THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in HUAXIN BUILDING MATERIALS GROUP CO., LTD.*, you should at once hand this circular together with the accompanying proxy form and reply slip to the purchaser(s) or transferee(s), or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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HUAXIN BUILDING MATERIALS GROUP CO., LTD.*

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(Stock Code: 6655)

ESTABLISHMENT OF THE MANAGEMENT SYSTEM FOR THE REMUNERATION OF DIRECTORS OF HUAXIN BUILDING MATERIALS GROUP CO., LTD.
PROPOSAL ON THE AMENDMENTS OF CERTAIN ARTICLES IN THE ARTICLES OF ASSOCIATION
AND
NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING IN 2026

All capitalised terms used on this cover have the meanings set out in the section headed "Definitions" in this circular. A letter from the Board is set out on pages [4] to [10] of this circular.

HUAXIN BUILDING MATERIALS GROUP CO., LTD.* ( ) (the "**Company**") intends to hold the Second Extraordinary General Meeting in 2026 of the Company (the "**EGM**") at the Conference Room on 2/F, Block B, Huaxin

A share(s)	means	ordinary shares issued by the Company with a par value of RMB1.00 each, which are listed on the SSE and traded in RMB
A- shareholder(s)	means	holders of A shares
Extraordinary General Meeting or EGM	means	The Second Extraordinary General Meeting in 2026 to be held on Friday, 21 August 2026 at 2:00 p.m.
Articles of Association	means	Articles of Association of the Company (as amended from time to time)
Board of Directors	means	Board of Directors of the Company
China	means	The People's Republic of China, excluding Hong Kong, Macao Special Administrative Region and Taiwan for the purpose of this circular only
Director(s)	means	Directors of the Company
H share(s)	means	Foreign shares listed on the Hong Kong Stock Exchange with a nominal value of RMB1.00 per share in the Company's share capital, subscribed and traded in Hong Kong dollars
H-share holder(s)	means	Holders of H shares
H-share registrar	means	Tricor Investor Services Limited
HKD	means	Hong Kong dollars, the lawful currency of Hong Kong
Hong Kong	means	Hong Kong Special Administrative Region of the PRC
HKEX or Hong Kong Stock Exchange	means	The Stock Exchange of Hong Kong Limited
Listing Rules	means	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
Latest Practicable Date	means	30 July 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion herein
RMB	means	Renminbi, the lawful currency of China

Share(s)	means	Shares of the Company with a par value of RMB1.00 each, including A shares and H shares
Shareholder(s)		

HUAXIN BUILDING MATERIALS GROUP CO., LTD.*

(Stock Code: 6655)

Mr. Li Yeqing

Mr. Xu Yongmo
Mr. Martin Kriegner
Mr. Olivier Milhaud
Ms. Tan Then Hwee
Mr. Ming Jinhua

Block B, Huaxin Building,
No. 426 Gaoxin Avenue,
East Lake High-Tech
Development Zone,
Wuhan City,
Hubei Province,
China

Mr. Wong Kun Kau
Mr. Zhang Jiping
Mr. Jiang Hong

Room 1917, 19/F, Lee Garden One,
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Hong Kong

ESTABLISHMENT OF THE MANAGEMENT SYSTEM FOR THE REMUNERATION OF DIRECTORS OF HUAXIN BUILDING MATERIALS GROUP CO., LTD.
PROPOSAL ON THE AMENDMENTS OF CERTAIN ARTICLES IN THE ARTICLES OF

1. INTRODUCTION

On behalf of the Board of Directors, I hereby invite you to attend the EGM to be held on Friday, 21 August 2026 at 2: 00 p.m. at the Conference Room on 2/F, Block B, Huaxin Building, No. 426 Gaoxin Avenue, East Lake High-Tech Development Zone, Wuhan City, Hubei Province, China.

The purpose of this circular is to give notice of the EGM and to provide you with the information reasonably necessary to make an informed decision on whether to vote for or against the resolutions to be proposed at the EGM.

2. MATTERS TO BE DEALT WITH AT THE EGM

The resolutions to be submitted to the Shareholders for consideration and approval at the EGM include the following:

(1) Proposal on the Adoption of the Management System for the Remuneration of Directors of Huaxin Building Materials Group Co., Ltd.
(2) Proposal on the Amendments of Certain Articles in the Articles of Association

3. ESTABLISHMENT OF THE MANAGEMENT SYSTEM FOR THE REMUNERATION OF DIRECTORS OF HUAXIN BUILDING MATERIALS GROUP CO., LTD.

The Board proposed to establish the Management System for the Remuneration of Directors of Huaxin Building Materials Group Co., Ltd. (the "**Management System**"). The Company will propose an ordinary resolution to consider and approve the Management System, the full text of which is set out below.

Huaxin Building Materials Group Co., Ltd.
Management System for the Remuneration of Directors

Chapter 1 General Provisions

Article 1 In order to regulate the remuneration management of the directors of Huaxin Building Materials Group Co., Ltd. (hereinafter referred to as the “Company”), establish a scientific and effective incentive and restraint mechanism, fully motivate the directors, enhance the Company’s operational and managerial standards and promote the Company’s high-quality and sustainable development, this System is hereby formulated in accordance with the relevant requirements such as the Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association of Huaxin Building Materials Group Co., Ltd. (hereinafter referred to as the “Articles of Association”) and in combination with the Company’s actual circumstances.

Article 2 This System applies to all directors as stipulated in the Articles of Association, including executive directors, non-executive directors, and independent non-executive directors.

Article 3 The remuneration management of the directors of the Company shall adhere to the following principles:

(1) the principle of openness, fairness, standardisation and transparency;

(2) the principle of integrating responsibility, authority and interest, and aligning with the Company's operating results and individual performance;

(3) the principle of adapting to social and economic development and aligning with the Company's development strategy;

(4) the principle of attaching equal importance to incentives and restraints - remuneration shall be set at a level that can attract and retain directors, motivating them to manage the Company's development and operations effectively, while avoiding exceeding reasonable limits.

development, aligned with the Company's operating results and individual performance and consistent with the Company's sustainable development.

Article 10 The determination and payment of performance-based remuneration of executive directors and non-executive directors who serve full-time at the Company shall be primarily based on performance assessments.

Chapter 4 Payment of Remuneration

Article 11 The calculation and payment of remuneration for executive directors and non-executive directors who serve full-time and receiving remuneration from the Company shall be carried out in accordance with the Company's internal remuneration system. Allowances for other directors shall be calculated and paid in accordance with the relevant policies of the Company.

Article 12 The long-term incentive portion in the performance-based remuneration of executive directors and non-executive directors who serve full-time and receiving remuneration from the Company shall be paid on a deferred basis.

A certain percentage of the performance-based remuneration shall be paid after the annual report is disclosed and the performance assessment is completed. The performance assessment shall be conducted based on audited financial data.

Article 13 The remuneration of the Company's directors is quoted as a pre-tax amount. In accordance with the relevant requirements of the State and the Company, the Company shall deduct the following payments from such remuneration:

(1) individual income tax to be withheld and paid;

(2) the portion of various types of social insurance, housing fund, enterprise annuity and other fees payable by the individuals;

(3) the portion of other payments to be borne by the individual in accordance with the relevant requirements of the State and the Company.

Article 14 If a director of the Company breaches his/her duties and causes losses to the Company, or is at fault for illegal or non-compliant acts such as financial fraud, misappropriation of funds or illegal provision of guarantees, the Company may reduce or suspend payment of the remuneration to him/her, or is entitled to recover in full or in part the remuneration already paid to him/her during the period in which the relevant acts occurred, based on the severity of the circumstances.

Chapter 5 Remuneration Adjustment

Article 15 The Company shall appropriately adjust the remuneration standards for directors according to the Company's operating results, the inflation level, the remuneration level of peers and State policies, and shall comply with the relevant approval procedures.

Chapter 6 Supplementary Provisions

Article 16 For any matters not provided herein or in the event of any inconsistency with the relevant laws, regulations, normative documents and the Articles of Association as amended from time to time, the relevant laws, regulations, normative documents and the Articles of Association shall prevail.

Article 17 This System shall take effect and be implemented upon consideration and approval

by the Board of Directors of the Company and submission to the shareholders' meeting of the Company for approval. The Board of Directors of the Company shall be responsible for interpretation.

Huaxin Building Materials Group Co., Ltd.

4. PROPOSAL ON THE AMENDMENTS OF CERTAIN ARTICLES IN THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated [2 August 2026] in relation to the proposed amendments to the Articles of Association. Given that the "Mandatory Provisions for Articles of Associations of Companies to be Listed Overseas" has been abolished, the Board has proposed to amend Article 125 in the Articles of Association as follows:

Original Article	Proposed to be amended as
Article 125 In addition to holders of other classes of shares, holders of domestic shares and holders of overseas listed foreign shares are deemed to be different classes of shareholders. The special voting procedures for class shareholders shall not apply to the following: (1) where the Company issues domestic shares and overseas listed foreign shares separately or concurrently every 12 months following the approval by a special resolution of a general meeting and the number of domestic shares and the number of overseas listed foreign shares to be issued does not exceed 20 percent of the number of the outstanding shares of the respective classes; (2) the issue of domestic shares and overseas listed foreign shares pursuant to a plan adopted by the Company upon its establishment and which is completed within 15 months from the date of approval by the securities regulatory authority.	**Delete this Article**

Save for the proposed amendments set out above, other provisions in the Articles of Association and its appendices remain unchanged. The proposed amendments to the Articles of Association are subject to the approval of the shareholders of the Company, and the shareholders' general meeting shall be requested to authorize Mr. Li Yeqing, president of the Company, or his authorized representative to handle the relevant industrial and commercial registration and filing, as well as other matters related to this change. The amended Articles of Association will be effective from the date of consideration and approval at the EGM.

In addition to the above table, if the addition, deletion or rearrangement of certain articles results in changes to the serial numbers of articles, the serial numbers of articles in the amended Articles of Association shall be sequentially extended or reduced, and cross-referenced article numbers shall also be adjusted correspondingly.

The legal advisers of the Company have confirmed that the proposed amendments to the Articles of Association are in compliance with the requirements of the Hong Kong Listing Rules and the applicable PRC laws.

5. EXTRAORDINARY GENERAL MEETING

soon as possible. H-share holders must return the proxy form or other authorization documents to the Company's H-Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by hand or by post not less than 24 hours before the time designated for holding the EGM or any adjournment thereof

Wuhan City, Hubei Province, China
3 August 2026

HUAXIN BUILDING MATERIALS GROUP CO., LTD.*

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(Stock Code: 6655)

Notice of the Second Extraordinary General Meeting in 2026

Notice is hereby given that the Second Extraordinary General Meeting in 2026 (“**EGM**”) of HUAXIN BUILDING MATERIALS GROUP CO., LTD.* (the **‘‘Company’’**) will be held on Friday, 21 August 2026 at 2:00 p.m. at the Conference Room on 2/F, Block B, Huaxin Building, No. 426 Gaoxin Avenue, East Lake High-Tech Development Zone, Wuhan City, Hubei Province, China for the purpose of considering and, if thought fit, passing the following resolutions. Unless otherwise stated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 3 August 2026.

Ordinary Resolutions

1. Proposal on the Adoption of the Management System for the Remuneration of Directors of Huaxin Building Materials Group Co., Ltd.

Special Resolutions

Notes:

1. Eligibility to attend the EGM and suspension of H shares transfer registration

4. Voting by poll

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at the EGM must be taken by poll. Accordingly, the Chairman of the EGM shall, in accordance with the powers conferred by the Articles of the Association, require a vote by poll on all resolutions presented at the EGM.

5. Miscellaneous

The EGM is expected to take no more than half a day. Shareholders of the Company who attend the EGM shall bear their own traveling and accommodation expenses.

Contact information of the Company:

Address:	Block B, Huaxin Building, No. 426 Gaoxin Avenue, East Lake High-Tech Development Zone, Wuhan City, Hubei Province China
Postal code:	430074
Tel.:	(86) 27 8777 3898
Fax:	(86) 27 8777 3992
Contact person:	Mr. Ye Jiaxing (Secretary to the Board of Directors), Ms. Wang Xiaoqiong (Securities Affairs Representative)

6. All dates and times in this circular refer to Hong Kong dates and times.