

HUAXIN BUILDING MATERIALS GROUP CO., LTD. Announcement on 2025 Profit Distribution Proposal

To the best of our knowledge, the Board of Directors of the Company and its members confirm that there is no material false or misleading statement or material omission in this announcement and shall be severally and jointly liable for the truthfulness, accuracy and completeness of its content.

Importance:

- Dividend per share: RMB 0.55 per share (including tax), among which, the Company had already distributed a cash dividend of RMB 0.34 per share for the first three quarters of 2025 in December 2025; the final cash dividend is proposed to be RMB 0.21 per share.
- The Company has completed the dividend distribution for the three quarters of 2025 in December, 2025. The final dividend for 2025 will be based on the total share capital recorded on the record date for the implementation of the dividend distribution, with the specific date to be announced in the implementation announcement. Should the Company's total share capital change prior to the record date for the implementation of the dividend distribution, the Company will announce the relevant adjustments separately.
- The profit distribution does not trigger the scenario stipulated in Item (8) of Article 9.8.1 of the "Stock Listing Rules of Shanghai Stock Exchange (Revised in April 2024)" that may lead to the implementation of other risk warnings.

I. Profit Distribution Proposal

(I) The specific content of the profit distribution proposal

Audited by Ernst & Young Hua Ming Certified Public Accountants LLP, in 2025, the net profit of the Company in 2025 amounted to RMB 2,317,769,722, and the consolidated net profit attributable to the shareholders amounted to RMB 2,853,332,040. The profit of the Company available for distribution was RMB 11,403,847,325 as at the end of 31 December 2025.

According to the resolution of the 22nd Meeting of the Eleventh Board of Directors of the Company, the profit distribution is based on the total number of shares registered on the record date for implementing dividend distribution. The profit distribution proposal is as follows:

Based on the Company's total share capital of 2,078,995,649 shares by the end of 2025, a cash dividend of RMB 0.55 per share (including tax) shall be distributed to all shareholders, totaling RMB 1,142,571,087 (accounting for 40.04% of the net profit attributable to the shareholders of the parent company after consolidation), and the remaining balance will be transferred to the undistributed profit. The company had already distributed a cash dividend of RMB 0.34 per share for the first three quarters of 2025 in December 2025, with the total cash dividend amounting to RMB 705,982,001 (the 2,578,000 A-shares held in the Company's repurchase special securities account were not involved in this profit distribution). This final cash dividend is proposed to be based on the company's total share capital of 2,078,995,649 shares,

with a cash dividend of RMB 0.21 per share, totaling a cash dividend of RMB 436,589,086. No capital reserve will be converted into share capital this year.

The profit distribution proposal shall be submitted to the Shareholders' Meeting of the Company for review.

(II) Whether it may trigger other risk warning scenarios

	2025	2024	2023
Cash dividend (Unit: Yuan)	1,142,571,087	956,337,999	1,101,867,694
Repurchase and cancelled amount (Unit: Yuan)	0	0	0
Net profit attributable to the ordinary shareholders in the consolidated statements for the dividend year	2,853,332,040	2,416,280,487	2,762,116,715
Undistributed profit at the end of the Reporting Period for the latest fiscal year (Unit: Yuan)	11,403,847,325		
Accumulated cash dividend for the last three fiscal years (Unit: Yuan)	3,200,776,780		
Repurchase and cancelled amount for the last three fiscal years (Unit: Yuan)	0		
Average annual net profit for the last three fiscal years (Unit: Yuan)	2,677,243,081		
Accumulated cash dividend and repurchase and cancelled amount for the last three fiscal years (Unit: Yuan)	3,200,776,780		
Whether the cumulative total of cash dividends and repurchase cancellations over the past three fiscal years is less than 50 million yuan?	NO		
Proportion of cash dividend for the last three fiscal years (%)	120		
Whether the Proportion of cash dividend for the last three fiscal years is less than 30%?	NO		
Whether it triggers the scenario stipulated in Item (8) of Article 9.8.1 of the "Stock Listing Rules of Shanghai Stock Exchange (Revised in April 2024)" that may lead to the implementation of other risk warnings	NO		

As shown in the table above, the company's cumulative cash dividend amount over the last three fiscal years is higher than 30% of the average net profit over the last three fiscal years. Therefore, it does not trigger the situation stipulated in Article 9.8.1, Paragraph 1, Item (8) of the Shanghai Stock Exchange Stock Listing Rules, which may lead to the implementation of other risk warnings.

II. Decision-making procedures performed by the Company

The Company convened the 22nd Meeting of the Eleventh Board of Directors on 26 March 2026. The Meeting approved the 2025 Profit Distribution Proposal of the Company, and agreed to submit the profit distribution proposal to the Annual Shareholders' Meeting 2025 for review.

III. Relevant risks

This profit distribution proposal has comprehensively considered factors such as the development stage and future fund demand of the Company, and will not pose significant impact on the operating cash flow of the Company, nor will it affect the normal operations and long term development of the Company.

It is herewith announced.

Board of Directors of HUAXIN BUILDING MATERIALS GROUP CO., LTD.
27 March 2026