Huaxin Cement Co., Ltd.

Announcement on the Reappointment of the Accounting Firm for 2024 Financial Audit and Internal Control Audit of the Company

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.

I. Basic information of the accounting firm to be appointed

(I) Information on the agency

1. Basic information

Ernst & Young Hua Ming Certified Public Accountants LLP (Special General Partnership) (hereinafter referred to as "EY Hua Ming"), established in September 1992, completed the localization transformation in August 2012, transforming from a Sino-foreign cooperative limited liability firm to a special general partnership firm. Ernst & Young Hua Ming is headquartered in Beijing and its registered address is Room 01-12, 17th Floor, EY Tower, Oriental Plaza, No. 1 East Chang'an Avenue, Dongcheng District, Beijing.

EY Hua Ming has always focused on talent training, and as of the end of 2022, it has 229 partners, and the chief partner is Mr. Mao Anning. There are 1,818 certified public accountants, including more than 1,500 certified public accountants with experience in securities-related business services, and more than 400 certified public accountants who have signed audit reports on securities service business.

EY Hua Ming's total operating revenue in 2022 was RMB5.906 billion, of which the revenue from audit business was RMB5.669 billion (including RMB2.497 billion from securities business). In 2022, a total of 138 A-share listed companies audited their annual reports, with a total fee of RMB 901 million. The main industries involve manufacturing, finance, wholesale and retail, mining, information transmission, software and information technology services, real estate, etc., and have audit business experience in the company's industry.

2. Capacity to protect investors

EY Hua Ming has good investor protection capabilities, and has calculated occupational risk funds and purchased occupational insurance in accordance with relevant laws and regulations, covering the Beijing head office and all offices. The sum of the cumulative compensation limit of the accrued occupational risk fund and the purchased occupational insurance exceeds RMB200 million. EY Hua Ming has not assumed civil liability in relevant civil lawsuits due to its practice in the past three years.

3. Integrity record

EY Hua Ming and its employees have not received any criminal or administrative penalties due to their practice for recent 3 years, and have not received any self-regulatory measures and disciplinary sanctions by self-regulatory organizations such as stock exchanges and industry associations. It has not received a decision from the securities regulatory authority. It has received a self-disciplinary measure from Shenzhen Stock Exchange to issue written warnings to two practitioners of EY Hua Ming, which also did not involve penalties. According to the relevant laws and regulations, the supervision and management measures will not affect the continued undertaking or execution of securities service business and other businesses of EY Hua Ming.

(II) Information on the project

1. Basic information

The project partner and signing certified public accountant is Ms. Fu Yi, who became a certified public accountant in 2003, began to engage in the audit of listed companies in 2001, began to practice in EY Hua Ming in 2004, and provided audit services for the Company since 2022; In the past three years, she has signed/reviewed the annual reports/internal control audits of 2 listed companies, covering industries including manufacturing.

Ms. He Pei, a signing certified public accountant, became a certified public accountant in 2012, began to engage in the audit of listed companies in 2009 and practiced in EY Hua Ming, and provided audit services for the Company since 2022; In the past three years, she has signed or reviewed the annual reports/internal control audits of 2 listed companies, covering industries including manufacturing.

The project quality control re-auditor is Mr. Meng Dong, who became a certified public accountant in 1998, began to engage in the audit of listed companies in 1996, began to practice in Ernst & Young Hua Ming in 2005, and provided audit services for the Company since 2022; In the past three years, he has signed or reviewed the annual reports/internal control audits of 11 listed companies, covering industries including aviation, ports, automobiles, microelectronics, real estate and many other industries.

2. Integrity record

In the past three years, the partners, the quality control re-auditor and the intended signing certified public accountants of the above-mentioned projects have not been subject to criminal penalties for their professional conduct, administrative penalties, supervision and management measures by the CSRC and its dispatched agencies, industry regulatory departments, etc., or self-regulatory measures or disciplinary sanctions by self-regulatory organizations such as stock exchanges and industry associations.

3. Independence

EY Hua Ming, the above-mentioned project partner, the signing certified public