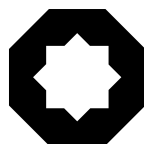


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CNBM

China National Building Material Company Limited*

中國建 材 股 份 有 限 公 司

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

(Stock Code: 3323)

DISCLOSEABLE TRANSACTION UPDATES ON ASSETS RESTRUCTURING

Reference is made to the announcements of the Company dated 28 December 2022 and 30 December 2022 in relation to the Assets Restructuring (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

On 28 February 2023, Qilianshan entered into the Second Supplemental Agreement for Assets Swap and Assets Purchase by Issuance of Shares with CCCC and China Urban-Rural (“**Second Supplemental Assets Restructuring Agreement**”), in relation to the amendment of the terms of the Assets Restructuring regarding the Issue Price and basis for price determination, the Issue Amount and the Conditions to Effectiveness etc.. The reason for the amendment is that on 17 February 2023, the CSRC issued the revised “Administrative Measures for the Material Asset Reorganizations of Listed Companies” and other documents under the comprehensive registration system, which adjusted the relevant regulations regarding the base price of issued shares and the review process for reorganizations of listed companies. Therefore, the expressions of certain terms in the Indicative Assets Restructuring Agreement and Supplemental Assets Restructuring Agreement as mentioned in the Announcements need to be amended according to the aforementioned adjustments.

Save as disclosed below, other terms of the Indicative Assets Restructuring Agreement and the Supplemental Assets Restructuring Agreement remain substantially unchanged.

PRINCIPAL TERMS OF THE SECOND SUPPLEMENTAL ASSETS RESTRUCTURING AGREEMENT

Date

28 February 2023

Parties

Owner of the Swapped-out Target Assets: Qilianshan

Owner I of the Swapped-in Target Assets: CCCC

Owner II of the Swapped-in Target Assets: China Urban-Rural

Amendments to the terms of the Assets Restructuring

	Terms before amendment	Terms after amendment
Issue Price and the basis for price determination:	<p>RMB10.17 per share, as determined by the parties after negotiation in accordance with the principle that the Issue Price will not be lower than 90% of the average trading price of Qilianshan's shares in the 20, 60 or 120 trading days prior to the Pricing Reference Date and the most recent audited net assets per share attributable to the shareholders of Qilianshan as at 31 December 2021, and after adjusting the original issue price of RMB10.62 taking account of the 2021 annual profits distribution plan implemented by Qilianshan, in accordance with the Issue Price adjustment mechanism.</p> <p>The pricing above has taken into account the relevant provisions in the "Administrative Measures for the Material Asset Reorganizations of Listed Companies", being that the issue price for a listed company issuing shares for assets purchase shall not be lower than 90% of the market reference price; with the market reference price being one of the average trading prices of the listed company's shares in the 20, 60 or 120 trading days prior to the pricing reference date.</p>	<p>RMB10.17 per share, as determined by the parties after negotiation in accordance with the principle that the Issue Price will not be lower than 90% of the average trading price of Qilianshan's shares in the 20, 60 or 120 trading days prior to the Pricing Reference Date and the most recent audited net assets per share attributable to the shareholders of Qilianshan as at 31 December 2021, and after adjusting the original issue price of RMB10.62 taking account of the 2021 annual profits distribution plan implemented by Qilianshan, in accordance with the Issue Price adjustment mechanism.</p> <p>The pricing above has taken into account the relevant provisions in the "Administrative Measures for the Material Asset Reorganizations of Listed Companies", being that the issue price for a listed company issuing shares for assets purchase shall not be lower than 80% of the market reference price; with the market reference price being one of the average trading prices of the listed company's shares in the 20, 60 or 120 trading days prior to the pricing reference date.</p>

	Terms before amendment	Terms after amendment
Issue Amount:	<p>1,285,418,199 shares in total, which shall be distributed in accordance with the following:</p> <p>(a) CCCC to hold 1,110,869,947 shares;</p> <p>(b) China Urban-Rural to hold 174,548,252 shares.</p> <p>The final Issue Amount is the amount as approved by the CSRC.</p>	<p>1,285,418,199 shares in total, which shall be distributed in accordance with the following:</p> <p>(a) CCCC to hold 1,110,869,947 shares;</p> <p>(b) China Urban-Rural to hold 174,548,252 shares.</p> <p>The final Issue Amount is the amount as approved by the Shanghai Stock Exchange (“SSE”) and registered with the CSRC.</p>
Conditions to Effectiveness:	<p>The Indicative Assets Restructuring Agreement and the Supplemental Assets Restructuring Agreement will take effect upon the date of fulfilment of all of the following conditions (being the Effective Date):</p> <p>(1) approval of the Assets Restructuring at Qilianshan’s board and shareholders’ meetings;</p> <p>(2) approval of the staff resettlement matters involved in the Assets Restructuring at Qilianshan’s staff representatives’ general meeting;</p> <p>(3) waiver in respect of CCCC’s and China Urban-Rural’s obligation to make an offer to acquire shares as a result of the Assets Restructuring being approved at Qilianshan’s shareholders’ meeting;</p>	<p>The Indicative Assets Restructuring Agreement, the Supplemental Assets Restructuring Agreement and the Second Supplemental Assets Restructuring Agreement will take effect upon the date of fulfilment of all of the following conditions (being the Effective Date):</p> <p>(1) approval of the Assets Restructuring at Qilianshan’s board and shareholders’ meetings;</p> <p>(2) approval of the staff resettlement matters involved in the Assets Restructuring at Qilianshan’s staff representatives’ general meeting;</p> <p>(3) waiver in respect of CCCC’s and China Urban-Rural’s obligation to make an offer to acquire shares as a result of the Assets Restructuring being approved at Qilianshan’s shareholders’ meeting;</p>

	Terms before amendment	Terms after amendment
	(4) approval of the Assets Restructuring at CCCC's board and shareholders' meetings;	(4) approval of the Assets Restructuring at CCCC's board and shareholders' meetings;
	(5) approval of the Assets Restructuring at China Urban-Rural's competent decision-making bodies;	(5) approval of the Assets Restructuring at China Urban-Rural's competent decision-making bodies;
	(6) approval of the Assets Restructuring by SASAC;	(6) approval of the Assets Restructuring by SASAC;
	(7) approval of the Assets Restructuring by the CSRC;	(7) approval of the Assets Restructuring by the SSE;
	(8) approval of the spin-off of CCCC by the Stock Exchange (if needed);	(8) the decision to register the Assets Restructuring by the CSRC;
	(9) approval in connection with the undertaking concentration assessment conducted by the Anti-Monopoly Bureau of the State Administration for Market Regulation with respect to the Assets Restructuring.	(9) approval of the spin-off of CCCC by the Stock Exchange (if needed);
		(10) approval in connection with the undertaking concentration assessment conducted by the Anti-Monopoly Bureau of the State Administration for Market Regulation with respect to the Assets Restructuring.

Completion of the Assets Restructuring is conditional upon the fulfilment of all Conditions to Effectiveness. Accordingly, the Assets Restructuring may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

On behalf of the Board
China National Building Material Company Limited*
Pei Hongyan
Secretary of the Board

Beijing, the PRC
28 February 2023

As at the date of this announcement, the board of directors of the Company comprises Mr. Zhou Yuxian, Mr. Wei Rushan, Mr. Liu Yan, Mr. Xiao Jiayang and Mr. Wang Bing as executive directors, Mr. Li Xinhua, Mr. Chang Zhangli, Mr. Wang Yumeng, Mr. Shen Yungang and Ms. Fan Xiaoyan as non-executive directors and Mr. Sun Yanjun, Mr. Liu Jianwen, Mr. Zhou Fangsheng, Mr. Li Jun and Ms. Xia Xue as independent non-executive directors.

** For identification purposes only*