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 Cement 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).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

華新水泥股份有限公司
HUAXIN CEMENT CO., LTD

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I c c a , e e c e e e e e , e f e a e e f e a :

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

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
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)	means	shareholders of the Company, including A-share holders and H-share holders
SSE	means	Shanghai Stock Exchange
The Company or Company	means	Huaxin Cement Co., Ltd. (stock code: 6655), a joint stock limited company incorporated in China, whose H shares and A shares have been listed on the main board of the HKEx and the SSE, respectively



HUAXIN CEMENT CO., LTD.*

華新水泥股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(S C : 6655)

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

2. AFFAIRS TO BE DEALT WITH AT THE EGM

The resolution that the Company will propose at the EGM for the Shareholders' consideration and approval is:

The Public Issue of Corporate Bonds

3. PROPOSED PUBLIC ISSUE OF CORPORATE BONDS

Reference is made to the announcement of the Company on the SSE dated 31 January

There is no preferential placement arrangement to the original Shareholders of the Company.

4. Terms of the bonds

The maturity of the corporate bonds to be issued is not more than 5 years and may be of single maturity variety or a mix of maturities. The specific maturity of the issuance and the size of the issuance of each maturity variety are to be determined by the Board and the authorized representative of the Bard to be proposed at the general meeting within the aforementioned range, taking into account of the market conditions and the capital requirements of the Company prior the issuance.

5. Face value, interest rate and method of determination and repayment

The face value of the corporate bonds is 100 RMB/bond, which will be issued at par value. The coupon rate will be determined separately according to the results of the book-entry exercise. The bonds to be issued will bear simple interest on an annual basis without compound interest. The interest shall be paid annually and the principal shall be repaid in one lump sum on the maturity date of the bond. The final installment of interest payable shall be paid together with the principal.

6. Redemption terms or resale terms

Whether the bonds to be issued are subject to redemption or resale provision, and the specific terms of such provisions, will be determined by the Board and authorized representative of the Board to be authorized in general meeting.

7. Use of proceeds

The proceeds raised from the issuance of corporate bonds, after deducting the issue costs, are intended to be used for domestic and overseas investment, project construction, repayment of domestic and overseas liabilities with interest, and replenishment of working capital. The specific purposes of the proceeds raised are to be determined by the Board and authorized representative of the Board to be authorized in general meeting within the aforementioned scope according to the Company's capital needs.

8. Listing venue

Subject to the satisfaction of the listing conditions, the Company will apply to SSE for the listing of corporate bonds as soon as possible after the issuance of the corporate bonds.

9. Credit enhancement

The corporate bonds will be issued without any credit enhancement.

10. Underwriting method

The corporate bonds to be issued shall be underwritten by the lead underwriter or the underwriting syndicate organized by the lead underwriter on a stand-by underwriting basis.

11. Validity of resolutions

The resolution of the general meeting on the issue of corporate bonds shall take effect from the date of the approval by the Shareholders at general meeting until the expiry of 24 months from the date of CSRC's approval to the registration of the bonds.

12. Measures of safeguard for bond repayment

It will be proposed at the general meeting to authorize the Board to take following measures when the principal and interest of the corporate bonds are not expected to be paid on time or are in default when due:

(1) not to distribute dividends to Shareholders;

(2) suspend the implementation of capital expenditures such as major external investments and acquisitions and mergers etc.;

(3) reduce or suspend the salaries and bonus of the Directors and the Senior Management; and

(4) prohibit transfer of key responsible persons.

13. Matters to be authorized for the bond issuance

In order to enhance the efficiency of this issuance of corporate bonds, the Board shall propose to the Shareholders at general meeting to authorize the Board, and agree that the Board to authorize Mr. Li Yeqing, a Director, as the authorized representative for the bond issuance, to handle all matters related to the issuance of corporate bonds

(3) select bond trustee, sign the Bond Trustee Management Agreement and formulate the Bondholders Meeting Rules;

(4) handle the reporting of the issuance of the corporate bonds;

(5) formulate, approve, sign, modify and announce various legal documents related to the issuance of the corporate bonds, and make corresponding supplements or adjustments to the reporting documents in accordance with the requirements of the approving authority;

(6) make corresponding adjustment to matters relating to the issuance of corporate bonds in accordance with the views of the regulatory authorities in the case of any change in the policy of the regulatory authorities on the issuance of corporate bonds or changes in the market conditions, except for matters that are required to be re-voted at the general meeting as stipulated in the relevant laws, regulations and the Articles of Association;

(7) determine the specific arrangements for use of proceeds raised based on the actual situation;

(8) disclose the issuance of the corporate bonds in a timely manner in accordance with the relevant laws and regulations; and

(9) handle other matters relating to the corporate bonds.

This proposal will be submitted to the Shareholders at the EGM of the Company for approval. Upon being approved by the Shareholders at general meeting, the Company will apply to CSRC and the scheme approved by CSRC for registration shall prevail.

4. EXTRAORDINARY GENERAL MEETING

The EGM will be held on Friday, 17 February 2023 at 2:00 p.m. at the Company's conference room on 2F, Block B, Huaxin Building, No. 426 Gaoxin Avenue, East Lake High-tech Development Zone, Wuhan City, Hubei Province, China to consider and approve the proposed public issue of corporate bonds. The EGM Notice is set out on pages 9 to 11 of this circular.

A proxy form of the EGM is enclosed herewith. Whether or not you are able to attend the EGM in person, you are requested to read the notice and to complete and return the enclosed proxy form as soon as possible in accordance with the instructions printed thereon. H-share holders must return the proxy form or other authorized 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 24 hours before the time designated for holding the EGM or any adjournment thereof in any event; otherwise, it will be deemed invalid. For the EGM, the proxy form shall be returned before 2:00 p.m. on Thursday, 16 February 2023. The completion and submission of the proxy form shall not preclude you from attending and voting at the EGM in person or its adjournment (as the case may be) if you so wish.

5. VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, the resolutions put to the vote at the EGM will be taken by way of poll. After the EGM, an announcement regarding the voting results will be published on the Company's website at https://www.huaxincem.com and the website of the HKEx at http://www.hkexnews.hk.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, none of the Shareholders are required to abstain from voting on the resolution proposed to be approved at the EGM.

6. RECOMMENDATION

Having considered the circumstances as set out above, the Board of Directors is of the opinion that all resolution to be presented at the EGM is in the best interest of the Company and the Shareholders as a whole. As such, the Board of Directors recommends that the Shareholders vote in favor of all resolution as set out in the notice of the EGM.



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(S C : 6655)

Notes:

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

   To determine the name list of H-share holders eligible to attend the EGM, the Company will suspend the registration for the transfer of H shares from Tuesday, 14 February 2023 to Friday, 17 February 2023 (both days inclusive). H-share holders of the Company whose names appear on the H Share register of members of the Company on Friday, 17 February 2023 are entitled to attend and vote at the EGM. H-share holders who wish to attend the EGM but have not registered their share transfer documents shall lodge their transfer documents together with the relevant share certificates at the Company's H Share Registrar in Hong Kong, namely Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, before 4:30 p.m. on Monday, 13 February 2023.

   The Company will announce separately on the website of the SSE on the details of A-share holders' eligibility to attend the EGM.

2. Proxy appointment

   The proxy form for the resolution as set out in the Circular of the EGM will be sent to shareholders on the same day. A shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies (such proxy is not required to be a shareholder of the Company) to attend and vote in his/her stead. The instrument appointing a proxy must be in writing and signed b(roxy)-p7h.3(e)-496S6(eh)-4a.2(re)-5h.1(old)-4.3()-4.3(t)-424

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 *A ce f eA ca* , require a vote by poll on all resolutions presented at the EGM.

5. Miscellaneous

(1) 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.

(2) 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 Lu (Securities Affairs Representative)

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

A f eda e f N ce, e B a d f D ec f e C a , c e M . L Ye (P e de) a d M . L Fe a (V ce P e de), a e ec e D ec ; M . X Y (C a a), M . Ma K e e , M . L C K a d M . Ta T e H ee, a -e ec e D ec ; M . W K Ka , M . Z a J a d M . J a H , a de e de -e ec e D ec .