds to USD 0.986 or OMR 0.379 per share. .

The shares offered to Abra by the remaining shareholders will be acquired at the same price of OMR 0.379 per share.

Shareholders and investors should exercise caution when trading the Company's securities.

By Order of the Board
Huaxin Cement Co., Ltd.
Xu Yongmo
Chairman

Wuhan, Hubei Province, the PRC

26 June 2023

As of the date of this announcement, the Board of Directors of the Company comprises Mr. Li Yeqing (President) and Mr. Liu Fengshan (Vice President), as executive Directors; Mr. Xu Yongmo (Chairman), Mr. Martin Kriegner, Mr. Lo Chi Kong and Ms. Tan Then Hwee, as non-executive Directors; Mr. Wong Kun Kau, Mr. Zhang Jiping and Mr. Jiang Hong, as independent non-executive Directors.

** For identification purpose only*