
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.*

華新建材集團股份有限公司

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

(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.* (華新建材集團股份有限公司) (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 Building, No. 426 Gaoxin Avenue, East Lake High-Tech Development Zone, Wuhan City, Hubei Province, China on Friday, 21 August 2026 at 2:00 p.m. The notice of the convening of the EGM is set out on pages [11] to [13] of this circular.

Whether or not you are able to attend the EGM, 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 not less than 24 hours before the time designated for holding the EGM or any adjournment thereof (i.e. not later than 2:00 p.m. on Thursday, 20 August 2026); otherwise, it will be deemed invalid. The completion and return of the proxy form shall not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) in person if you so wish. If you attend and vote at the EGM or any adjournment thereof in person, your proxy form will be deemed revoked.

** For identification purposes only*

3 August 2026

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the following meanings:

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)	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.* (華新建材集團股份有限公司), 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



HUAXIN BUILDING MATERIALS GROUP CO., LTD.*

華新建材集團股份有限公司

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

(Stock Code: 6655)

Executive directors:

Mr. Li Yeqing (*President*)

Non-executive directors:

Mr. Xu Yongmo (*Chairman*)

Mr. Martin Kriegner

Mr. Olivier Milhaud

Ms. Tan Then Hwee

Mr. Ming Jinhua

Independent non-executive directors:

Mr. Wong Kun Kau

Mr. Zhang Jiping

Mr. Jiang Hong

Headquarters and principal place of business in China:

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

Principal place of business in Hong Kong:
Room 1917, 19/F, Lee Garden One,
33 Hysan Avenue, Causeway Bay,
Hong Kong

To whom it may concern,

**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**

** For identification purposes only*

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.

Chapter 2 Remuneration Management Authority and Responsibility

Article 4 The Remuneration and Assessment Committee of the Board of Directors of the Company is a specialized working body for the remuneration management of directors and is accountable to the Board of Directors. The main responsibilities of the Remuneration and Assessment Committee include formulating and reviewing the remuneration policies and proposals for directors, defining the determination basis and specific components of the remuneration and conducting assessments in accordance with the remuneration assessment standards. When the Board of Directors or the Remuneration and Assessment Committee assesses an individual director or discusses his/her remuneration, such director shall recuse himself/herself and shall not participate in determining his/her own remuneration.

Article 5 If the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration and Assessment Committee, the opinions of the Remuneration and Assessment Committee and the specific reasons for non-adoption shall be recorded in the resolution of the Board of Directors and disclosed.

Article 6 The remuneration proposal for directors shall be determined at the Shareholders' General Meeting and disclosed.

Article 7 Departments such as the human resource department, the finance department and the Board Office of the Company shall cooperate with the Remuneration and Assessment Committee of the Board of Directors to carry out the specific implementation of the remuneration proposals for directors.

Chapter 3 Remuneration Standards

Article 8 Composition of the remuneration of the directors of the Company:

(1) The remuneration for executive directors and non-executive directors who serve full-time at the Company consists of basic remuneration, performance-based remuneration (including short-term and medium-to-long-term incentive income), as well as other special incentives, bonuses, or awards granted based on the Company's actual circumstances. Performance-based remuneration shall, in principle, account for no less than 50% of the aggregate amount of the basic remuneration and performance-based remuneration.

(2) Non-executive directors who do not serve full-time at the Company and independent non-executive directors shall be subject to a fixed allowance system. The specific allowance amounts for non-executive directors serving as the Chairman of the Board, non-executive directors who do not serve full-time at the Company, and independent non-executive directors shall respectively be determined in accordance with the allowance standards approved by the Company's Shareholders' General Meeting. No additional remuneration shall be paid other than the aforementioned allowance.

Article 9 The remuneration of directors of the Company shall be commensurate with the market

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

The EGM 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, to consider, and if thought fit, pass the resolutions set out in the notice of the EGM, which is set out on pages **【11】** to **【13】** 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 Kong by hand or by post not less than 24 hours before the time designated for holding the EGM or any adjournment thereof (i.e. before 2:00 p.m. on Thursday, 20 August 2026); otherwise, it will be deemed invalid. The completion and submission of the proxy form shall not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) in person if you so wish. In the event that you subsequently attend and vote at the EGM or any adjournment thereof in person, your proxy shall be deemed to be revoked.

6. CLOSURE OF H-SHARE REGISTER

In order to determine the list of H-share holders who are eligible to attend the EGM, the Company will close registration for H Share transfers from Tuesday, 18 August 2026 to Friday, 21 August 2026 (both days inclusive). The record date will be Friday, 21 August 2026. In order to be eligible to attend and vote at the EGM, all share transfer documents together with the relevant share certificates must be lodged with 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, no later than 4:30 p.m. on Monday, 17 August 2026.

7. VOTING BY POLL

In accordance with Rule 13.39 (4) of the Listing Rules, all resolutions to be proposed at the EGM shall be voted on by poll except where the chairman of the EGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands where permitted by the Articles of Association. An announcement on the poll results will be published by the Company after the EGM on the Company's website (www.huaxincem.com) and the website of HKEX (www.hkexnews.hk) in the manner prescribed under Rule 13.39(5) of the Listing Rules.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

9. RECOMMENDATION

The Board of Directors is of the view that all the resolutions to be proposed at the EGM are in the best interest of the Company and the Shareholders as a whole. Accordingly, the Board of Directors recommends the Shareholders to vote in favor of all the resolutions proposed at the EGM.

Yours faithfully

By order of the Board of Directors

HUAXIN BUILDING MATERIALS GROUP CO., LTD.*

Xu Yongmo

Chairman

Wuhan City, Hubei Province, China
3 August 2026



**HUAXIN BUILDING MATERIALS GROUP
CO., LTD.***

華新建材集團股份有限公司

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

(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

2. Proposal on the Amendments of Certain Articles in the Articles of Association

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

Wuhan City, Hubei Province, China
3 August 2026

* *For identification purposes only*

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, 17 August 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, 17 August 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 delivery or post, no later than 24 hours before the EGM or any adjournment thereof (in the case of the EGM, it shall be delivered before 2: 00 p.m. on Thursday, 20 August 2026 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.

A shareholder who has filled in and submitted the proxy form may at that time attend and vote in person at the EGM or any adjournment thereof as he/she wishes.

3. Procedures of registration for attending the EGM

Shareholders or their proxies shall present their identification documents when attending the EGM. If the shareholder present at the meeting is a legal person, his/her legal representative, director or other person authorized by a decision-making body shall present a copy of the resolution of the Board of Directors or other decision-making body appointing such person to attend the EGM.

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 Jiaying (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.

As of the date of this Notice, the Board of Directors of the Company comprises Mr. Li Yeqing (President), as executive Directors; Mr. Xu Yongmo (Chairman), Mr. Martin Kriegner, Mr. Olivier Milhaud, Ms. Tan Then Hwee and Mr. Ming Jinhua, as non-executive Directors; Mr. Wong Kun Kau, Mr. Zhang Jiping and Mr. Jiang Hong, as independent non-executive Directors.