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 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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Grant Date	means	the date on which an award is granted to a Selected Participant
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 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
HKEX or Hong Kong Stock Exchange	means	The Stock Exchange of Hong Kong Limited
Hong Kong	means	Hong Kong Special Administrative Region of the PRC
Latest Practicable Date	means	25 March 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion herein
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)
Returned Shares	means	the Award Shares that are not vested and/or are cancelled under the terms of the Scheme, or the H Shares that are deemed to be Returned Shares under the Scheme Rules
RMB	means	Renminbi, the lawful currency of China
Scheme Trustee	means	Trustee appointed by the Company for trust purposes
Selected Participant	means	an eligible employee who is approved to participate in the Scheme and granted Awards in accordance with Rule 6 of the Scheme Rules
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 BUILDING MATERIALS GROUP CO., LTD.*, a joint stock limited company incorporated in China, whose H shares and A shares have been listed on the Main Board of the HKEX (stock code: 6655) and the SSE (stock code: 600801), respectively
Vesting Notice	means	as defined in Rule 9.8 of the Scheme Rules



華新建材集團股份有限公司

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:
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PROPOSED ADOPTION OF THE 2026 H SHARE AWARD SCHEME
PROPOSED AUTHORISATION TO THE BOARD OF DIRECTORS TO HANDLE MATTERS RELATING TO THE 2026 H SHARE AWARD SCHEME
AND
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING IN 2026

1. INTRODUCTION

On behalf of the Board of Directors, I hereby invite you to attend the EGM to be held on Friday, 17 April 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) Proposed Adoption of the 2026 H Share Award Scheme

(2) Proposed Authorisation to the Board of Directors to Handle Matters Relating to the 2026 H Share Award Scheme

3. PROPOSED ADOPTION OF THE 2026 H SHARE AWARD SCHEME

In order to further establish and improve the Company's long-term incentive mechanism, attract and retain talented individuals, fully raise the enthusiasm of core staff of the Company, bond the interests of Shareholders and the Company, as well as the

The Award Scheme and the related matters are subject to the approval of Shareholders at the EGM by way of special resolution.

The full text of the draft (summary) of the Award Scheme is set out in Appendix I to this circular. The draft (summary) of the Award Scheme is prepared in Chinese. In the event of any discrepancy between the English and Chinese versions of the document, the Chinese version shall prevail.

4. PROPOSED AUTHORISATION TO THE BOARD OF DIRECTORS TO HANDLE MATTERS RELATING TO THE 2026 H SHARE AWARD SCHEME

In order to complete the relevant matters of the 2026 H Share Award Scheme in an efficient and orderly manner, the Board intends to propose to the Shareholders at the EGM to authorize the Board to handle specific matters related to the Scheme, including but not limited to the following matters:

(1) Authorize the Board to confirm the qualifications and conditions for the Selected Participants to participate in the Scheme, and determine the Grant Date of the Award Shares under the Scheme;

(2) Authorize the Board to make corresponding adjustments to the Award Shares and the vesting price (if any) in accordance with the methods specified in the rules of the Scheme (the "Scheme Rules") when the Company has a capitalization issue, bonus issue, rights issue, public offering, subdivision of shares, consolidation of shares or reduction of share capital;

(3) Authorize the Board to establish the trust for the Scheme and/or appoint a trustee for the Scheme, and handle the preliminary legal matters related to the trust structure;

(4) Authorize the Board to grant Award Shares to the Selected Participants and handle all matters necessary for the grant when the relevant conditions for the grant of Awards specified in the Scheme are met, including but not limited to issuing the Award Letter to the Selected Participants, instructing the Scheme Trustee to handle the transfer and management of H Shares held in trust, and to fulfill relevant information disclosure obligations to the Hong Kong Stock Exchange;

(5) Authorize the Board, prior to the grant of Award Shares, to make reasonable adjustments to the number of Award Shares to be granted to the Selected Participants within the maximum limit of the number of Award Shares that may be granted under the Scheme having regard to the implementation of the Scheme, or to reduce the number of Award Shares to be granted to any Selected Participant who has waived his or her entitlement;

(6) Authorize the Board to review and confirm the vesting eligibility and vesting

(13) Authorize the Board to handle approval, registration, filing, ratification, consent and other procedures with the Hong Kong Stock Exchange, the Securities and Futures Commission of Hong Kong and other relevant regulatory authorities for the Scheme; to sign, execute, amend and complete documents to be submitted to the relevant authorities, organizations or individuals; and take all actions that it deems necessary, appropriate or suitable in connection with the Scheme;

(14) Authorize the Board to interpret and explain the Scheme Rules and to handle any issues or disputes arising from or related to the Scheme;

(15) Authorize the Board to handle other necessary matters required for the implementation of the Scheme, except for the rights which, according to the relevant laws, regulations, the Listing Rules, the Scheme Rules or the Articles of Association, are expressly required to be exercised by the shareholders' general meeting;

(16) Propose to the shareholders' general meeting of the Company to approve that the above authorizations shall be valid from the date when the shareholders' general meeting of the Company approves the Scheme to the expiration date of the award period of the Scheme.

Except for the matters which, pursuant to laws, administrative regulations, rules of the China Securities Regulatory Commission, normative documents, the Scheme Rules, the Articles of Association or the Listing Rules, are expressly required to be passed by a resolution of the Board, other authorized matters can be directly exercised by the chairman of the Board or such appropriate person as authorized by him on behalf of the Board.

5. EXTRAORDINARY GENERAL MEETING

The EGM will be held on Friday, 17 April 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, to consider, and if thought fit, pass the resolutions set out in the notice of the EGM, which is set out on pages 36 to 38 of this circular.

A proxy form for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to read the notice of the EGM and to complete and return the enclosed proxy form as soon as possible in accordance with the instructions printed thereon as 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

HUAXIN BUILDING MATERIALS GROUP CO., LTD.*
2026 H Share Award Scheme (Draft)

1. DEFINITIONS AND INTERPRETATION

1.1 In this Scheme, unless the context otherwise requires, the following definitions apply:

"Actual Selling Price"	the actual price at which the Award Shares are sold (net of brokerage fees, stamp duty, any taxes, SEHK trading fees, SFC transaction levy, and any other applicable charges) on vesting of the Award under this Scheme, or the consideration receivable under related scheme or offer in the event of vesting due to a change

"Director"	a director of the Company
"Eligible Employee"	Chinese or non-Chinese employees, including directors and senior management personnel, who hold full-time positions in any member company of the Group; unless

"Returned Shares"	the Award Shares that are not vested and/or are cancelled under the terms of the Scheme, or the H Shares that are deemed to be Returned Shares under the Scheme Rules
"RMB"	Renminbi, the lawful currency of the People's Republic of China
"Scheme" or "this Scheme"	the H-Share Share Award Scheme adopted by the Company on the Adoption Date under the Scheme Rules
"Scheme Limit"	has the meaning given to it in Rule 15.1 of the Scheme Rules
"Scheme Rules"	the rules relating to the Scheme as set out herein, as amended from time to time
"Scheme Trustee"	Trustee appointed by the Company for trust purposes
"Securities and Futures Ordinance"	the Securities and Futures Ordinance of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Selected Participant"	an eligible employee who is approved to participate in the Scheme and granted Awards in accordance with Rule 6 of the Scheme Rules
"SFC"	the Securities and Futures Commission of Hong Kong
"Share Buy-backs Code"	the Code on Takeovers and Mergers and Share Buy-backs issued by the SFC of Hong Kong
"Shareholder"	a shareholder of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary"	any subsidiary of the Company (as defined in the Listing Rules)
"Tax"	has the meaning given in Rule 9.12 of the Scheme Rules
"Trust"	the trust established under the Trust Deed for the purposes of the Scheme
"Trust Deed"	the trust deed entered into between the Company and the Scheme Trustee (as may be restated, supplemented and amended from time to time)

"Vesting Date"	the date determined by the Board or its Delegatee from time to time under the Scheme Rules on which the award (or part thereof) vests to the Selected Participant as set out in the relevant Award Letter
"Vesting Notice"	Definition as per Rule 9.8 of the Scheme Rules
"Vesting Period"	Definition as per Rule 9.2 of the Scheme Rules

1.2 In these Scheme Rules, unless the context otherwise requires:

(a) References to rules are to the rules of the Scheme Rules;

(b) Time references are to Hong Kong time;

(c) If a period of time is specified as from a given day or the occurrence of an act or event, it shall be calculated exclusive of that day;

(d) Any express or implied reference to statutes, statutory provisions or the Listing Rules shall be construed as a reference to those statutes, provisions or rules as respectively amended or re-enacted, or as their application is modified by other provisions from time to time (whether before or after the date of this agreement), and shall include any statute, re-enacted (whether with or without modification) provisions or rules, and shall include any orders, regulations, instruments, subordinate legislation, other subsidiary legislation or practice notes under the relevant statutes, provisions or rules;

(e) Unless otherwise indicated, the Board may determine at its discretion; if the Board delegates its authority to administer the Scheme to the Delegatee, such Delegatee shall have the same full discretionary power as the Board;

(f) References to "including" shall be deemed to mean "including without limitation";

(g) Words in the singular include the plural and vice versa, and words denoting gender include all genders;

(h) Headings are included in the Scheme Rules for convenience only and shall not affect its interpretation; and

(i) Any reference to any statutory body shall include its successors and any body established to replace or assume the functions of such statutory body.

1.3 Should there by any discrepancy between English and Chinese version of this Scheme, the Chinese version shall prevail.

2. PURPOSE OF THE SCHEME

2.1 The purposes of the Scheme are:

(a) To attract, motivate and retain core management personnel with outstanding professional capabilities and senior management experience by providing the Company's directors and senior executives with equity-related award arrangements that directly link their benefits to the market performance of the Company's shares, thereby supporting the Company's long-term development and strategic expansion; and

(b) To recognize the contributions of the Company's prudent directors and senior management to the Company, optimize the Company's long-term incentive mechanism, keep the compensation system up-to-date, further align the interests of core management, shareholders, and the Company, while achieving an effective balance between operational execution and governance oversight.

3. CONDITIONS

3.1 The implementation of this Scheme is conditional upon the approval and adoption of this Scheme by the Shareholders, and the authorization of the Board or the Remuneration and Assessment Committee to grant Awards and facilitate the transfer and other handling of Award Shares under this Scheme.

4. DURATION

4.1 Subject to Rules 9.6 and 20, this Scheme shall be valid and effective from the date when all the conditions listed in Rule 3 above are satisfied until the tenth anniversary thereof. No further awards shall be offered or granted after the Award Period, but the terms of this Scheme shall otherwise remain fully effective. Awards granted during the Award Period shall continue to be valid after the period ends in accordance with their grant terms.

5. ADMINISTRATION

5.1 This Scheme shall be administered by the following bodies:

(a) The meeting of the Shareholders, as the supreme authority of the Company, is responsible for consideration and approval of the adoption of this Scheme. The meeting of the Shareholders may authorize the Board and/or Delegatee to handle all matters related to this Scheme within their authority;

(b) The Board, in accordance with the Scheme Rules and the Trust Deed, serves as the body responsible for administering this Scheme. Decisions made by the Board or its Delegatee shall be final and binding on all relevant parties. The Remuneration and Assessment Committee is responsible for reviewing and/or approving matters related to this Scheme and submitting them to

the Board for deliberation. After being reviewed and approved by the Board, this Scheme shall be submitted to the meeting of the Shareholders for deliberation. The Board and/or its Del

(d) Determine the basis of the eligibility of any Eligible Employee to receive Awards from time to time, based on their contribution to the Group's development and growth or other factors deemed appropriate;

(e) Grant Awards to Eligible Employees selected by them from time to time;

(f) Determine the terms and conditions for granting Awards;

(g) Establish, evaluate, and administer performance objectives under this Scheme;

(h) Approve the form and content of Award Letters;

(i) Adjust the number of Award Shares granted or accelerate the Vesting Date of any Award under Rule 14 of this Scheme;

(j) Exercise any powers granted by shareholders from time to time;

(k) Engage banks, accountants, lawyers, consultants, and other professional institutions for the purposes of this Scheme; and

(l) Sign, execute, amend, and terminate all documents related to this Scheme, fulfill all procedures related to this Scheme, and take other measures to implement the terms of this Scheme.

5.6 For the purposes of this Scheme, none of the Directors or any Delegatee shall be personally liable for any contract or other instrument signed by them or on their behalf for the purposes of this Scheme, or for any judgment error made in good faith. The Company shall also indemnify and hold harmless each member of the Board and any Delegatee against any costs or expenses (including legal fees) or liabilities (including any payments made to settle claims with the approval of the Board) arising from any act or omission related to this Scheme, unless such liability results from the person's own willful neglect of duty, fraud, or bad faith.

5.7 For the administration of this Scheme, the Company shall comply with all disclosure requirements, including the Listing Rules and all applicable Chinese laws, regulations, and rules.

6. SELECTION OF SELECTED PARTICIPANTS

6.1 The Board or its Delegatee may from time to time select any Eligible Employee as a Selected Participant and, subject to the provisions of Rule 6.3 of this Scheme, grant awards to such Selected Participant during the Award Period upon meeting the terms and conditions of the Award and performance targets as determined by the Board or its Delegatee from time to time.

6.2 The selection of Selected Participants shall be conducted in accordance with the Company Law of the PRC, the Securities Law of the PRC, and other applicable laws, regulations, normative documents, and the Company's articles of

association, taking into account the actual circumstances of the Company (including the current and future contributions of the relevant Selected Participants to the Group).

No one should be considered as a Selected Participant under this Scheme if he:

(a) has been deemed as an inappropriate candidate for equity incentive schemes or similar schemes of listed companies by competent authorities within the last 12 months;

(b) has been penalized by securities regulatory authorities for major violations of laws or regulations or prohibited from trading securities within the last 12 months;

(c) has circumstances stipulated by the Company Law that prohibit serving as a company director or senior management personnel;

(d) is prohibited from participating in the enterprise share incentive scheme under applicable laws, administrative regulations, or relevant national provisions.

6.3 Notwithstanding the provisions of Rules 6.1 and 6.2, no Award Shares shall be granted to a Selected Participant, and no instructions or recommendations shall be made to the Scheme Trustee regarding the grant of Awards; and any such authorization, instruction, or recommendation shall be invalid to the extent (and only to the extent) that it falls within the circumstances below:

(a) Where the necessary approval from any applicable regulatory authorities has not been obtained;

(b) Unless otherwise determined by the Board, where any member of the Group is required to issue a prospectus or other offer document for the Award or this Scheme under applicable securities laws, rules, or regulations;

(c) If the grant of the Award would cause any member of the Group or its directors to violate the securities laws, rules, or regulations of their jurisdiction;

(d) If the grant would result in a breach of the Scheme Limit;

(e) If the grant is made after the expiration of the Award Period or the early termination of this Scheme under Rule 20 of this Scheme;

(f) Where any Director possesses unpublished inside information (as defined in the Securities and Futures Ordinance) of the Company or reasonably believes that there is inside information that requires disclosure under Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (the "Inside Information Provisions" as defined in the

Listing Rules), or where any director is prohibited from trading under any code or requirement of the Listing Rules or any applicable law, rule, or regulation;

(g) Within 60 days prior to the announcement date of the Group's annual results, or (if shorter) from the end of the relevant financial year until the

8.2 If the Scheme Trustee has been instructed by the Company to acquire H Shares through on-market transactions, the Scheme Trustee shall, upon receipt of the necessary funds from the Company, as soon as reasonably practicable, acquire H Shares at the prevailing market price through on-market transactions in accordance with the Company's instructions.

8.3 The Scheme Trustee shall only be obligated to transfer the Award Shares to the Selected Participants of this Scheme upon vesting to the extent the Award Shares are comprised in the Trust.

8.4 The Company shall not instruct the Scheme Trustee to acquire H Shares at the prevailing market price through on-market transactions, where (i) such action (as applicable) is prohibited by the Listing Rules, the Securities and Futures Ordinance, or other applicable laws, regulations, and rules of China; or (ii) during such periods as stated in Rules 6.3(g) and (h) of this Scheme. If the prohibition causes the prescribed timing imposed by the Scheme Rules or the Trust Deed to be missed, such prescribed timing shall be treated as extended until the first business day on which the prohibition no longer prevents relevant action, as soon as reasonably practicable.

9. VESTING OF AWARD

9.1 The Board or its Delegatee may, during the term of this Scheme and in compliance with all applicable laws, regulations, and rules, from time to time determine the vesting criteria and conditions as well as the Vesting Period.

9.2 Unless otherwise specified in the Award Letter approved by the Board or the Delegatee, the vesting periods (each a "Vesting Period") for awards granted under this Scheme are as follows:

Vesting Period: The Vesting Period for the Award Shares is one year commencing from the first trading day after the 36-month period from the Grant Date, at which point 100% of the Award Shares will vest. The Board or its Delegatee may, at their sole discretion and subject to all applicable laws, regulations, and rules, adjust the Vesting Period of the Award Shares if deemed appropriate.

9.3 Awards under this Scheme are subject to the following conditions, including the company-level performance assessment criteria and individual performance assessments of Selected Participants as outlined in Rule 9.3 of the Scheme Rules, as well as other conditions specified in the Award Letter.

a) Company-level performance assessment:

Company-level performance indicators are “Relative Total Shareholder Return” and “Compound Annual Growth Rate of Earnings Per Share”.

Assessment Indicators	Weighting	Threshold	Target	Challenge
Relative total shareholder return percentile level	50%	60^{th} percentile	75^{th} percentile	90^{th} percentile
Compound Annual Growth Rate of Earnings Per Share for 2028 Compared to 2025	50%	3%	5%	7%

1: Total Shareholder Return (TSR) = (Closing Stock Price — Opening Stock Price + Dividends Paid During the Period)/Opening Stock Price, where: the Closing Stock Price is calculated based on the average closing price of trading days from 1 November 2028 to 28 February 2029; the Opening Stock Price is calculated based on the average closing price of trading days from 1 November 2025 to 28 February 2026; Dividends Paid During the Period refer to the cumulative dividends actually distributed from 1 January 2026 to 31 December 2028; the calculation is adjusted for stock splits and dividends at the period end.

2: Relative Total Shareholder Return Composite Percentile = A Share Benchmark Group Percentile 6 A Share Weight + Overseas Share Benchmark Group Percentile 6 Overseas Share Weight, where the weights for A Shares and overseas shares are 65% and 35%, respectively. The overseas share benchmark group includes leading cement companies listed in Hong Kong (including Huaxin Building Materials) and global leading cement companies, totaling 9 companies; the A Share benchmark group includes leading cement and building materials companies listed on the A Share market (including Huaxin Building Materials), totaling 12 companies.

3: Earnings per share = (Net profit ± Post-tax gains and losses from the Company’s disposal of assets ± Post-tax impairment of goodwill and long-term assets)/Weighted average number of shares outstanding.

Company-level performance assessment score = ~(Assessment indicator score 6 Assessment indicator weight), where the scoring criteria and weights for each assessment indicator are as follows:

Scoring Criteria for Each Indicator	Assessment Indicator Score
X < Threshold	0
X = Threshold	25
Threshold < X < Target	25 + [(Actual value of assessment indicator–Threshold)/ (Target–Threshold)] 6 (50–25)
X = Target	50
Target < X < Challenge	50 + [(Actual value of assessment indicator–Target)/(Challenge–Target)] 6 (100–50)
X ≥ Challenge	100

The relationship between the company-level performance assessment score and the corresponding annual vesting ratio of Award Shares is: Annual vesting ratio = Company-level performance assessment score/100.

b) The individual performance indicators of the Selected Participants are as follows:

The Board or its Delegatee will conduct an annual comprehensive evaluation of Selected Participants, which will serve as the basis for determining the actual number of shares eligible for vesting under this Scheme. Provided all other conditions specified in the Award Letter are met, if the Selected Participant's average annual performance assessment result -s the

9.7 For the purpose of vesting of the Award, the Board or its Delegatee may either:

(a) Direct and procure the Scheme Trustee to release and transfer the Award Shares from the Trust to the Selected Participants by transferring the Award Shares to them, as determined by the Board from time to time; or

(b) The Board or its Delegatee may determine that if, due to legal or regulatory restrictions, a Selected Participant is unable to accept the H Share award, or the Scheme Trustee's ability to make any such transfer to the Selected Participant is subject to legal or regulatory restrictions, the Board or its Delegatee shall direct and procure the Scheme Trustee to sell the vested shares of the Selected Participant through on-market transactions at the prevailing market price and pay the Selected Participant the cash equivalent of the actual selling price of the Award Shares as specified in the Vesting Notice.

9.8 Except in the circumstances described in Rule 9.12 and any unforeseen circumstances, within a reasonable period agreed upon between the Scheme Trustee and the Board from time to time before any Vesting Date, the Board or its

from or related to their participation in this Scheme, the Award Shares, or cash equivalent to the Award Shares. Neither the Company nor the Scheme Trustee shall bear any of the aforementioned Taxes. The Selected Participant shall indemnify the Scheme Trustee and all members of the Group against any liability they may incur for paying or accounting for such Taxes, including any withholding obligations related to such Taxes. To give effect to this, notwithstanding any other provisions of the Scheme Rules (subject to applicable laws), the Scheme Trustee or any member of the Group may:

(a) Reduce or withhold the number of Award Shares underlying the Award to be granted to the Selected Participant (the number of Award Shares underlying the Award that may be reduced or withheld shall be limited to the number of Award Shares with a fair market value on the date of withholding, which the Company reasonably believes is sufficient to cover any such liability);

(b) Sell, on behalf of the Selected Participant, the number of H Shares they are entitled to receive under the Scheme, and retain the proceeds and/or pay them to the relevant authority or government agency;

(c) Without notice to the Selected Participant, deduct or withhold the amount of any such liability from any payment made to the Selected Participant under the Scheme, or from any amount payable to the Selected Participant by any member of the Group, including from any salary payable to the Selected Participant by any member of the Group; and/or

(d) Require the Selected Participant to remit from their own account to any member of the Group in cash or by certified or bank cashier's check an amount sufficient to pay any taxes or other amounts required by any governmental authority to be withheld or paid by any member of the Group, or otherwise make other arrangements satisfactory to the Company for the payment of such amounts.

The Scheme Trustee shall have no obligation to transfer any Award Shares (or pay in cash the actual selling price of such Award Shares) to the Selected Participant unless the Selected Participant satisfies the Scheme Trustee and the Company that they have fulfilled the obligations under this Rule of the Scheme.

10. CHANGE OF CIRCUMSTANCES PERTAINING TO THE SELECTED PARTICIPANTS

10.1 If a Selected Participant changes his/her job position in the Group but remains eligible to participate in the Scheme as a Eligible Employee, the unvested Award Shares shall continue to vest on the Vesting Date specified in the Award Letter, unless otherwise determined by the Board or its Delegatee. However, if a Selected Participant has a change in job position due to any of the following reasons:

(a) he/she is not qualified for his/her job;

(b) violates laws, breaches professional ethics, or reveals confidential company information;

(c) fails to discharge his/her duties or has committed misconduct or serious violation of Group policies;

(d) causing damages to the interests or reputation of the Group; or

(e) the Group terminates his/her employment contract for any of the above reasons,

any unvested Award Shares granted to such employee shall be immediately forfeited, unless otherwise determined by the Board or its Delegatee. In the event of material violation or damage, the Company reserves the right to seek compensation from the Selected Participant.

10.2 If a Selected Participant has a change in his/her job position within the Group or within the controlling shareholder system and becomes ineligible to participate in the Scheme, ceasing to be a Eligible Employee, any unvested Award Shares shall be immediately forfeited, unless otherwise determined by the Board or its Delegatee.

10.3 If a Selected Participant ceases to be an Eligible Employee due to any reasons set forth in Rule 6.2 of the Scheme which should be considered as a Selected Participant, any unvested Award Shares shall be immediately forfeited, unless otherwise determined by the Board or its Delegatee.

10.4 If a Selected Participant ceases to be a Eligible Employee due to resignation, layoff, or expiration/termination of the employment contract, any granted but unvested Award Shares shall be immediately forfeited, unless otherwise determined by the Board of Directors or its Delegatee.

10.5 If a Selected Participant becomes disqualified due to termination of employment with the Group caused by work-related disability, the granted but unvested Award Shares shall continue to vest according to the Vesting Dates specified in the Award Letter, unless otherwise determined by the Board of Directors or its Delegatee. The individual performance evaluation results of such Selected Participant shall no longer serve as a vesting condition.

10.6 Subject to Rules 10.11 and 12.1(f) of this Scheme, if a Selected Participant passes away due to a work-related injury, the granted but unvested Award Shares and stock dividends shall continue to be processed as per the procedures specified in the Award Letter, unless otherwise determined by the Board or its Delegatee. The individual performance evaluation results of such Selected Participant shall no longer serve as a vesting condition.

10.7 Subject to Rules 10.11 and 12.1(f) of this Scheme, if a Selected Participant passes away due to non-work-related causes, any granted but unvested Award Shares shall immediately lapse, unless otherwise determined by the Board of Directors or its Delegatee.

10.8 If a Selected Participant is rehired after retirement at the age stipulated by the state and the Company, the granted but unvested Award Shares shall continue to vest according to the Vesting Dates specified in the Award Letter, unless otherwise determined by the Board or its Delegatee. If the individual has no personal performance evaluation, the personal performance evaluation condition shall no longer be regarded as a vesting condition; if the individual has a personal performance evaluation, it shall remain one of the vesting conditions for the Award Shares.

10.9 If a Selected Participant is not rehired by the Company after retirement at the age stipulated by the state and the Company, the granted but unvested Award Shares and scrip dividends shall continue to be processed as per the procedures specified in the Award Letter, unless otherwise determined by the Board or its Delegatee. The individual performance evaluation results of such Selected Participant shall no longer be regarded as a vesting condition.

10.10 If a Selected Participant ceases to be an Eligible Employee for reasons other than those specified in Rules 10.1 to 10.9 above, the granted but unvested Award

10.13(i) above, the Company reserves the right to instruct and procure the Scheme Trustee to sell on-market at prevailing market prices all Award Shares vested but unsold by the Selected Participant under Rules 9 and 10.13(i) of the Scheme.

11. TRANSFERABILITY AND OTHER RIGHTS OF AWARD SHARES

11.1 Any Award granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be transferable. No Selected Participant may sell, transfer, charge, mortgage, pledge, create any interest for others over the Awards, or enter into any agreement to do so.

11.2 Any actual or purported breach of Rule 11.1 shall entitle the Company to cancel any granted but unvested Awards in whole or in part awarded to the Selected Participant. The determination by the Company's Board or its Delegatee as to whether a Selected Participant has breached any of the above provisions shall be final and conclusive.

12. INTEREST IN THE ASSETS OF THE TRUST

12.1 For the avoidance of doubt:

(a) subject to the vesting of the Award in accordance with Rules 9 and 14 of the Scheme, a Selected Participant shall only have a contingent interest in such Award;

(b) a Selected Participant shall not give directions to the Scheme Trustee regarding the Award or any other property of the Trust, nor shall the Scheme Trustee comply with any directions given by a Selected Participant regarding the Award or any other property of the Scheme Trust;

(c) neither the Selected Participant nor the Scheme Trustee shall exercise any voting rights attached to any H Shares held by the Scheme Trustee under this

(f) in the event a Selected Participant dies and the interest is not transferred to the legal representative of the Selected Participant within the period specified in Rule 10.11, such interest shall be forfeited, and the legal representative of the Selected Participant shall have no claim against the Company or the Scheme Trustee; and

(g) in the event a Selected Participant ceases to be an Eligible Employee on or before the relevant Vesting Date, the Award in respect of such Vesting Date shall lapse or be forfeited in accordance with the Scheme, and unless otherwise determined by the Board or its Delegatee, such Award shall not vest on the relevant Vesting Date, and the Selected Participant shall have no claim against the Company or the Scheme Trustee.

13. RESTRICTIVE COVENANTS

13.1 By accepting any Award granted under the Scheme, a Selected Participant shall be deemed to have made the covenants set out in Rule 13 of the Scheme to and for the benefit of the Group.

13.2 The Selected Participant hereby undertakes to the Group that, while he/she is an employee, director, shareholder, or other stakeholder of the Group (except as reasonably necessary for the performance of his/her duties to the Group), or at any time thereafter, he/she shall not, directly or indirectly, use, disclose, or communicate to any person any information relating to the affairs, business methods, processes, systems, inventions, schemes, or research and development of the Group or its clients, any customer or supplier information, or any information that could reasonably be regarded as confidential to the Group or such persons (except for information required to be disclosed by law or information in the public domain at the relevant time, but excluding information wrongfully disclosed), and shall use his/her best efforts to prevent any third party from publishing or disclosing any such information.

13.3 The Selected Participant undertakes to the Group that, unless prior written approval is obtained from the Company, he/she shall not, directly or indirectly, during his/her employment with the Group, engage in any other business which is in any respect in competition with or similar to the business of the Group.

13.4 The Selected Participant undertakes to the Group that, as long as he/she is employed by the Company or any member of the Group, he/she shall devote his/her full time and attention to the business of the Group and shall use his/her best efforts to develop the Group's business for the benefit of the Group, and shall not engage in any competitive or other business.

13.5 The Selected Participant undertakes to the Group that he/she shall strictly comply with the post-employment obligations under the employment contract and the Proprietary Information and Inventions Agreement entered into with the Company.

14. TAKEOVER, RIGHTS ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME, ETC.

Change of control

14.1 If there is an event of change in the control of the Company by way of merger, privatization through a scheme or offer, significant asset restructuring, or if the Company ceases to exist after merging with another company, or if the Company undergoes a spin-off, the meeting of Shareholders or the Board or other Delegatee authorized by the meeting of Shareholders shall have the sole discretion to decide whether to accelerate the vesting of the awarded shares or terminate this Scheme.

For the purposes of Rule 14.1, "control" shall have the meaning as defined in the Hong Kong Securities and Futures Commission's "Codes on Takeovers and Mergers and Share Buy-backs" as issued and updated from time to time.

Open offer and rights issue

14.2 If the Company makes an open offer of new securities, the Scheme Trustee shall not subscribe for any new H Shares. In the case of a rights issue, the Scheme Trustee shall not take any action to exercise any rights to subscribe for unpaid shares and shall sell any rights to subscribe for unpaid shares in respect of any H Shares held by the Scheme Trustee (if there is a public market for such rights). The aggregate proceeds from such sale may be used by the Scheme Trustee to acquire H Shares for the purpose of any further Awards made by the Company under the Scheme from time to time, and to pay the reasonable costs and expenses incurred by the Scheme Trustee in performing its duties under the Trust Deed in connection with the Scheme.

Bonus warrants

14.3 If the Company issues bonus warrants in respect of any H Shares held by the Scheme Trustee, unless otherwise instructed by the Company, the Scheme Trustee shall not exercise any subscription rights under the bonus warrants to subscribe for any new H Shares and shall sell the bonus warrants so obtained, and the net proceeds from the sale of such bonus warrants shall be held as funds of the Trust.

Scrip dividend

14.4 If the Company implements a scrip dividend scheme, the Scheme Trustee shall elect to receive shares, and such H Shares shall be held as Returned Shares.

Capitalization Issue, Consolidation, Subdivision, Bonus Issue and Other Distribution

14.5 If the Company capitalizes, subdivides, consolidates or reduces its H Shares, the number of Award Shares granted shall be adjusted accordingly in a manner deemed by the Board to be fair and reasonable to prevent dilution or enlargement of the benefits or potential benefits intended to be provided to Selected Participants under the Scheme. All fractional shares (if any) arising from such

consolidation or subdivision in relation to the Award Shares of Selected Participants shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participants on the relevant Vesting Date.

14.6 If the Company issues H Shares to the holders of H Shares by way of capitalization of profits or reserves (including the share premium account), the additional H Shares held by the Scheme Trustee as part of the Award Shares shall be treated as an increase in the Award Shares and shall be held by the Scheme Trustee as if they were Award Shares purchased by the Scheme Trustee hereunder, and all provisions hereof in relation to the original Award Shares shall apply to such additional shares.

14.7 In the event of any non-cash distribution or other event not referred to above, the Board shall make such adjustments to the number of awarded Shares granted to each Selected Participant as it deems fair and reasonable to prevent dilution or enlargement of the benefits or potential benefits intended to be provided to Selected Participants under this Scheme. The Company shall provide the necessary funds or issue instructions regarding the use of Returned Shares or other funds in the Trust to enable the Scheme Trustee to purchase H Shares through on-market transactions at prevailing market prices for the purpose of paying additional awards.

14.8 If the Company makes any non-cash and non-share distributions not specified in the Scheme Rules in respect of H Shares held by the Trust, the Scheme Trustee shall sell such distributions, and the net sale proceeds thereof shall be treated as cash income of the H Shares held upon the Trust.

Voluntary winding-up

14.9 If the Company passes an effective resolution for voluntary winding-up (other than for reconstruction, amalgamation, or scheme of arrangement) during the Award Period, the Board or its Delegatee shall determine at its discretion whether to accelerate the Vesting Date of any Award and whether Selected Participants are entitled to receive out of the assets available for distribution in liquidation an amount equal to what they would have received for their Awards on an equal basis with the Shareholders.

Compromise or arrangement

14.10 If the Company proposes a compromise or arrangement with its shareholders or creditors for a scheme of reconstruction of the Company or amalgamation with any other company, and the Company issues a notice to its Shareholders convening a general meeting for consideration, and such compromise or arrangement is approved by Shareholders as they deem fit, the Board or its Delegatee shall determine at its discretion whether to accelerate the Vesting Date of any Award.

15. SCHEME LIMIT

15.1 The maximum size of this Scheme shall be the maximum number of H Shares that the Scheme Trustee may acquire through o

applicable), provided that the initial grant has been approved by the Board, the Remuneration and Assessment Committee, the independent non-executive directors, and/or Shareholders (as applicable).

18.4 After any amendment, the amended Scheme must comply with the provisions of Chapter 17 of the Listing Rules.

19. CANCELLATION OF AWARDS

19.1 The Board or its Delegatee may, at its discretion, cancel any unvested or lapsed awards, provided that such cancellation shall not affect any existing rights of any Selected Participant.

19.2 The Company may terminate this Scheme at any time by an ordinary resolution of the Shareholders' meeting or a resolution of the Board, in which case no further awards shall be offered or granted, but the terms of this Scheme shall remain in full force and effect in all other respects for awards granted during the term of the Scheme that remain unvested or vested but unsatisfied.

20. TERMINATION

20.1 Unless otherwise provided in Rule 4, this Scheme shall terminate on the earlier of:

(a) the end of the Award Period, except for such shares as are necessary to give effect to any granted but unvested Award Shares granted under this Scheme prior to its expiration, unless otherwise provided in this Scheme; and

(b) such date of early termination determined by the Board provided that such termination shall not affect any existing rights of any Selected Participant hereunder this Agreement; provided further that for the avoidance of doubt, any changes to the existing rights of a Selected Participant under Rule 20.1(b) of this Scheme shall only apply to Award Shares already granted to a Selected Participant.

20.2 Within twelve months after the settlement, lapse, forfeiture or cancellation (as the case may be) of the last granted but unvested award granted under this Scheme and/or the termination of this Scheme and/or the Trust (or within twelve months from the date of the Company's written instruction, whichever is later), the Scheme Trustee shall sell all Returned Shares and any remaining non-cash income in the Trust (if any). After making appropriate deductions for all disposal costs, expenses and other existing and future liabilities in accordance with the Trust Deed, the proceeds from such sale shall be transferred to the Company together with any remaining cash accumulated in the Trust.

21. MISCELLANEOUS

21.1 This Scheme shall not form part of any employment contract between the Company or any of its subsidiaries and any Eligible Employee, and the rights and obligations of any Eligible Employee under the terms of his/her office or employment shall not be affected by his/her participation in this Scheme or any

21.7 The Scheme is a share award scheme involving existing shares of the Company as defined and regulated under Chapter 17 of the Listing Rules.

21.8 Except as otherwise specifically provided in the Scheme, the Scheme shall not, directly or indirectly, confer upon any person any legal or equitable rights against the Group (other than rights constituting and incidental to the Award Shares themselves), nor shall it give rise to any legal or equitable action against the Group. In no event shall any person be entitled to require the Board or its Delegatee and/or the Company to be responsible for any costs, losses, expenses and/or damages arising from or in connection with the Scheme or its administration.

21.9 If an Award lapses in accordance with the Scheme Rules, no Selected Participant shall be entitled to any compensation for any loss in respect of any rights or benefits or prospective rights or benefits under the Scheme to which he or she might otherwise have been entitled.

21.10 The operation of the Scheme is subject to any restrictions set out in the Articles of Association and any applicable laws, rules and regulations.

21.11 By participating in the Scheme, the Selected Participant agrees to the holding, processing, storage and use of his or her personal data and information by any member of the Group, the Scheme Trustee or other third-party service providers for the purposes of administering and implementing the Scheme in Hong Kong or elsewhere, which consents permits, but is not limited to, the following:

(a) the administration and maintenance of records of the Selected Participant;

(b) provision of data or information to members of the Group, the Scheme Trustee, registrars, brokers or third-party administrators or managers of the Scheme in Hong Kong or elsewhere;

(c) provision of data or information to future acquirers or merger partners of the Company, the Selected Participant's employing company or the business in which the Selected Participant works;

(d) the transfer of data or information regarding the Selected Participant to a country or territory outside the Selected Participant's home country, which may not provide the same statutory protection for such information as the home country; and

(e) disclosure of the identity of the Selected Participant, the number of Award Shares, the terms of grant and/or awards to be granted and all other information required by the Listing Rules or other applicable laws, rules and regulations, if the announcement or circular is required to be issued in respect of the grant of awards under the Listing Rules or other applicable laws, rules and regulations.

The Selected Participant may obtain a copy of his or her personal data upon payment of a reasonable fee. If the personal data is inaccurate, the Selected Participant has the right



華新建材集團股份有限公司

(Stock Code: 6655)

Notice of the First Extraordinary General Meeting in 2026

Notice is hereby given that the First Extraordinary General Meeting in 2026 ("EGM") of HUAXIN BUILDING MATERIALS GROUP CO., LTD.* (the "Company") will be held on Friday, 17 April 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 26 March 2026.

Special Resolutions

1. Proposed Adoption of the 2026 H Share Award Scheme;

2. Proposed Authorisation to the Board of Directors to Handle Matters Relating to the 2026 H Share Award Scheme.

By Order of the Board of Directors
HUAXIN BUILDING MATERIALS GROUP CO., LTD.*
Xu Yongmo

Wuhan City, Hubei Province, China
26 March 2026

*

Notes:

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

   H-share holders of the Company whose names appear on the H Share register of members of the Company at the close of business on Monday, 13 April 2026 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 April 2026.

   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 (A proxy may not be a shareholder of the Company) to attend and vote in his/her stead. The instrument appointing a proxy must be in writing under the hand of the shareholder or of his/her agent duly authorized in writing. If the shareholder is a legal person, the proxy form must be either under the seal of the legal person or under the hand of his/her legal representative or director or duly authorized person. If the proxy form is signed by an agent authorized by the shareholder, the authorization or other document authorizing the signing must be notarized.

   In order to be valid, for H-share holders, the proxy form together with a notarized authorization or other authorization documents (if any) must be delivered, by hand