

关于修改《公司章程》第 158 条的议案

Proposal in Respect of Amending Article 158 in the “Articles of Association”

各位董事：

Dear Directors,

依据《中国证监会关于进一步落实上市公司现金分红有关事项的通知》、《上海证券交易所上市公司现金分红指引》、《中国证监会上市公司监管指引第 3 号——上市公司现金分红》的规定精神，结合本公司实际，现对《华新水泥股份有限公司章程》（以下称《公司章程》）第 158 条有关分配政策进行修改。具体修改意见如下：

In accordance with the regulations and spirits of *Announcement on Further Implementation of Relevant Matters Concerning Cash Dividend Distribution of Listed Companies, Guidelines for Cash Dividend Distribution of SSE-listed Companies and No.3 Guideline for Supervision of Listed Companies-Cash Dividend Distribution of Listed Companies*, combined with the practical condition of the Company, Article 158 of the “Articles of Association of Huaxin Cement Co., Ltd.” (hereinafter referred to as “Articles of Association”) concerning distribution policy is amended as follows:

原《公司章程》第 158 条 公司应实施积极的利润分配办法：

- （一）公司的利润分配应重视对投资者的合理投资回报，且利润分配政策应保持连续性和稳定性；
- （二）公司可以采取现金或者股票方式分配股利，但中期进行股利分配只能采用现金分红的方式；
- （三）公司的利润分配方式以现金分配为主，且最近三年以现金方式累计分配利润应不少于最近三年实现的年均可分配利润的百分之三十。具体的年度利润分配方案由董事会根据公司经营情况拟定，报公司股东大会审议；
- （四）公司董事会未做出现金利润分配预案的，应当在定期报告中披露未分红的原因、未用于分红的资金留存公司的用途，且独立董事应当对此发表独立意见；
- （五）存在股东违规占用公司资金情况的，公司应当扣减该股东所分配的现金红利，以偿还其占用的资金。

人民币特种股（境内上市外资股）股利以美元支付。美元汇率按股东大会决议日后的第一个工作日中国人民银行公布的美元兑人民币的中间价计算。

人民币特种股（境内上市外资股）股利的所得税，按《中华人民共和国个人所得税法》和《中华人民共和国企业所得税法》及其他有关规定办理。

The original Article 158 in the “Articles of Association”, i.e. the Company shall implement a positive profit distribution policy:

- (i) Profit distribution of the Company shall reflect a reasonable investment return to the investors; and such profit distribution policy shall be consistent and stable;
- (ii) The Company shall pay dividends in the form of cash or shares, but an interim dividend distribution shall be made only in the form of cash;
- (iii) Profit distribution of the Company shall mainly take the form of cash, so that the accumulative profit distributed or to be distributed in cash for the last 3 years shall not be less than 30% of the annual average distributable profit realized for the last 3 years. The Board of Directors shall propose the detailed yearly profit distribution plan according to the operating results of the Company and submit it to the Shareholders’ General Meeting for approval.
- (iv) In the event that no cash profit distribution plan is proposed, the reasons for the non-distribution and the use of the undistributed funds retained in the Company shall be disclosed in the periodical report, and the independent directors shall in addition issue independent opinions on it;
- (v) Upon occurrence of any illegal seizure of the Company’s funds by shareholders, the

Company shall deduct the cash dividends to be paid to such shareholders to make up for the funds seized by such shareholders;

The dividends of special RMB shares (domestically listed foreign shares) shall be paid in US dollars. The exchange rate of US dollars shall be based on the average rate of US dollars for RMB as announced by the Peoples' Bank of China on the first working day following approval of the resolution at the Shareholders' General Meeting.

The income tax levied on the dividends of the special RMB shares (domestically listed foreign shares) shall be decided in accordance with the Individual Income Tax Law of the PRC, the Income Tax Law of Enterprises of the PRC and other relevant regulations.

现修改为:

第 158 条 公司股利分配政策

(一) 公司应本着积极回报股东、促进公司持续健康发展的理念, 重视对股东、投资者的合理投资回报。公司的股利分配政策应保持连续性和稳定性, 增强透明度, 给股东、投资者稳定的回报预期。

(二) 公司的股利分配以现金红利为主, 也可以采取现金红利和股票红利相结合的方式分配股利。除非特殊情况, 公司原则上每年度进行一次现金分红。

(三) 公司应遵从本章程的程序规定, 结合当年盈利情况、资产负债比率、发展阶段及资金需求, 并结合股东特别是中小股东的意见、以及独立董事的意见, 拟订当年的中期或年度股利分配预案, 董事会审议后报股东大会审批:

1、公司年度报告期内盈利且累计未分配利润为正, 则应分配一定比例的现金红利。除非特殊情况, 现金红利总额 (含中期现金红利) 与当年归属于母公司股东的净利润之比, 不低于 20%。

2、特殊情况下, 公司未做出现金红利分配的, 应当在定期报告中披露未进行现金分红的原因、未用于分红的资金留存公司的用途, 且独立董事应当对此发表独立意见。

(四) 独立董事可以征集中小股东的意见, 提出分红提案, 并直接提交董事会审议。

(五) 股东大会对股利分配预案和/或资本公积金转增股本预案 (如有) 进行审议前, 公司应当通过多种渠道, 包括召开说明会的方式, 主动与股东特别是中小股东进行沟通和交流, 充分听取中小股东的意见和诉求, 及时答复中小股东关心的问题。

(六) 存在股东违规占用公司资金情况的, 公司应当扣减该股东所分配的现金红利, 以偿还其占用的资金。

(七) 人民币特种股 (境内上市外资股) 股利以美元支付。美元汇率按股东大会决议日后的第一个工作日中国人民银行公布的美元兑人民币的中间价计算。

(八) 人民币特种股 (境内上市外资股) 股利的所得税, 按《中华人民共和国个人所得税法》和《中华人民共和国企业所得税法》及其他有关规定办理。”

is now amended to read:

Article 158 Dividend Distribution Policy of the Company

(i) In order to reward the shareholders initiatively, promote the sustainable and healthy development of the Company, the Company attaches great importance to reasonable investment return to shareholders and investors. The Company shall maintain the continuity and stability, as well as enhance the transparency of the dividend distribution policy to shape a stable return expectation for shareholders and investors.

(ii) While dividend distribution of the Company shall mainly take the form of cash, a combination distribution form of cash dividend and share dividend can also be adopted. Unless there are special circumstances, the Company in principle shall implement a cash dividend distribution once a year.

(iii) In light of the procedures specified in this “Articles of Association”, the Company shall take into consideration such factors as the profits of the year, assets/liabilities ratio, development stage and fund demand, combine with opinions from shareholders, especially small and medium-sized shareholders and independent directors when drawing up the interim or annual dividend distribution plan. The plan shall be submitted to the Shareholders' General Meeting for approval after reviewing by the Board of Directors:

1. If the Company profits during the annual reporting period and the accumulative undistributed profit is positive, the Company shall implement a certain ratio of cash dividend distribution. Unless there are special circumstances, the sum of the cash dividends (including the interim cash dividends) shall not be less than 20% of the net profit attributable to shareholders of the Parent Company.

2. In particular cases, no cash dividend is distributed by the Company, the reasons for the non-distribution and the use of the undistributed funds retained in the Company shall be disclosed in the periodical report, and the independent directors shall in addition issue independent opinions on it;

(iv) Independent directors may solicit the opinions from small and medium-sized shareholders and make a dividend distribution proposal to be submitted directly to the Board of Directors for reviewing.

(v) Prior to the reviewing of the dividend distribution plan and/or the conversion of capital reserve into shares capital plan (if any) by the Shareholders' General Meeting, the Company shall take the initiative to communicate and discuss with shareholders, especially small and medium-sized shareholders through multiple channels, including the convening of an explanation session, sufficiently listen to their suggestions and requests and respond in a timely manner to questions in which small and medium-sized shareholders have an interest.

(vi) Upon occurrence of any illegal seizure of the Company's funds by shareholders, the Company shall deduct the cash dividends to be paid to such shareholders to make up for the funds seized by such shareholders;

(vii) The dividends of special RMB shares (domestically listed foreign shares) shall be paid in US dollars. The exchange rate of US dollars shall be based on the average rate of US dollars for RMB as announced by the Peoples'Bank of China on the first working day following approval of the resolution at the Shareholders'General Meeting.

(viii) The income tax levied on the dividends of the special RMB shares (domestically listed foreign shares) shall be decided in accordance with the Individual Income Tax Law of the PRC, the Income Tax Law of Enterprises of the PRC and other relevant regulations.

《公司章程》其他章、条保持不变。

All other chapters and articles in the "Articles of Association" shall remain the same.

以上议案，请予以审议。

Please review the above proposal.

2014年3月27日

March 27, 2014