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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)

**ANNOUNCEMENT OF ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

For the year ended 31 December 2025, the Group's audited consolidated operating revenue amounted to RMB177,847 million, representing a decrease of 1.9% as compared to the same period of 2024.

The audited loss attributable to equity holders of the Group amounted to RMB3,745 million, as compared to the profit attributable to equity holders of the Group of RMB2,387.3 million for the same period of 2024.

Basic loss per share was RMB-0.483, as compared to basic earnings per share of RMB0.283 for the same period of 2024.

The Board recommends the distribution of a final dividend of RMB1,138,953,203.70 in total (tax inclusive) for the period from 1 January 2025 to 31 December 2025 (2024: RMB1,199,697,374.56 in total (tax inclusive)) for Shareholders whose names appear on the Company's register of members on Tuesday, 12 May 2026, representing RMB0.15 per share (tax inclusive) (2024: RMB0.158 per share (tax inclusive)) based on the issued shares of 7,593,021,358 shares as of 30 March 2026. The final amount of the dividend per share will be determined based on the number of shares of the Company in issue as at Tuesday, 12 May 2026.

The Board of the Company announces the consolidated results and the financial position of the Group for the year ended 31 December 2025 prepared in accordance with IFRS Accounting Standards, together with the consolidated results and financial position for the year of 2024 for comparison.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue</b>	3	<b>177,847,086</b>	181,300,701
Cost of sales		<u>(144,595,202)</u>	<u>(148,591,366)</u>
<b>Gross profit</b>		<b>33,251,884</b>	32,709,335
Investment and other income, net	5	<b>4,818,788</b>	5,533,440
Selling and distribution costs		<b>(4,141,783)</b>	(3,918,324)
Administrative expenses		<b>(27,222,120)</b>	(20,624,622)
Finance costs, net	6	<b>(4,344,022)</b>	(4,657,818)
Share of results of associates		<b>853,468</b>	1,090,929
Share of results of joint ventures		<b>6,635</b>	(9,913)
Impairment loss under expected credit loss model, net		<u>(2,055,783)</u>	<u>(629,675)</u>
<b>Profit before income tax</b>	7	<b>1,167,067</b>	9,493,352
Income tax expense	8	<u>(2,087,932)</u>	<u>(2,079,766)</u>
<b>(Loss)/profit for the year</b>		<u><b>(920,865)</b></u>	<u>7,413,586</u>
<b>(Loss)/profit for the year attributable to:</b>			
Owners of the Company		<b>(3,745,255)</b>	2,387,299
Holder of perpetual capital instruments		<b>400,194</b>	514,421
Non-controlling interests		<u><b>2,424,196</b></u>	<u>4,511,866</u>
<b>(Loss)/profit for the year</b>		<u><b>(920,865)</b></u>	<u>7,413,586</u>
		<i>RMB</i>	<i>RMB</i>
<b>(Loss)/earnings per share</b>			
– basic and diluted	10	<u><b>(0.483)</b></u>	<u>0.283</u>

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025	2024
<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>(Loss)/profit for the year</b>	<b>(920,865)</b>	7,413,586
<b>Other comprehensive income/(expense), net of tax:</b>	<i>8(b)</i>	
<b>Items that will not be reclassified to profit or loss:</b>		
Actuarial gains/(losses) on defined benefit obligations	16,006	(32,268)
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Change in fair value of equity instruments at fair value through other comprehensive income	(990)	–
Currency translation differences	(8,654)	(135,309)
Share of associates' other comprehensive expense	(25,899)	(714)
Share of joint ventures' other comprehensive income	539	89
Changes in fair value on hedging instruments designated as cash flow hedges	<u>1,229</u>	<u>9,944</u>
<b>Other comprehensive expense for the year, net of tax</b>	<u>(17,769)</u>	<u>(158,258)</u>
<b>Total comprehensive (expense)/income for the year</b>	<u>(938,634)</u>	<u>7,255,328</u>
<b>Total comprehensive (expense)/income attributable to:</b>		
Owners of the Company	(3,766,818)	2,267,584
Holder of perpetual capital instruments	400,194	514,421
Non-controlling interests	<u>2,427,990</u>	<u>4,473,323</u>
<b>Total comprehensive (expense)/income for the year</b>	<u>(938,634)</u>	<u>7,255,328</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 <b>RMB'000</b>
<b>Non-current assets</b>			
Property, plant and equipment		<b>201,214,614</b>	204,239,365
Right-of-use assets		<b>25,541,993</b>	27,046,941
Investment properties		<b>1,385,297</b>	1,492,807
Goodwill		<b>31,829,274</b>	34,376,630
Intangible assets		<b>33,239,810</b>	31,290,814
Interests in associates		<b>33,690,425</b>	33,115,674
Interests in joint ventures		<b>530,267</b>	223,093
Financial assets at fair value through profit or loss		<b>3,692,657</b>	3,754,092
Financial assets at fair value through other comprehensive income		<b>42,906</b>	42,969
Deposits		<b>2,177,808</b>	2,577,030
Trade and other receivables	<i>11</i>	<b>2,436,008</b>	3,205,042
Deferred income tax assets		<b>9,283,654</b>	8,603,357
		<b>345,064,713</b>	349,967,814
<b>Current assets</b>			
Inventories		<b>18,053,972</b>	16,951,294
Trade and other receivables	<i>11</i>	<b>90,499,100</b>	87,592,581
Financial assets at fair value through profit or loss		<b>6,502,508</b>	9,423,632
Derivative financial instruments		<b>1,076</b>	1,448
Amounts due from related parties		<b>2,340,909</b>	2,727,631
Pledged bank deposits		<b>3,188,476</b>	3,809,312
Cash and cash equivalents		<b>23,842,002</b>	23,533,564
		<b>144,428,043</b>	144,039,462
Assets classified as held for sale		<b>49,753</b>	—
		<b>144,477,796</b>	144,039,462

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current liabilities</b>			
Trade and other payables	12	93,602,946	91,379,837
Amounts due to related parties		5,997,446	5,814,777
Borrowings – amount due within one year		90,626,589	82,128,645
Lease liabilities		396,976	418,137
Derivative financial instruments		–	4,689
Employee benefits payable		22,454	25,817
Current income tax liabilities		1,348,034	1,380,346
Dividends payable to non-controlling interests		593,001	311,080
		<u>192,587,446</u>	<u>181,463,328</u>
<b>Net current liabilities</b>		<u>(48,109,650)</u>	<u>(37,423,866)</u>
<b>Total assets less current liabilities</b>		<u>296,955,063</u>	<u>312,543,948</u>
<b>Non-current liabilities</b>			
Borrowings – amount due after one year		102,417,559	109,781,897
Deferred income		2,350,352	2,278,646
Lease liabilities		1,934,278	2,148,167
Employee benefits payable		321,851	329,186
Deferred income tax liabilities		3,516,629	3,478,167
		<u>110,540,669</u>	<u>118,016,063</u>
<b>Net assets</b>		<u>186,414,394</u>	<u>194,527,885</u>
<b>Capital and reserves</b>			
Share capital		7,593,021	8,434,771
Reserves		87,123,307	94,686,353
<b>Equity attributable to:</b>			
Owners of the Company		94,716,328	103,121,124
Holder of perpetual capital instruments		15,951,177	16,322,353
Non-controlling interests		75,746,889	75,084,408
<b>Total equity</b>		<u>186,414,394</u>	<u>194,527,885</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 1. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”), which includes all International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“HKASs”) and Interpretations issued by the IASB and the requirements of the Hong Kong Companies Ordinance. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period and the assets classified as held for sale that are measured at the lower of carrying amount and fair value less cost to sell, as explained in material accounting policy information set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

## 2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

### 2.1 Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
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The application of the amendments to an IFRS Accounting Standard in the current year had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 2.2 New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity <sup>1</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures <sup>3</sup>
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 <sup>1</sup>
IFRS 18	Presentation and Disclosure in Financial Statements <sup>2</sup>
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

Except for the new IFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

### ***IFRS 18 “Presentation and Disclosure in Financial Statements”***

IFRS 18 “Presentation and Disclosure in Financial Statements”, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 “Presentation of Financial Statements”. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 “Statement of Cash Flows” and IAS 33 “Earnings per Share” are also made.

IFRS 18 and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of profit or loss and disclosures in the future consolidated financial statements. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

### **3. REVENUE**

	<b>2025</b>	2024
	<b><i>RMB’000</i></b>	<i>RMB’000</i>
Sale of goods	<b>149,840,420</b>	154,047,628
Provision of engineering services	<b>25,380,943</b>	24,320,519
Rendering of other services	<b>2,625,723</b>	2,932,554
	<b><u>177,847,086</u></b>	<u>181,300,701</u>

#### 4. SEGMENTS INFORMATION

##### (a) Operating segments

For management purpose, the Group was organised into five major operating divisions during the year – cement, concrete, new materials, engineering technology services and others. These activities are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

- Cement – Production and sale of cement
- Concrete – Production and sale of concrete
- New materials – Production and sale of fibreglass, composite and light building materials
- Engineering technology services – Provision of engineering technology services to glass and cement manufacturers and equipment procurement
- Others – Merchandise trading business and others

No information about geographic location of the Group's operations and assets is presented as such information is not regularly provided to management for resource allocation and performance assessment purposes.

The segment result is disclosed as EBITDA/(LBITDA), i.e. the profit/(loss) earned by each segment without allocation of depreciation and amortisation, net other income, central administration costs, unallocated finance costs, share of results of associates, share of results of joint ventures and income tax expense. This is the measure reported to the management for the purpose of resource allocation and assessment of segment performance. Management views the combination of these measures, in combination with other reported measures, as providing a better understanding for management and investors of the operating results of its business segments for the year under evaluation compared to relying on one of the measures.

Information regarding the Group's reportable segments is presented below:

**For the year ended 31 December 2025**

	Cement RMB'000	Concrete RMB'000	New materials RMB'000	Engineering technology services RMB'000	Others RMB'000	Eliminations RMB'000	Total RMB'000
<b>Consolidated statement of profit or loss</b>							
Revenue							
External sales							
At a point of time	56,010,376	21,634,716	54,658,838	7,113,727	5,036,894	-	144,454,551
Over time	-	-	637,667	32,754,868	-	-	33,392,535
	56,010,376	21,634,716	55,296,505	39,868,595	5,036,894	-	177,847,086
Inter-segment sales (Note)	738,953	46,438	260,232	8,970,723	8,630,389	(18,646,735)	-
	<u>56,749,329</u>	<u>21,681,154</u>	<u>55,556,737</u>	<u>48,839,318</u>	<u>13,667,283</u>	<u>(18,646,735)</u>	<u>177,847,086</u>
<b>Adjusted EBITDA/(LBITDA)</b>	<u>6,161,816</u>	<u>1,510,502</u>	<u>9,880,097</u>	<u>3,807,917</u>	<u>(750,265)</u>	<u>-</u>	<u>20,610,067</u>
Depreciation and amortisation	(10,668,096)	(957,876)	(3,661,651)	(646,919)	(246,615)	-	(16,181,157)
Unallocated other income, net							257,556
Unallocated administrative expenses							(35,480)
Share of results of associates	(18,227)	25,126	158,802	123,028	564,739	-	853,468
Share of results of joint ventures	14,159	-	(8,011)	-	487	-	6,635
Finance costs, net	(2,938,077)	(740,984)	(363,167)	164,073	(684,573)	-	(4,562,728)
Unallocated finance income, net							218,706
Profit before income tax							1,167,067
Income tax expense							(2,087,932)
Loss for the year							<u>(920,865)</u>

*Note:* The inter-segment sales were carried out with reference to market prices.

Segment assets include all tangible, intangible assets and current assets with the exception of other corporate assets. Segment liabilities include trade creditors, accruals and bills payable attributable to sales activities of each segment with the exception of corporate expense payables.

	Cement RMB'000	Concrete RMB'000	New materials RMB'000	Engineering services RMB'000	Others RMB'000	Total RMB'000
<b>Other information</b>						
Additions to non-current assets						
Property, plant and equipment	6,413,096	201,662	5,154,044	1,064,851	78,570	12,912,223
Right-of-use assets	385,013	2,624	167,654	37,123	43,093	635,507
Intangible assets	3,503,491	31,837	599,723	104,691	1,443	4,241,185
Goodwill	317,172	-	282,339	-	-	599,511
Unallocated						47,061
	<u>10,618,772</u>	<u>236,123</u>	<u>6,203,760</u>	<u>1,206,665</u>	<u>123,106</u>	<u>18,435,487</u>
Additions to non-current assets through acquisition of subsidiaries						
Allocated	563,552	13,635	1,209,321	-	-	1,786,508
Unallocated						18,731
						<u>1,805,239</u>
Depreciation and amortisation						
Property, plant and equipment	7,741,682	666,518	3,161,979	544,643	180,094	12,294,916
Right-of-use assets	1,275,525	259,680	290,928	52,770	53,402	1,932,305
Intangible assets	1,650,889	31,678	208,744	49,506	13,119	1,953,936
Unallocated						35,480
	<u>10,668,096</u>	<u>957,876</u>	<u>3,661,651</u>	<u>646,919</u>	<u>246,615</u>	<u>16,216,637</u>

*Note:* Non-current assets excluded interests in associates, interests in joint ventures, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, non-current deposits, non-current trade and other receivables, deferred income tax assets and derivatives financial instruments.

	Cement	Concrete	New materials	Engineering	Others	Total
	RMB'000	RMB'000	RMB'000	services	RMB'000	RMB'000
				RMB'000		
Impairment loss under expected credit loss model, net of reversal	103,390	802,804	167,455	908,310	73,824	2,055,783
Impairment of goodwill	2,881,721	131,950	5,282	72,519	-	3,091,472
Impairment of property, plant and equipment	2,591,860	201,554	139,017	15,164	624,455	3,572,050
Impairment of right-of-use assets	86,949	-	-	-	25,186	112,135
Impairment of intangible assets	45,352	37	13,767	-	332,790	391,946
Write down of inventories	22,629	36	96,763	9,560	24,198	153,186

**Consolidated statement of  
financial position**

**Assets**

Segment assets	222,434,915	43,780,629	92,877,884	41,303,286	6,727,827	407,124,541
Interests in associates	5,125,021	499,736	3,312,029	2,713,886	22,039,753	33,690,425
Interests in joint ventures	435,160	-	95,107	-	-	530,267
Unallocated assets						48,197,276

**Total consolidated assets**

489,542,509

**Liabilities**

Segment liabilities	134,405,562	20,791,722	41,979,527	34,354,859	6,954,731	238,486,401
Unallocated liabilities						64,641,714

**Total consolidated liabilities**

303,128,115

## For the year ended 31 December 2024

	Cement RMB'000	Concrete RMB'000	New materials RMB'000	Engineering technology services RMB'000	Others RMB'000	Eliminations RMB'000	Total RMB'000
<b>Consolidated statement of profit or loss</b>							
Revenue							
External sales							
At a point of time	66,336,024	24,527,333	47,604,968	102,714	6,116,173	-	144,687,212
Over time	-	-	925,532	35,687,957	-	-	36,613,489
	66,336,024	24,527,333	48,530,500	35,790,671	6,116,173	-	181,300,701
Inter-segment sales ( <i>Note</i> )	212,963	25,240	21,158	9,673,660	12,296,470	(22,229,491)	-
	66,548,987	24,552,573	48,551,658	45,464,331	18,412,643	(22,229,491)	181,300,701
<b>Adjusted EBITDA</b>	<b>14,860,604</b>	<b>2,107,616</b>	<b>8,801,741</b>	<b>3,006,356</b>	<b>106,459</b>	<b>-</b>	<b>28,882,776</b>
Depreciation and amortisation	(10,987,523)	(867,002)	(3,377,007)	(512,757)	(268,883)	-	(16,013,172)
Unallocated other income, net							260,262
Unallocated administrative expenses							(59,712)
Share of results of associates	33,233	16,213	35,624	58,885	946,974	-	1,090,929
Share of results of joint ventures	(8,815)	-	(1,650)	-	552	-	(9,913)
Finance costs, net	(3,151,000)	(737,221)	(451,605)	35,450	(388,687)	-	(4,693,063)
Unallocated finance costs, net							35,245
Profit before income tax							9,493,352
Income tax expense							(2,079,766)
Profit for the year							<u>7,413,586</u>

*Note:* The inter-segment sales were carried out with reference to market prices.

Segment assets include all tangible, intangible assets and current assets with the exception of other corporate assets. Segment liabilities include trade creditors, accruals and bills payable attributable to sales activities of each segment with the exception of corporate expense payables.

	Cement	Concrete	New materials	Engineering technology services	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Other information</b>						
Addition to non-current assets ( <i>Note</i> ):						
Property, plant and equipment	9,024,344	304,173	7,669,676	1,134,772	75,186	18,208,151
Right-of-use assets	1,340,831	21,859	416,034	82,716	29,575	1,891,015
Intangible assets	3,431,098	12,146	208,001	34,434	39,085	3,724,764
Goodwill	254,437	-	1,984,354	-	-	2,238,791
Unallocated						500
	<u>14,050,710</u>	<u>338,178</u>	<u>10,278,065</u>	<u>1,251,922</u>	<u>143,846</u>	<u>26,063,221</u>
Addition to non-current assets through acquisition of subsidiaries						
	<u>822,899</u>	<u>-</u>	<u>2,274,328</u>	<u>-</u>	<u>-</u>	<u>3,097,227</u>
Depreciation and amortisation:						
Property, plant and equipment	7,682,600	559,732	2,821,504	412,008	183,963	11,659,807
Right-of-use assets	1,370,923	279,331	242,960	50,990	37,700	1,981,904
Intangible assets	1,934,000	27,939	312,543	49,759	47,220	2,371,461
Unallocated						59,712
	<u>10,987,523</u>	<u>867,002</u>	<u>3,377,007</u>	<u>512,757</u>	<u>268,883</u>	<u>16,072,884</u>

*Note:* Non-current assets excluded interests in associates, interests in joint ventures, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, non-current deposits, non-current trade and other receivables, deferred income tax assets and derivatives financial instruments.

	Cement RMB'000	Concrete RMB'000	New materials RMB'000	Engineering technology services RMB'000	Others RMB'000	Total RMB'000
Impairment loss under expected credit loss model, net of reversal	78,630	110,660	67,731	352,257	20,397	629,675
Impairment of goodwill	–	–	32,201	41,453	–	73,654
Impairment of property, plant and equipment	14,696	18,007	6,850	–	43,398	82,951
(Reversal of write down)/write down of inventories	(8,450)	347	78,591	8,468	33,780	112,736

#### Consolidated statement of financial position

<b>Assets</b>						
Segment assets	229,610,948	47,754,612	85,134,943	40,249,872	7,252,692	410,003,067
Interests in associates	6,982,978	491,694	3,070,867	2,601,588	19,968,547	33,115,674
Interests in joint ventures	120,513	–	102,580	–	–	223,093
Unallocated assets						<u>50,665,442</u>
<b>Total consolidated assets</b>						<u><u>494,007,276</u></u>
<b>Liabilities</b>						
Segment liabilities	138,759,882	20,392,785	38,200,200	32,461,196	7,196,107	237,010,170
Unallocated liabilities						<u>62,469,221</u>
<b>Total consolidated liabilities</b>						<u><u>299,479,391</u></u>

A reconciliation of total adjusted profit before finance costs, income tax expense, depreciation and amortisation and corporate items is provided as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Adjusted EBITDA for reportable segments	<b>21,360,332</b>	28,776,317
Adjusted (LBITDA)/EBITDA for other segments	<b>(750,265)</b>	106,459
Total segments profit	<b>20,610,067</b>	28,882,776
Depreciation of property, plant and equipment	<b>(12,294,916)</b>	(11,659,807)
Depreciation of right-of-use assets	<b>(1,932,305)</b>	(1,981,904)
Amortisation of intangible assets	<b>(1,953,936)</b>	(2,371,461)
Corporate items	<b>222,076</b>	200,550
Operating profit	<b>4,650,986</b>	13,070,154
Finance costs, net	<b>(4,344,022)</b>	(4,657,818)
Share of results of associates	<b>853,468</b>	1,090,929
Share of results of joint ventures	<b>6,635</b>	(9,913)
Profit before income tax	<b><u>1,167,067</u></b>	<u>9,493,352</u>

**(b) Geographical segments**

The Group's revenue from the following geographical markets, based on the locations of customers:

***Revenue from external customers***

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
PRC	<b>145,448,510</b>	154,378,073
Europe	<b>4,377,477</b>	4,148,497
Middle East	<b>7,571,395</b>	4,912,297
Asia – Others	<b>7,084,865</b>	6,167,178
Oceania	<b>327,408</b>	1,182,085
Africa	<b>10,268,695</b>	8,489,474
Americas	<b>2,059,594</b>	1,288,254
Others	<b>709,142</b>	734,843
	<b><u>177,847,086</u></b>	<u>181,300,701</u>

**(c) Information of major customers**

No single customer accounted for 10% or more of the total revenue for the years ended 31 December 2025 and 2024.

## 5. INVESTMENT AND OTHER INCOME, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government subsidies:		
– VAT refunds ( <i>Note (a)</i> )	662,754	810,469
– Government grants ( <i>Note (b)</i> )	1,862,183	1,814,550
– Interest subsidy	4,758	39,724
Gain on disposal of subsidiaries, net	16,425	251,073
Gain on disposal of partial interest of an associate	109,136	–
Gain on disposal of other investments	95,356	54,578
Loss on deemed disposal of interests in associates	–	(122,479)
Increase in fair value of financial assets at fair value through profit or loss, net	266,338	137,144
Decrease in fair value of derivative financial instruments, net	(33)	(22,073)
Net rental income from:		
– Investment properties	55,754	34,424
– Land and building	59,937	64,434
– Equipment	129,496	124,896
Gain on disposal of property, plant and equipment	126,288	277,130
Gain on disposal of investment properties	76,357	511,033
Gain on disposal of intangible assets	101,019	242,607
Gain on disposal of right-of-use assets	77,306	176,845
Technical and other service income	839,630	720,957
Claims received	67,461	112,145
Waiver of payables	185,210	324,297
Others	83,413	(18,314)
	<u>4,818,788</u>	<u>5,533,440</u>

### *Notes:*

- (a) The State Council of the PRC issued a “Notice Encouraging Comprehensive Utilisation of Natural Resources” (the “**Notice**”) in 1996 to encourage and support enterprises, through incentive policies, to comprehensively utilise natural resources. Pursuant to the Notice, the Ministry of Finance and the State Administration of Taxation of the PRC enacted several regulations providing incentives in form of VAT refund for certain environmentally friendly products, including products that recognised industrial waste as part of their raw materials. Under the Notice and such regulations, the Group is entitled to receive immediate or future refund on any paid VAT with respect to any eligible products as income after it receives approvals from the relevant government authorities.
- (b) Government grants are awarded to the Group by the local government agencies as incentives primarily to encourage the development of the Group and the contribution to the local economic development. There are no specific conditions that are needed to be fulfilled for receiving such government grants.

## 6. FINANCE COSTS, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest expenses on bank borrowings	3,766,317	3,739,444
Interest expenses on bonds and other borrowings	1,324,710	1,717,200
Interest expenses on lease liabilities	138,180	127,461
Less: interest capitalised to construction in progress	<u>(307,938)</u>	<u>(347,311)</u>
	<u>4,921,269</u>	<u>5,236,794</u>
Interest income:		
– interest on bank deposits	(409,493)	(429,475)
– interest on loans receivable	<u>(167,754)</u>	<u>(149,501)</u>
	<u>(577,247)</u>	<u>(578,976)</u>
Finance costs, net	<u><u>4,344,022</u></u>	<u><u>4,657,818</u></u>

Borrowing costs capitalised for the year ended 31 December 2025 arose on the general borrowing pool and were calculated by applying a capitalisation rate of 2.66% (2024: 2.92%) per annum to expenditure on the qualifying assets.

## 7. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging/(crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Depreciation of:		
Property, plant and equipment	12,294,916	11,659,807
Investment properties	35,480	59,712
Right-of-use assets	<u>1,932,305</u>	<u>1,981,904</u>
	14,262,701	13,701,423
Amortisation of intangible assets	<u>1,953,936</u>	<u>2,371,461</u>
Total depreciation and amortisation	<u>16,216,637</u>	<u>16,072,884</u>
Impairment loss on goodwill*	3,091,472	73,654
Impairment loss on property, plant and equipment*	3,572,050	82,951
Impairment loss on right-of-use assets*	112,135	–
Impairment loss on intangible assets*	391,946	–
Impairment loss on interests in an associate	8,353	–
Loss on written-off of non-current assets	44,822	56,942
Loss on goodwill from deregistration of subsidiaries	88,367	17,356
Cost of inventories recognised as expenses	<u>116,546,112</u>	<u>131,786,360</u>
Auditor's remuneration		
– Audit services	4,094	3,892
– Non-audit service	<u>3,045</u>	<u>1,558</u>
Total auditor's remuneration	<u>7,139</u>	<u>5,450</u>
Staff costs including directors' remunerations		
– Salaries, bonus and other allowances	19,493,141	19,577,602
– Equity-settled share-based payment expenses	9,281	44,527
– Retirement plan contributions	<u>2,315,314</u>	<u>2,296,839</u>
Total staff costs	<u>21,817,736</u>	<u>21,918,968</u>
Write down of inventories, net	153,186	112,736
Net foreign exchange (gain)/loss	<u>(1,647)</u>	<u>265,133</u>

\* These impairment losses are included in administrative expenses in the consolidated statement of profit or loss.

## 8. INCOME TAX EXPENSE

### (a) Taxation in the consolidated statement of profit or loss

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax	<u>2,829,453</u>	<u>2,276,264</u>
Deferred income tax		
– Current year	(905,670)	(454,459)
– Write-down of previously recognised deferred tax	<u>164,149</u>	<u>257,961</u>
	<u>(741,521)</u>	<u>(196,498)</u>
	<u><u>2,087,932</u></u>	<u><u>2,079,766</u></u>

PRC income tax is calculated at 25% (2024: 25%) of the estimated assessable profit of the Group as determined in accordance with relevant tax rules and regulations in the PRC for both years, except for certain subsidiaries of the Company, which are exempted or taxed at preferential rates of 15% entitled by the subsidiaries in accordance with relevant tax rules and regulations in the PRC or approvals obtained by the tax bureaus in the PRC.

The Group is operating in certain jurisdictions where the Pillar Two Rules are effective/enacted but not effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Rules based on management's best estimate, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

The tax charge for the year can be reconciled to the profit before income tax per consolidated statement of profit or loss as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before income tax	<u>1,167,067</u>	<u>9,493,352</u>
Tax at domestic income tax rate of 25% (2024: 25%)	291,767	2,373,338
Tax effect of:		
Share of results of associates	(213,367)	(272,732)
Share of results of joint ventures	(1,659)	2,478
Expenses not deductible for tax purposes	465,500	170,638
Deductible temporary differences not recognised	1,300,778	44,740
Write-down of previously recognised deferred tax	164,149	257,961
Income not taxable for tax purposes	(489,973)	(288,565)
Tax losses not recognised	2,031,793	1,269,581
Utilisation of tax losses previously not recognised	(255,892)	(142,437)
Income tax credits granted to subsidiaries on acquisition of certain qualified equipment	(7,876)	(4,650)
Effect of different tax rates of subsidiaries	<u>(1,197,288)</u>	<u>(1,330,586)</u>
	<u><u>2,087,932</u></u>	<u><u>2,079,766</u></u>

(b) Tax effects relating to each component of other comprehensive income

	Before taxation <i>RMB'000</i>	2025 Taxation credited <i>RMB'000</i>	Net of taxation <i>RMB'000</i>	Before taxation <i>RMB'000</i>	2024 Taxation credited <i>RMB'000</i>	Net of taxation <i>RMB'000</i>
Actuarial gains/(losses) on defined benefit obligations	16,006	–	16,006	(32,829)	561	(32,268)
Changes in the fair value of financial assets without recycling	(990)	–	(990)	–	–	–
Currency translation differences	(8,654)	–	(8,654)	(135,309)	–	(135,309)
Share of associates' other comprehensive expense	(25,899)	–	(25,899)	(714)	–	(714)
Share of joint ventures' other comprehensive income	539	–	539	89	–	89
Change in the fair value on hedging instruments designated as cash flow hedges	1,229	–	1,229	13,423	(3,479)	9,944
Other comprehensive expense	<u>(17,769)</u>	<u>–</u>	<u>(17,769)</u>	<u>(155,340)</u>	<u>(2,918)</u>	<u>(158,258)</u>

9. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Dividends paid		
– RMB0.158 (2024: RMB0.229) per share by the Company	<u>1,199,697</u>	<u>1,931,562</u>
Proposed final dividend		
– RMB0.150 (2024: RMB0.158) per share by the Company (see below)	<u>1,138,953</u>	<u>1,199,697</u>

The final dividend of RMB1,138,953,000 in total (pre-tax) has been proposed by the board of directors on 30 March 2026 and is subject to approval of the shareholders of the Company in the forthcoming annual general meeting.

## 10. (LOSS)/EARNINGS PER SHARE – BASIC AND DILUTED

The calculation of the basic (loss)/earnings per share attributable to the owners of the Company is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
(Loss)/earnings attributable to owners of the Company	<u>(3,745,255)</u>	<u>2,387,299</u>

	2025 '000	2024 '000
Weighted average number of ordinary shares in issue	<u>7,754,453</u>	<u>8,434,771</u>

Diluted (loss)/earnings per share attributable to equity shareholders of the Company for the years ended 31 December 2025 and 2024 is the same as basic (loss)/earnings per share, as the effect of assumed vesting of unvested ordinary shares was anti-dilutive.

## 11. TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables, net of allowance for credit losses ( <i>Note (a)</i> )	46,669,054	47,530,229
Bills receivable ( <i>Note (c)</i> )	12,978,294	11,671,177
Contract assets	9,943,462	8,764,769
Other receivables and deposits	15,195,189	15,531,695
Prepayments	<u>8,149,109</u>	<u>7,299,753</u>
	<u>92,935,108</u>	<u>90,797,623</u>
Analysed for reporting purposes:		
Non-current portion	2,436,008	3,205,042
Current portion	<u>90,499,100</u>	<u>87,592,581</u>
	<u>92,935,108</u>	<u>90,797,623</u>

*Notes:*

- (a) The Group normally allowed an average of credit period of 60-180 days to its trade customers, except for customers of engineering technology services segment, the credit periods are normally ranging from 1 to 2 years.

The ageing analysis of trade receivables net of allowance for credit losses presented based on the invoice date is as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within two months	<b>9,619,765</b>	6,519,099
More than two months but within one year	<b>18,645,524</b>	21,822,297
Between one and two years	<b>9,400,382</b>	11,534,849
Between two and three years	<b>4,750,883</b>	4,631,271
Over three years	<b>4,252,500</b>	3,022,713
	<b><u>46,669,054</u></b>	<u>47,530,229</u>

- (b) As at 1 January 2024, trade receivables from contracts with customers amounted to approximately RMB49,221.95 million.

- (c) The bills receivable are aged within six months.

- (d) Carrying amounts of trade and other receivables were denominated in the following currencies:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
RMB	<b>87,937,807</b>	85,677,165
EUR	<b>1,447,159</b>	1,870,162
USD	<b>2,556,610</b>	2,042,972
Others	<b>993,532</b>	1,207,324
	<b><u>92,935,108</u></b>	<u>90,797,623</u>

- (e) As at 31 December 2025, bills receivable of approximately RMB397.10 million (2024: approximately RMB81.55 million) are pledged to secure bank and other borrowings granted to the Group.

## 12. TRADE AND OTHER PAYABLES

The ageing analysis of trade and other payables, based on invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within two months	<b>14,485,438</b>	19,035,700
More than two months but within one year	<b>20,475,091</b>	18,937,280
Between one and two years	<b>5,202,905</b>	4,257,376
Between two and three years	<b>1,841,271</b>	2,211,528
Over three years	<b><u>2,725,472</u></b>	<u>1,918,460</u>
Trade payables	<b>44,730,177</b>	46,360,344
Bills payable	<b>16,063,208</b>	13,181,420
Contract liabilities	<b>11,186,645</b>	10,597,139
Other payables	<b><u>21,622,916</u></b>	<u>21,240,934</u>
	<b><u><u>93,602,946</u></u></b>	<u><u>91,379,837</u></u>

The credit period on purchase of goods and services provided from supplier is 30 to 365 days. Bills payable are aged within six months.

## BUSINESS HIGHLIGHTS

The major operating data of the Group in 2025 and 2024 are set out below:

### BASIC BUILDING MATERIALS SEGMENT

	For the year ended 31 December		
	2025	2024	Growth rate
Sales volume – cement ( <i>in thousand tonnes</i> )	<b>193,355</b>	216,523	-10.7%
Sales volume – clinker ( <i>in thousand tonnes</i> )	<b>23,351</b>	28,257	-17.4%
Total sales of cement and clinker ( <i>in thousand tonnes</i> )	<b>216,706</b>	244,780	-11.5%
Average selling price – cement ( <i>RMB per tonne</i> )	<b>239.0</b>	254.7	-6.2%
Average selling price – clinker ( <i>RMB per tonne</i> )	<b>207.7</b>	219.5	-5.4%
Average selling price of cement and clinker ( <i>RMB per tonne</i> )	<b>235.6</b>	250.6	-6.0%
Sales volume – commercial concrete ( <i>in thousand m<sup>3</sup></i> )	<b>75,775</b>	78,802	-3.8%
Average selling price – commercial concrete ( <i>RMB per m<sup>3</sup></i> )	<b>286.1</b>	311.6	-8.2%
Sales volume – aggregate ( <i>in thousand tonnes</i> )	<b>139,558</b>	141,034	-1.0%
Average selling price – aggregate ( <i>RMB per tonne</i> )	<b>36.6</b>	36.9	-0.8%

## NEW MATERIALS SEGMENT

	For the year ended 31 December		
	2025	2024	Growth rate
Fiberglass			
Sales volume ( <i>in thousand tonnes</i> )	<b>4,100</b>	3,978	3.1%
Average selling price ( <i>RMB per tonne</i> )	<b>4,711</b>	4,177	12.8%
Gypsum board			
Sales volume ( <i>in million m<sup>2</sup></i> )	<b>2,146.9</b>	2,170.8	-1.1%
Average selling price ( <i>RMB per m<sup>2</sup></i> )	<b>5.42</b>	5.87	-7.7%
Wind power blade			
Sales volume ( <i>MW</i> )	<b>36,180</b>	23,996	50.8%
Average selling price ( <i>RMB per MW</i> )	<b>348,121</b>	355,660	-2.1%
Coatings			
Sales volume ( <i>in thousand tonnes</i> )	<b>1,274.25</b>	931.75	36.8%
Average selling price ( <i>RMB per tonne</i> )	<b>3,227</b>	3,578	-9.8%
Waterproofing membrane			
Sales volume ( <i>in million m<sup>2</sup></i> )	<b>247.7</b>	230.0	7.7%
Average selling price ( <i>RMB per m<sup>2</sup></i> )	<b>13.38</b>	14.44	-7.3%
Lithium battery separator			
Sales volume ( <i>in million m<sup>2</sup></i> )	<b>3,328.0</b>	1,895.8	75.5%
Average selling price ( <i>RMB per m<sup>2</sup></i> )	<b>0.72</b>	0.80	-10.0%
Carbon fiber			
Sales volume ( <i>in thousand tonnes</i> )	<b>25.05</b>	16.34	53.3%
Average selling price ( <i>RMB per tonne</i> )	<b>86,328</b>	94,543	-8.7%

## ENGINEERING TECHNOLOGY SERVICES SEGMENT

	As at 31 December		
	2025	2024	Growth rate
Engineering service income ( <i>RMB in millions</i> )	<b>48,839.3</b>	45,464.3	7.4%

## CHAIRMAN'S STATEMENT

Dear Shareholders,

As time moves forward, we advance with clarity and purpose. Following the successful conclusion of the “14th Five-Year Plan”, we have embarked on the “15th Five-Year Plan” journey, navigating a year defined by both pressure and progress. Reflecting on 2025, with the trust and support of our Shareholders, the Board actively fulfilled its core functions of “setting strategies, making decisions, and mitigating risks”. Together, the management and all employees united with dedication to overcome difficulties and forge ahead. On behalf of the Board, I am pleased to present the Company’s 2025 Annual Report and key results for the year to our Shareholders for your review. I would also like to express my sincere gratitude to all parties concerned for your longstanding interest in and support for the development of the Company.

In 2025, facing challenges such as the imbalance between robust supply and weak demand, the overlapping effects of cyclical and structural overcapacity, and intensifying market competition, we withstood significant pressure, forged ahead against the odds, and coordinated efforts to stabilize growth while cultivating new drivers, consistently achieving new milestones in high-quality development. The basic building materials segment proactively responded to the downward pressure on demand, focusing on both internal optimization and external improvements to solidify its operational foundation. The new materials segment experienced remarkable growth, with its performance reaching new heights. The engineering technology services segment achieved breakthroughs in major project execution and expanded into premium markets.

**This year, we “optimized existing assets” and “expanded incremental growth”, continuously strengthening our development momentum.** The basic building materials segment focused on accelerating intelligent, green, and international transformation. It proactively engaged in the carbon trading market and improved the industry ecosystem through green initiatives. Large models for the building materials industry were deployed in over 140 cement production scenarios, accelerating the advancement of both the industry chain and value chains towards the mid-to-high end, thereby generating added value amid the new normal of industry development. The new materials segment demonstrated strong momentum. The world’s first zero-carbon intelligent manufacturing base in the fiberglass industry was completed. Carbon fiber production capacity ranked among the global top three. Wind power blades achieved major breakthroughs in the deep-sea applications. Aviation composites supported the development of domestic aircraft. Other businesses within the segment also grew synergistically, collectively building a vibrant materials industry cluster.

**This year, we “managed variables” and “enhanced quality”, making our reform and innovation efforts more dynamic and effective.** We prioritized technological innovation as the “flagship project”, accelerating the deep integration of technological and industrial innovation to strive for a leap “from 0 to N”. We improved the mechanism for commercializing scientific research results, jointly established the Suzhou Advanced Materials Valley, continuously optimized the capital operation system, and effectively promoted the integration of the innovation, industrial, and capital chains, providing strong support for the “second curve” of growth. We accelerated digital transformation, promoting the multiplier effect of data elements across all business scenarios.

**This year, we focused on “expanding globally”, “integrating locally”, and “moving upward”, to solidify our global footprint.** Anchored by the strategic direction of internationalization, we strengthened internal and external synergies and enhanced systems integration to provide holistic solutions for overseas customers, continuously improving our internationalization index. We completed our first overseas equity merger and acquisition project in the basic building materials sector in Tunisia. In regions such as Brazil, Uzbekistan, South Africa, and Papua New Guinea, our various production bases progressed steadily with construction and operations. Our cement engineering technology services maintained the world’s largest market share for the 17th consecutive year, turning our mission of “Better materials, better world” into reality.

Building on our legacy and embarking on a new journey, 2026 marks the first year of the “15th Five-Year Plan”. The environment for our development still presents both strategic opportunities intertwined risks and challenges. Accelerating changes unseen in a century, the domestic economy’s shift towards higher quality and innovation, profound adjustments in demand structure, rapid transformation of the industrial system, and stabilization of the industry ecosystem. In short, positive factors are accumulating, while negative factors are being swiftly addressed. New industries, new models, and new drivers are accelerating their growth, and the internal momentum for development continues to build. The fundamental trend of economic recovery and long-term improvement remains unchanged. The path forward has never been smooth. We will deeply study this transitional phase, proactively identify, adapt to, and seek changes. We will orchestrate a combination of measures for high-quality development, carrying forward our past achievements to strive for a new era of high-quality growth.

**In the new year, we will strengthen the integration of transformation and upgrading to consolidate the foundation for growth.** We will empower our development with digitalization, driving intelligent upgrades across all business operations, accelerating the “valorization of digital assets”, and creating a digitally enabled industry. We will embrace the future through green development, accelerating the green and low-carbon transition to achieve, cultivating new drivers for development. The basic building materials segment will focus internally on optimizing layout and strengthening management, and externally on expanding markets and seeking breakthroughs. The new materials segment will continue to consolidate its development advantages and accelerate industrial tiered upgrading. We will optimize resource allocation and accelerate the layout of the “second curve” business. The engineering technology segment will continuously refine its business model and accelerate its transformation into a total solutions provider.

**In the new year, we will strengthen the integration of international and domestic markets to expand the boundaries of growth.** In the international market, we will strengthen our innovation in internationalization models, reinforce organizational system support, and intensify internal and external synergies. In the domestic market, we will closely monitor major infrastructure demands to seize development opportunities, pay close attention to new application scenarios to expand market space, and focus on consumption upgrade demands to solidify our competitive advantages.

Looking back, we have grown and strengthened through trials and challenges. Looking ahead, we will continue to shoulder our responsibilities and mission with courage. Conquering peaks after peaks with perseverance and resilience, we will carry forward our legacy, pioneer innovation, and write a new chapter for the high-quality development of the Company.

**Zhou Yuxian**  
*Chairman*

Beijing, the PRC  
30 March 2026

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OPERATING ENVIRONMENT**

In 2025, amid profound and complex changes both at home and abroad, the Chinese government adhered to the general principle of pursuing progress while ensuring stability, fully implemented the new development philosophy, and introduced macroeconomic policies with greater resolve and effectiveness. Despite pressures, the economy demonstrated strong resilience, steadily advancing toward higher-quality and more innovation-driven growth while accelerating the creation of a new development paradigm. In 2025, GDP grew by 5.0% year-on-year, while fixed asset investment fell by 3.8% year-on-year, indicating a further weakening of its role in driving economic expansion. Notably, infrastructure investment declined by 2.2% year-on-year, marking its first negative growth on record, while real estate development investment plunged by 17.2% year-on-year, hitting a new low.

The Chinese government reaffirmed its dedication to innovation-led development, aiming to build a modern industrial system and cultivate new quality productive forces tailored to local conditions. The integration of technological and industrial innovation accelerated, with traditional industries undergoing deeper transformation and upgrading, and emerging industries and future industries blooming. Modern service industries maintained rapid growth, driven by digital intelligence and green transformation, which not only opened up new development opportunities but also posed challenges for the Company's sustainable development.

### **OPERATION IN 2025**

In response to numerous operational challenges, the Group demonstrated resilience, overcame difficulties and made progress while ensuring stability. Our asset quality continued to improve, and our industrial structure became more innovative and optimized.

## Basic building materials segment

In 2025, fixed asset investment nationwide recorded its first negative growth, with both infrastructure investment and real estate investment, which drive cement demand, declining across the board. The real estate sector continued its deep adjustment, with new construction starts decreasing by 20.4% year-on-year. Cement demand declined for the fifth consecutive year, with national cement output reaching approximately 1.69 billion tonnes in 2025, a year-on-year decrease of 6.9%. The industry actively promoted initiatives such as ecological improvement, the phase-out of inefficient production capacity, green transformation, and the implementation of carbon trading, continuously restoring industry profitability and the ecological environment.

The Group's basic building materials segment proactively responded to the downward pressure on demand. Externally, it promoted ecological improvement in the industry and fully implemented staggered peak production to restore prices and stabilize market share. Internally, it deepened the "Management of Three Delicacies", thoroughly explored potential, and achieved extreme cost reduction and efficiency gains, making every effort to solidify its operational foundation.

- **We actively pursued key projects and optimized our sales structure.** Sales volume of specialty and dedicated cement increased by 13.3% year-on-year. Among which, sales of oil well cement grew by 13.4% year-on-year. We also achieved a breakthrough with the first-ever sales of marine engineering cement.
- **We focused on refined management, significantly reducing costs and controlling expenses to enhance operational efficiency.** The costs for cement and commercial concrete decreased by 7% and 12% year-on-year, respectively.
- **Internationalization achieved a breakthrough.** Overseas revenue and profit recorded year-on-year growth of 93% and 181%, respectively.
- **Progress was also made in the "Dual Carbon" front.** Carbon emission intensity per tonne of clinker decreased by 1.16% year-on-year. We participated in the drafting of 6 industry standards related to carbon management for cement enterprises, achieving 100% compliance rate in carbon trading.

## New materials segment

### *Fiberglass*

In 2025, the fiberglass industry entered a phase of parallel structural adjustment and scaled growth, characterized by “high-end capacity expansion, an optimized competitive landscape, and demand driven by the new energy sector”. Low-end capacity was phased out from the market more rapidly, while favorable policies for key industries such as new energy vehicles, wind power, and new energy storage, along with the rise of emerging applications, injected vitality for the industry’s long-term growth.

- Through a disciplined sales strategy that encompassed volume growth, price recovery, stabilization, and adjustment, the Group recorded both volume and price increases, leading to year-on-year revenue and profit growth while proactively optimizing its product mix and upgrading towards “high value-added, high gross profit” products;
- **Adhering to the principles of “high-end industrialization, product diversification, and market internationalization”**, we successfully developed specialty fibers and products such as low-dielectric and low-expansion variants, achieving full-category coverage of specialty fabrics and securing certification and bulk supply from leading domestic and international customers. We stabilized our international foundation while accelerating expansion into emerging markets;
- **We accelerated the implementation of industrial layout.** Construction commenced on the Taishan Fiberglass specialty fiber fabric project. Two production lines at the Taiyuan base were launched and began operation. The production line at the Jushi Huaian zero-carbon fiberglass manufacturing base, with an annual output of 100,000 tonnes of electronic-grade fiberglass and 390 million metres of electronic fabric, began operation successfully. The second phase of the Jushi Jiujiang intelligent manufacturing base, a 200,000-tonne annual production line project, was fully completed and operational.

## *Gypsum board*

In 2025, the gypsum board industry faced the compounded effects of cyclical and structural oversupply, intensifying market competition and accelerating the industry's shift towards high-end and green development. Squeezed by pricing pressures and stricter environmental regulations, small and medium-sized enterprises were forced out of the market at a faster pace, consolidating market share among leading enterprises who possessed advantages in respect of their brand, quality, and supply chain.

- The Group's gypsum board business **advanced its channel development and strategic optimization**. Focusing on R&D and innovation for the home decoration sector, we deepened strategic partnerships with leading home furnishing enterprises and continuously strengthened channel construction. We drove market penetration through a "big store in a small city" approach and leveraged new media platforms to enhance brand communication, resulting in sustained growth for the "Gypsum Board+" business;
- **We remained committed to product innovation**, improving product performance and broadening application fields. At the same time, through process optimization and collaborative procurement, we achieved refined cost control, further consolidating our competitive edge;
- **We accelerated the development of our international business**. The Tanzanian and Central Asian bases continued their high-quality development, while the Thailand base turned profitable in its first year of operation.

## *Wind power blade*

In 2025, the wind power blade industry was defined by "accelerated product upscaling, deeper material innovation, increased industrial concentration, and structural shifts in overseas expansion". The global market grew steadily, while technology and supply chain underwent structural upgrades.

- Amidst intense industry competition, the Group seized market opportunities, efficiently allocated production resources, and implemented continuous cost-reduction and efficiency-enhancement measures, achieving simultaneous revenue and profit growth. By embedding ourselves deeply into customer development processes, we facilitated the rapid iteration of the SI108 product series, steadily increased our order share, **and maintained the world's number one market share**;
- **Committed to technological self-reliance**, Sinoma Blade developed a high-performance airfoil family and applied it across multiple products. We launched the SI122F blade for floating offshore wind turbines, setting multiple records in 2025 for the largest single-unit capacity and largest rotor diameter among turbines installed globally;
- **We further expanded our global business layout**. The Brazil base was completed and became operational. We initiated planning for a second overseas base project in Uzbekistan and advanced cooperation with leading international turbine manufacturers.

## *Other businesses*

- **The coating business** continuously strengthened its technological edge, launching differentiated products for various application scenarios to enhance value. Steady progress was made in its layout and construction, integrating Carpoly and Great Bridge Paint for synergistic development, achieving record highs in both revenue and profit.
- **The waterproofing membrane business** focused on the urban renewal sector, expanding into civil construction and repair markets, and accelerating the build-out of a national service network. It optimized its business structure, continuously improved customer quality, and restructured Yuanda Hongyu, strengthening market coverage in North China, achieving simultaneous growth in revenue and profit against the market trend.
- **The lithium battery separator business** consistently executed its major customer strategy, resulting in a stepwise sales growth. Focusing on scaling, lean management, and globalization, new production lines in Nanjing, Pingxiang, and Yibin successfully completed certification by key customers on schedule. Unit cost of products decreased by approximately 10%, and construction began on our first overseas project, the Hungary base. We focused on the three key areas of base film, coating, and separators for solid-liquid hybrid batteries, achieving mass production of 5 $\mu$ m ultra-thin, high-strength base film, overcoming the 1 $\mu$ m ultra-thin ceramic coating technology, and completing the development of separators for solid-liquid hybrid and sodium batteries, which have passed customer verification.
- **The graphite new materials business** surpassed RMB1 billion in revenue. Hengke Company successfully met its performance targets post-restructuring, with both graphite powder production and sales reaching record highs.
- **The hydrogen energy cylinders business** maintained its industry leadership, ranking first in hydrogen cylinder production and sales volume as well as the number of vehicle model announcements. It expanded into high value-added sectors, with new products such as high-pressure tube trailers experiencing rapid sales growth.
- **In 2025, the carbon fiber business** achieved a significant year-on-year increase in sales volume and returned to profitability. A major technological breakthrough in carbon fiber technology was achieved in March 2026 with the global launch and commercial mass production of SYT80 (T1200 grade) ultra-high-strength carbon fiber.

## Engineering Technology Services Segment

In 2025, under the combined influence of the “dual carbon” and “dual control” policies, the domestic market underwent a profound structural adjustment in demand, with supply-demand imbalances gradually easing. Driven by the “Belt and Road” Initiative and the EU’s decarbonization and carbon tariff policies, the international market saw sustained demand recovery and price divergence, with structural growth in new energy, new infrastructure, and high-end equipment sectors.

- The Group’s engineering technology services segment continued to consolidate its core advantages. New contracts signed during the year reached a record high, with newly signed overseas contracts accounting for 63% and growing 24% year-on-year.
- The segment optimized the “two external” layout for its business, with core equipment successfully entering overseas mid-to-high-end markets and achieving breakthrough growth in new equipment contract value.
- The segment enhanced the digital intelligence empowerment effect of its production and operations, forming a full-scenario solution encompassing “smart factories + digital mines + expert systems”. The number of cement production lines under operation and maintenance services stood at 74, and mine operation and maintenance service projects totaled 326, including 18 overseas mine operation and maintenance projects and 20 projects in non-core industries.
- The cultivation of green productivity accelerated. New contracts signed for green energy and environmental protection engineering during the year totaled RMB1.9 billion, establishing a number of benchmark projects for the resource utilization and high-value application of bulk solid waste.
- Developing global local operations, strengthening strategic guidance, and improving incentive and empowerment mechanisms resulted in an internationalization index of 47.65%, a year-on-year increase of 2.82 percentage points.

## **PUSHING THROUGH REFORM FOR ENHANCED QUALITY**

### **Great advancement of Deepening Reform and Enhancing Action**

- The Deepening Reform and Enhancing Action were successfully concluded, with all tasks outlined in the reform roadmap fully accomplished.

### **Constant manifestation of the effectiveness of Corporate Governance**

- The effectiveness of corporate governance continued to improve. We advanced the construction of subsidiary company boards in a tiered and categorized manner, and the delegation of authority from the Board to the management became more standardized. 23 model boards of directors and 277 compliant boards of directors had been established. 676 eligible subsidiary companies completed the reform of their supervisory committees and the transfer of their functions.

### **Medium and Long-Term Incentives Increase in Quality and Expansion**

- Medium-and-long-term incentives were expanded in both quality and coverage. BNBM completed the grant and registration of restricted shares. The restricted share plan for China Jushi and the share option scheme for Sinoma Science & Technology received board approval, newly covering 80 companies and 976 individuals.

## **DRIVING CHANGE THROUGH INNOVATION**

**Innovation system optimization:** The Company formulated its “15th Five-Year Plan” for scientific and technological development, with deployments focusing on key areas such as new energy, intelligent manufacturing, green and low-carbon technologies, the low-altitude economy, and aerospace. China Jushi, Taishan Fiberglass, and Nanjing Fiberglass R&D Institute deepened their collaborative innovation, integrating production and research. Cooperation with Suzhou City, Suzhou Laboratory, and Nanjing University was strengthened through active participation in the construction of the “Suzhou Advanced Materials Valley”.

**Enhanced original innovation capabilities:** Throughout the year, 67 national-level projects were implemented. 2 new entities were added as pilot units for the National Natural Science Foundation. The Group participated in the construction of the National Wind Power Technology Innovation Center. The development of 4 industrial R&D centers for basic building materials and non-metallic minerals was advanced. 5 pilot-scale testing platforms were included in the national catalogue. During the year, 782 new invention patents and 105 international patents were authorized, bringing the cumulative total of valid invention patents to over 5,400. The Group led the formulation and revision of 5 international standards.

**Deepening integration of technology and industry:** 47 new materials from 10 subsidiaries were showcased at the Ministry of Housing and Urban-Rural Development’s “Good Housing” technology exhibition. The “Green and Low-Carbon Technology Achievements Promotion Catalogue” was revised and released. High-early-strength and low-heat cement was applied in the Sichuan-Tibet Railway project. A new generation of low-dielectric fiberglass was adopted by leading international AI chip manufacturers. A number of demonstration projects involving phosphogypsum, slag powder, and coal gangue were successfully signed. During the year, the Group added 1 new “Champion Enterprise in a Niche Manufacturing Sector,” 1 key specialized and sophisticated “Little Giant” enterprise, and 4 specialized and sophisticated “Little Giant” enterprises. Cumulatively, the Group now has 11 “Champion Enterprises in a Niche Manufacturing Sector,” 24 specialized and sophisticated “Little Giant” enterprises, and 261 national-level high-tech enterprises.

## **DEEPENING THE INTEGRATION OF DIGITAL AND REAL ECONOMIES**

### **Building a Standardized Digital Operation System**

- The Company formally transitioned from the “process development stage” to a “new operational stage of process adaptation, execution, and iteration”. Version 1.0 of the three-system architecture was released, covering 9 business domains, 319 processes, 2,610 process activities, and 304 key control points.

### **Exploring New Pathways for Assetization and Marketization**

- A leap was achieved from “initial exploration” to “large-scale monetization” of data value, with the total amount of data assets recorded on the balance sheet surpassing RMB48 million.
- A breakthrough was achieved with the first data asset transaction, facilitated by promoting cooperation between BNBM’s Carpoly and the Beijing Big Data Exchange. Pathways for the assetization and marketization of data were also explored within the basic building materials segment.

### **Promoting the Digital and Intelligent Transformation of Industries for Quality and Efficiency**

- The large model for the building materials industry was deployed across 76 factories within the basic building materials segment, reducing average costs by RMB2 per tonne in the cement production process as compared to processes that did not involve the use of large model.
- The “Gradient Cultivation Plan for Smart Factories” was formulated. The “Smart Gypsum Board Factory Standard 2.0” was released, while the “Smart Mine Standard 2.0” was drafted. These actions further refined the construction standards for smart factories in specialized segments. In total, 9 “Excellent-level” smart factories, 33 “Advanced-level” smart factories, and 107 “Foundation-level” smart factories have been completed.

## CREATING GREEN PRODUCTIVITY

### Comprehensively Deepening Green Production

- Comprehensive energy consumption per RMB10,000 of output value decreased by 8.92% year-on-year. Comprehensive energy consumption per tonne of cement clinker decreased by 3.78% year-on-year.
- The proportion of cement production lines achieving ultra-low emissions reached 62.61%, representing an increase of 26.02 percentage points compared to the end of 2024.
- The proportion of cement production lines that utilized alternative fuels reached 50.84%, representing an increase of 5.84 percentage points compared to the end of 2024. The fuel thermal substitution rate reached 6.50%.
- The proportion of cement clinker production capacity meeting benchmark levels accounted for 54.01%, representing an increase of 19.51 percentage points compared to the end of 2024.
- The installed capacity of waste heat power generation for cement enterprises reached 1,771.30 MW, generating 5.099 billion kWh of electricity annually, reducing CO<sub>2</sub> emissions by 3.759 million tonnes.
- A total of 54 cement kiln co-processing production lines have been completed, with an annual processing capacity of 1.3246 million tonnes.
- Newly added installed capacity from “Photovoltaic+” projects reached 192 MW, with cumulative installed capacity reaching 821 MW and 500 MW under construction. Self-generated wind and solar power consumption increased by 118% year-on-year.
- NO<sub>x</sub>, SO<sub>2</sub>, and industrial particulate matter emissions decreased by 13%, 6%, and 8% year-on-year, respectively.
- 8 green mines and 18 new green factories were added. In total, 161 green mines, 275 green factories, and 28 zero-waste factories have been completed.

## **Accelerating the Implementation of the Dual Carbon Goals**

- The Company's "Work Plan for Accelerating the Establishment of a Dual Control System for Carbon Emissions" was formulated.
- 100% of cement enterprises completed their first carbon compliance obligations on schedule, with the carbon management platform achieving 100% online coverage.
- CO<sub>2</sub> emissions per RMB10,000 of output value decreased by 4.42% year-on-year. CO<sub>2</sub> emissions per tonne of clinker decreased by 1.16% year-on-year.

## **FINANCIAL REVIEW**

The revenue of the Group decreased by 1.9% from RMB181,300.7 million in 2024 to RMB177,847.1 million in 2025. The profit attributable to equity holders of the Company decreased by 256.9% from RMB2,387.3 million in 2024 to RMB-3,745.3 million in 2025.

### **Revenue**

Our revenue in 2025 amounted to RMB177,847.1 million, representing a decrease of 1.9% from RMB181,300.7 million in 2024. This was primarily due to a decrease of RMB13,255.8 million in the revenue of the Group's basic building materials segment, which was partially offset by an increase of RMB7,005.1 million in the revenue of the new materials segment and an increase of RMB3,375.0 million in the revenue of the engineering technology services segment.

### **Cost of sales**

Our cost of sales in 2025 amounted to RMB144,595.2 million, representing a decrease of 2.7% from RMB148,591.4 million in 2024. This was primarily due to a decrease of RMB12,123.4 million in the cost of sales of the Group's basic building materials segment, which was partially offset by an increase of RMB5,444.3 million in the cost of sales of the new materials segment and an increase of RMB3,318.3 million in the cost of sales of the engineering technology services segment.

### **Other income**

Other income of the Group decreased by 12.9% from RMB5,533.4 million in 2024 to RMB4,818.8 million in 2025. This was primarily due to a decrease of RMB826.6 million in gain on disposal of assets and a decrease of RMB147.7 million in VAT refunds, which were partially offset by an increase of RMB70.0 million in net gain from changes in fair value of financial assets at fair value through profit or loss and an increase of RMB47.6 million in government grants.

### **Selling and distribution costs**

Selling and distribution costs increased by 5.7% to RMB4,141.8 million in 2025 from RMB3,918.3 million in 2024. This was primarily due to an increase of RMB139.2 million on labour costs.

### **Administrative expenses**

Administrative expenses increased by 32.0% to RMB27,222.1 million in 2025 from RMB20,624.6 million in 2024. This was primarily due to an increase of RMB3,489.1 million in impairment provisions for property, plant and equipment, an increase of RMB3,017.8 million in impairment provisions for goodwill, which was partially offset by a decrease of RMB389.0 million in research and development fees and the decrease of RMB266.8 million in foreign exchange loss.

## **Finance costs**

Finance costs decreased by 6.7% to RMB4,344.0 million in 2025 from RMB4,657.8 million in 2024. This was primarily due to the decrease in the Group's borrowing costs.

## **Share of results of associates**

The Group's share of results of associates decreased by 21.8% to RMB853.5 million in 2025 from RMB1,090.9 million in 2024. This was primarily due to a decrease in profit from CNBM Institute, an associate of the Group, as well as a decrease in profit from associates in the basic building materials segment, which was partially offset by an increase in profit from China Jushi, an associate of the Group.

## **Provision under expected credit losses**

The provision under expected credit losses increased by 226.5% to RMB2,055.8 million in 2025 from RMB629.7 million in 2024.

## **Income tax expense**

Income tax expense increased by 0.4% to RMB2,087.9 million in 2025 from RMB2,079.8 million in 2024.

## **Profit attributable to non-controlling interests**

Profit attributable to non-controlling interests decreased by 46.3% to RMB2,424.2 million in 2025 from RMB4,511.9 million in 2024. This was primarily due to the decrease in operating profit of basic building materials segment and engineering technology services segment of the Group.

## **Profit (loss) attributable to equity holders of the Company**

Profit attributable to equity holders of the Company decreased by 256.9% to RMB-3,745.3 million in 2025 from RMB2,387.3 million in 2024. Net profit margin decreased to -2.1% in 2025 from 1.3% in 2024.

## **Basic building materials segment**

### ***Revenue***

Revenue of basic building materials segment of the Group in 2025 amounted to RMB77,845.7 million, representing a decrease of 14.6% from RMB91,101.6 million in 2024, mainly attributable to the decrease in the average selling price of cement products, commercial concrete and aggregate and the decrease in sales volume of cement products, commercial concrete, and aggregate.

### ***Cost of sales***

Cost of sales of basic building materials segment of the Group in 2025 amounted to RMB65,806.4 million, representing a decrease of 15.6% from RMB77,929.8 million in 2024, mainly attributable to the decrease in sales volume of cement products, commercial concrete and aggregate and the decrease in coal price.

### ***Gross profit and gross profit margin***

Gross profit of basic building materials segment of the Group decreased by 8.6% to RMB12,039.3 million in 2025 from RMB13,171.8 million in 2024, mainly attributable to the decrease in the average selling price of cement products, commercial concrete, and aggregate, which was partially offset by the decrease in coal price. Gross profit margin of the basic building materials segment of the Group increased from 14.5% in 2024 to 15.5% in 2025.

### ***Operating profit***

Operating profit of basic building materials segment of the Group decreased by 194.1% to RMB-3,740.7 million in 2025 from RMB3,976.7 million in 2024, primarily due to a decrease in gross profit, an increase of RMB3,013.7million in impairment provisions for goodwill and an increase of RMB2,760.7 million in impairment provisions for property, plant and equipment due to the exit of capacity in respect of certain cement and clinker production lines in the course of production capacity replacement and other factors, a decrease in gain on disposal of assets, and an increase in impairment provisions for receivables, which were partially offset by a decrease in research and development costs. Operating profit margin of the basic building materials segment of the Group decreased from 4.4% in 2024 to -4.8% in 2025.

## **New materials segment**

### ***Revenue***

Revenue of new materials segment of the Group increased by 14.4% to RMB55,556.7 million in 2025 from RMB48,551.7 million in 2024. This was mainly attributable to an increase in sales volume of fiberglass yarn, wind power blade, coating, waterproofing membrane, and lithium battery separator, which was partially offset by a decrease in the average selling price of gypsum board, wind power blade, coating, waterproofing membrane, and lithium battery separator, as well as a decrease in sales volume of gypsum board.

### ***Cost of sales***

Cost of sales of new materials segment of the Group increased by 14.3% to RMB43,438.4 million in 2025 from RMB37,994.2 million in 2024, mainly attributable to the increase in sales volume of fiberglass yarn, wind power blade, coating, waterproofing membrane and lithium battery separator, which was partially offset by the decrease in the prices of raw material and coals.

### ***Gross profit and gross profit margin***

Gross profit of new materials segment of the Group increased by 14.8% to RMB12,118.3 million in 2025 from RMB10,557.5 million in 2024. Gross profit margin of new materials segment of the Group increased to 21.8% in 2025 from 21.7% in 2024. This was primarily due to a decrease in the prices of raw materials and coal, which was partially offset by a decrease in the average selling prices of gypsum board, wind power blade, coating, waterproofing membrane and lithium battery separator.

### ***Operating profit***

Operating profit of new materials segment of the Group increased by 11.8% to RMB6,257.8 million in 2025 from RMB5,595.7 million in 2024. The operating profit margin of new materials segment of the Group decreased to 11.3% in 2025 from 11.5% in 2024, mainly attributable to a decrease in VAT refunds, an increase in labour costs, an increase in research and development costs, and an increase in impairment provisions for receivables, which were partially offset by an increase in gross profit margin and an increase in gain on disposal of assets.

## **Engineering technology services segment**

### ***Revenue***

Revenue of engineering technology services segment of the Group increased by 7.4% to RMB48,839.3 million in 2025 from RMB45,464.3 million in 2024, mainly attributable to the increase in the numbers of engineering technology services completed for the current period.

### ***Cost of sales***

Cost of sales of engineering technology services segment of the Group increased by 9.0% to RMB40,223.7 million in 2025 from RMB36,905.4 million in 2024, mainly attributable to the increase in the numbers of engineering technology services completed for the current period.

### ***Gross profit and gross profit margin***

Gross profit of engineering technology services segment of the Group increased by 0.7% to RMB8,615.6 million in 2025 from RMB8,558.9 million in 2024. Gross profit margin of engineering technology services segment of the Group decreased to 17.6% in 2025 from 18.8% in 2024, mainly attributable to a decrease in the gross profit margin of engineering technology services and high-end equipment manufacturing.

### ***Operating profit***

Operating profit of engineering technology services segment of the Group decreased by 9.3% to RMB3,209.1 million in 2025 from RMB3,537.2 million in 2024. Operating profit margin of engineering technology services segment of the Group decreased to 6.6% in 2025 from 7.8% in 2024, which was mainly attributable to a decrease in gross profit margin, an increase in labour cost and an increase in provisions improvisations for receivables, which were partially offset by a decrease in foreign exchange losses, an increase in government grants, and an increase in gain on disposal of assets.

## Liquidity and financial resources

As at 31 December 2025, the Group had unused banking facilities and bonds registered but not yet issued of approximately RMB405,600.00 million in total.

The table below sets out the Group's borrowings as at the dates indicated:

	As at 31 December	
	2025	2024
	<i>(RMB in millions)</i>	
Bank loans	<b>156,134.0</b>	150,972.5
Bonds	<b>35,500.8</b>	40,500.0
Borrowings from non-financial institutions	<b>1,409.3</b>	438.0
Total	<b><u>193,044.1</u></b>	<b><u>191,910.5</u></b>

The table below sets out maturities of the Group's borrowings as at the dates indicated:

	As at 31 December	
	2025	2024
	<i>(RMB in millions)</i>	
Borrowings are repayable as follows:		
Within one year or on demand	<b>90,626.6</b>	82,128.6
Between one and two years	<b>36,952.6</b>	35,209.6
Between two and three years	<b>26,839.3</b>	32,994.5
Between three and five years (inclusive of both years)	<b>24,475.0</b>	30,134.1
Over five years	<b>14,150.6</b>	11,443.7
Total	<b><u>193,044.1</u></b>	<b><u>191,910.5</u></b>

As at 31 December 2025, borrowings in the aggregate amount of RMB11,130.9 million were secured by assets of the Group with a total amount of RMB13,235.2 million.

As at 31 December 2025 and 31 December 2024, the debt to assets ratio of the Group, calculated by dividing borrowings by total of assets of the Group, were 39.4% and 38.8%, respectively.

## Exchange Risks

The Group conducts its domestic business primarily in RMB. However, overseas engineering projects and product export business are denominated in foreign currencies, primarily US dollars and Euro. Therefore, the Group bears the risks of fluctuations of exchange rate to a certain extent.

## Contingent Liabilities

No contingent liabilities were incurred resulting from the Group's provision of guarantee to banks in respect of bank credits used by an independent third party.

## Capital Commitments

The following table sets out the Group's capital commitments as at the dates indicated:

	As at 31 December	
	2025	2024
	<i>(RMB in millions)</i>	
Capital expenditure of the Group in respect of acquisition of property, plant and equipment (contracted but not provided for)	<u>102.6</u>	<u>1,396.1</u>

## Capital expenditures

The following table sets out our capital expenditures of the Group for the year ended 31 December 2025 by segment:

	For the year ended 31 December			
	2025		2024	
	<i>(RMB in millions)</i>	<i>% of total</i>	<i>(RMB in millions)</i>	<i>% of total</i>
<b>Basic building materials</b>	<b>9,336.6</b>	<b>44.0</b>	12,639.9	53.8
Cement	7,747.9	36.5	10,050.3	42.8
Commercial concrete	276.6	1.3	253.5	1.1
Aggregate	1,312.1	6.2	2,336.1	9.9
<b>New materials</b>	<b>8,056.7</b>	<b>37.9</b>	10,165.4	43.3
Glass Fiber	2,936.5	13.8	1,732.7	7.4
Gypsum board	1,018.8	4.8	877.6	3.7
Wind power blade	496.6	2.3	502.9	2.1
Coatings	584.0	2.8	2,974.5	12.7
Waterproof	331.7	1.6	187.4	0.8
Lithium battery separator	1,343.5	6.3	3,022.9	12.9
Other	1,345.6	6.3	867.4	3.7
<b>Engineering technology services</b>	<b>585.4</b>	<b>2.8</b>	640.5	2.7
<b>Repurchase of Shares</b>	<b>3,212.0</b>	<b>15.1</b>		
<b>Others</b>	<b>38.1</b>	<b>0.2</b>	55.5	0.2
<b>Total</b>	<b>21,228.8</b>	<b>100.0</b>	23,501.3	100.0

## Material Investment Plans

As of the date of this announcement, except for the plans which have been disclosed (to be invested using internal funds and external borrowings) in the Company's 2025 Annual Report, there are no other future plans for material investments or capital assets.

## **Cash Flow From Operating Activities**

For the year 2025, net cash inflow of the Group generated from operating activities was RMB22,518.2 million, representing a decrease of RMB677.7 million as compared to that of 2024 of RMB23,195.9 million, which was primarily due to the year-on-year decrease in the cash received for sales of goods and provision of labour services and the year-on-year increase in tax, which were partially offset by the year-on-year decrease in the cash paid by the Group for purchase of goods and receipt of labour services.

## **Cash Flow From Investing Activities**

For the year 2025, net cash outflow of the Group generated from investing activities was RMB9,368.9 million, representing a decrease of RMB10,907.8 million as compared to that of 2024 of RMB20,276.7 million, which was primarily due to the year-on-year decrease in cash paid by the Group for acquisition of property, plant and equipment and acquisition of subsidiaries.

## **Cash Flow From Financing Activities**

For the year 2025, net cash outflow of the Group generated from financing activities was RMB12,822.7 million, representing an increase of RMB6,253.1 million as compared to that of 2024 of RMB6,569.6 million, which was primarily due to the cash paid for share repurchases by the Group as well as the year-on-year decrease in net cash received by the Group on borrowings, which were partially offset by the year-on-year decrease in the cash paid for interest and dividends.

## **OUTLOOK FOR 2026**

2026 marks not only the first year of the “15th Five-Year Plan” but also a critical period for the Company’s high-quality development against the challenges as the Company pursues transformation and upgrading and seeks new quality drivers. Currently, external environment is exerting greater influence on China’s economic development, and, the domestic imbalance between robust supply and weak demand remains prominent. However, the fundamental conditions supporting long-term positive growth remain unchanged. In response, the Chinese government will implement more proactive and effective macroeconomic policies to continuously expand domestic demand, optimize supply, drive incremental growth, revitalize existing assets, and cultivate new quality productive forces tailored to local conditions. These efforts aim to promote qualitative and effective improvements and reasonable quantitative growth in the economy, laying a solid foundation for the “15th Five-Year Plan” and unlocking new opportunities for the Company’s development.

The Group will continuously strengthen its capabilities in value creation, industrial system development, innovation-driven growth, internationalization, and green and intelligent transformation. By accelerating the development of the “second curve” of growth, we strive to build a world-class material enterprise.

- 01 Strengthening goal orientation to improve operating performance.** We will ensure the steady improvement of “One Profit” and the continuous optimization of the “Five Ratios”. We will deepen management empowerment and continuously strengthened value creation. We will continuously advance comprehensive risk management, precisely deploy risk controls in key areas, strengthen the closed-loop system for comprehensive compliance management, and enhance the effectiveness of internal audit supervision.
- 02 Continuously optimizing the industrial layout to enhance the core competitiveness of the industry.** The basic building materials segment will accelerate quality improvement and upgrading, focusing on improving the competitiveness of core regions and production lines, accelerating the integration of specialty cement production capacity and its international expansion, and strengthening innovation in business models. The new materials segment will continue to expand through a gradient development strategy, empowering and solidifying the industrial cluster through multi-dimensional efforts and accelerating industrial gradient upgrading by comprehensively utilizing methods such as new investment construction, mergers and acquisitions, and strategic cooperation. The engineering technology services segment will leverage its customer resources, brand advantages, and project management expertise, accelerating its transformation into a comprehensive service provider for the entire industrial chain. We will promote the high-quality development of international operations, accelerate the “going global” initiative for basic building materials, and strengthen innovation in asset-light and moderately diversified business models. Based on actual business needs, we will accelerate the overseas expansion of new materials and service businesses.
- 03 Continuing to promote technology innovation, digitalization, and greening to empower development.** We will strengthen original innovation and tackle key core technologies. We will accelerate the deep integration of the innovation and industrial chains, systematically optimizing the innovation ecosystem. We will accelerate digital transformation, strengthen AI-driven initiatives, and support transformation and development. We will comprehensively advance the green and low-carbon transition, and accelerate the implementation of our dual carbon goals.
- 04 Pushing through reforms and enhancing the overall effectiveness of reform measures.** We will increase the intensity of medium and long-term incentives guided by technological innovation. We will improve market-oriented operating mechanisms and implement the new reform. We will enhance corporate governance efficiency to build a governance system that is scientifically structured, rationally decisive, and operationally efficient.
- 05 Strengthening value management and consolidating the market value realization system.** Based on value creation, we will continue to enhance our market value management mechanisms, improve investor returns, and effectively allow investors to share in the dividends of the Company’s development. Through strengthening the strategic role of ESG, we will elevate ESG governance and practice levels.

## CORPORATE GOVERNANCE

The Company adhered to the principles of operating in accordance with laws and regulations, strictly abided by the laws and regulations and regulatory requirements, followed the development of rules in a timely manner, closely integrated the Company's development process and actual situation, revised and improved various internal systems, to meet the operating requirement of the Company. The Company is focused on building a coordinated operation mechanism for compliance, internal control and risk management, in order to build a comprehensive risk defense line for company operations. In terms of corporate governance, the Board, the Supervisory Committee, and the management uphold the principles of performing their duties in accordance with the law and diligently fulfilling their responsibilities, fully ensuring the Company's steady and compliant business operations while continuously improving the level of corporate governance.

Except for Code Provisions B.2.2 and B.3.5 of the Corporate Governance Code (the “Code”) as set out in Appendix C1 to the Listing Rules, the Company complied with all other code provisions of the Code for the year from 1 January 2025 to 31 December 2025. All the Directors of the current session of the Board elected on 19 November 2021 were subject to retirement by rotation by 19 November 2024, according to Code Provision B.2.2, which states that every Director should be subject to retirement by rotation at least once every three years. In light of the implementation of the H Share Buy-back Offer, in order to ensure the smooth continuation of the senior management of the Company and to facilitate the proposed amendments to the Articles of Association in accordance with the new Chinese Company Law, with the exception of the following Directors, the remaining Directors of the current session of the Board have not retired by rotation.

The former Director, Mr. Fu Jinguang, resigned as an executive Director on 20 September 2022 due to work adjustment. Mr. Liu Yan was appointed as an executive Director upon consideration and approval at the second extraordinary shareholders' meeting of 2022 convened on 19 December 2022. Later, Mr. Liu Yan resigned as an executive Director due to work adjustments on 16 January 2025. The former Director, Mr. Peng Shou, tendered his resignation as a non-executive Director due to work adjustment. Mr. Wei Rushan was appointed as an executive Director upon consideration and approval at the second extraordinary shareholders' meeting of 2022 convened on 19 December 2022. At the eighth meeting of the fifth Board of Directors convened on 27 October 2023, the Company approved the re-designation of the Director, Mr. Xiao Jiexiang, from an executive Director to a non-executive Director. Later, Mr. Xiao Jiexiang tendered his resignation as a non-executive Director on 16 January 2025. The former Director, Ms. Fan Xiaoyan, resigned as a non-executive Director due to work adjustment, which took effect upon consideration and approval at the 2023 Annual General Meeting convened on 29 April 2024 for the appointment of Mr. Chen Shaolong as a non-executive Director. In addition, on 28 August 2024, Mr. Chang Zhangli resigned as a non-executive director of the Company due to work adjustment; on 25 October 2024, Mr. Li Xinhua resigned as a non-executive Director due to retirement. Ms. Miao Xiaoling was appointed as an executive Director upon consideration and approval at the extraordinary shareholders' meeting convened on 19 February 2025. On 21 October 2025, the Company received the resignation of Mr. Shen Yungang. As China Cinda no longer holds any shares in the Company, Mr. Shen Yungang has resigned as a non-executive Director.

Code provision B.3.5 of the CG Code requires that the Company should appoint at least one director of a different gender to the nomination committee. However, as at the date of this announcement, the nomination committee of the Company comprises three Directors, Mr. Zhou Yuxian, Mr. Sun Yanjun and Mr. Liu Jianwen. Leveraging on the existing nomination and diversity policies, the Board considered the current nomination committee could effectively reduce cognitive biases and expand the committee's connections for recruitment purposes so as to promote greater diversity in the Board.

The Board will regularly consider if the appointment of one director of a different gender to the nomination committee is necessary by reviewing the effectiveness of the committee and the relevant policies.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the year ended 31 December 2025, the Company purchased a total of 841,749,304 H Shares on the Stock Exchange through a conditional cash offer for a total consideration of HK\$3,392,249,695. All the Shares repurchased were cancelled on 12 March 2025. Details of the repurchase of Shares are as follows:

<b>Completion date of repurchase</b>	<b>Number of H Shares repurchased</b>	<b>Price paid per H Share (HK\$)</b>	<b>Total consideration paid (HK\$)</b>
12 March 2025	<u>841,749,304</u>	<u>4.03</u>	<u>3,392,249,695</u>

The Board believes that the buy-back of Shares through the Offer demonstrates the Company's confidence in its long-term prospects and intrinsic value, thereby sending positive signals to the market as well as the Company's stakeholders including employees and customers. The Offer will also improve the trading dynamics and refresh the Company's shareholder structure. It is expected to enhance the long-term value of the Company and its shareholders and is in the overall interests of the Company and its shareholders.

Save as disclosed in this announcement, during the year ended 31 December 2025, the Company and its subsidiaries did not purchase, sell or redeem any of the Company's listed securities (including the sale of treasury shares) (each of "securities" and "treasury shares" having the respective meanings ascribed to them under the Listing Rules).

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted a set of code no less exacting than the standards set out in the Model Code as its own code of conduct regarding securities transactions by Directors. The standard also applies to the Supervisors. Having made specific enquiry with all Directors and Supervisors, the Company confirms that each of the Directors and Supervisors has complied with the standards of the securities transactions by Directors as required by the Model Code and the Code for Securities Transactions of China National Building Material Company Limited during the Reporting Period.

## **AUDIT COMMITTEE**

The Audit Committee comprises three Directors, of whom Mr. Li Jun is the Chairman and both Mr. Liu Jianwen and Ms. Xia Xue are members. All the three members are independent non-executive Directors. Among them, Mr. Li Jun possesses professional qualifications and experience in accounting and related financial management. Such composition is in compliance with the requirements of the Listing Rules. The Audit Committee is responsible for supervising the Company's external auditors and their work, the Company's financial reporting process, internal control, risk management and internal control, reviewing the Company's internal audit plan and results reports, formulating and reviewing the Company's corporate governance policies and their compliance and disclosure. More details of the duties and the working system of the Audit Committee are explicitly specified in the Terms of Reference of the Audit Committee of the Board of Directors (which are accessible on the websites of the Company and the Stock Exchange). The Audit Committee has reviewed the financial report and results of the Group for the year ended 31 December 2025.

## **SCOPE OF WORK OF MOORE CPA LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary results announcement have been agreed by the Group's auditor, Moore CPA Limited ("**Moore**"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Moore in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Moore on the preliminary results announcement.

## DIVIDENDS

The Board hereby recommends the distribution of a final dividend of RMB1,138,953,203.70 in total (tax inclusive) for the period from 1 January 2025 to 31 December 2025 (2024: RMB1,199,697,374.56 in total (tax inclusive)) for Shareholders whose names appear on the Company's register of members on Tuesday, 12 May 2026, representing RMB0.15 per share (tax inclusive) (2024: RMB0.158 per share (tax inclusive)) based on the issued shares of 7,593,021,358 shares as of Monday, 30 March 2026. The final amount of the dividend per share will be determined based on the number of shares of the Company in issue as at Tuesday, 12 May 2026.

The Company established and implemented the dividend policy in 2019: the Company should maintain sufficient cash reserves to meet the demand for funds, future growth and its equity value when recommending or declaring dividends. In addition to the declaration of dividends, the Board should also take into account the financial performance, cash flow position, business status and strategy, future operation and income, capital demand and expense plan, Shareholders' benefits, limits on the dividend declaration and any other factors the Board may consider to be relevant. According to the Articles of Association of the Company, dividends will be denominated and declared in Renminbi. Dividends on Domestic Shares will be paid in Renminbi and dividends on H Shares will be paid in Hong Kong dollars (except for the holders of H Shares who became Shareholders through the Shanghai-Hong Kong Stock Exchanges Connectivity Mechanism (the "**Shanghai-Hong Kong Stock Connect**") as well as the Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (the "**Shenzhen-Hong Kong Stock Connect**"), whose dividend will be paid in RMB). The pre-tax dividend in Hong Kong dollars on H Share will be determined by applying the relevant exchange rate to the pre-tax dividend per share of RMB0.15 and rounding the result to the nearest HK\$0.0001. The relevant exchange rate will be the average middle exchange rate of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the week prior to the date of declaration of dividends by the annual general meeting.

The proposed final dividend is subject to approval at the annual general meeting to be held on Wednesday, 29 April 2026.

In accordance with tax law and relevant requirements under taxation regulatory institutions of the PRC, the Company is required to withhold 10% enterprise income tax when it distributes the final dividend for the period from 1 January 2025 to 31 December 2025 (the "**2025 Final Dividend**") to holders of all non-resident enterprise Shareholders (including HKSCC Nominees Limited, other nominees, trustees or other entities and organizations, who will be deemed as non-resident enterprise Shareholders) whose names appear on the H Share register of members of the Company on Tuesday, 12 May 2026.

Pursuant to the “Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong stock exchanges connectivity mechanism” (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Cai Shui [2014] No. 81) (the “**Shanghai-Hong Kong Stock Connect Tax Policy**”) and the “Notice on the Relevant Tax Policies for the Pilot Program of the Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets” (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Cai Shui [2016] No. 127) (the “**Shenzhen-Hong Kong Stock Connect Tax Policy**”) jointly issued by the Ministry of Finance of the PRC, the State Administration of Taxation and China Securities Regulatory Commission, the dividends derived from the investment by a domestic corporate investor in stocks listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect will be included in its total income and subject to enterprise income tax according to the law. In particular, dividends received by resident enterprises in the Mainland which hold H share for at least 12 consecutive months shall be exempted from enterprise income tax according to the law. In respect of the dividends received by domestic corporate investors, H share companies listed on the Stock Exchange will not withhold relevant tax for such corporate investors. The tax payable shall be reported and paid by the enterprises themselves.

As such, when distributing the 2025 Final Dividend to the domestic corporate investors as the holders of H Shares whose names appear on the H Share register of members of the Company on Tuesday, 12 May 2026 provided by China Securities Depository and Clearing Corporation Limited (“**China Clearing**”), the Company shall not withhold tax on dividend for the domestic corporate investors. The tax payable shall be reported and paid by the enterprises themselves.

Pursuant to the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》), the Implementation Regulations of the Individual Income Tax Law (《中華人民共和國個人所得稅法實施條例》), the Shanghai-Hong Kong Stock Connect Tax Policy, the Shenzhen-Hong Kong Stock Connect Tax Policy and other relevant laws and regulations and based on the Company’s consultation with the relevant PRC tax authorities, the Company is required to withhold and pay 20% individual income tax for the Company’s individual H Shareholders whose names appear on the H Share register of members of the Company (the “**Individual H Shareholders**”).

Pursuant to the Shanghai-Hong Kong Stock Connect Tax Policy and the Shenzhen-Hong Kong Stock Connect Tax Policy, for dividends received by domestic individual investors from the investment in H Shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen Hong Kong Stock Connect, the H share companies listed on the Stock Exchange shall withhold and pay individual income tax at a rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from the investment in shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the income tax payable shall follow the same requirements in respect of domestic individual investors.

As such, when distributing the 2025 Final Dividend to the domestic Individual H Shareholders (including domestic securities investment funds) whose names appear on the H Share register of members of the Company on Tuesday, 12 May 2026 provided by China Clearing, the Company shall withhold and pay individual income tax in accordance with the requirements mentioned above on behalf of the investors.

Pursuant to the Notice on Matters concerning the Levy and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) issued by the State Administration of Taxation and the letter titled “Tax arrangements on dividends paid to Hong Kong residents by Mainland companies” issued by the Stock Exchange, the overseas resident individual shareholders who hold the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax treaties between the countries where they reside and China and the tax arrangements between China mainland and Hong Kong (Macau). The Company will identify the country of domicile of Individual H Shareholders according to their registered address on the H Share register of members of the Company on Tuesday, 12 May 2026 (the “Registered Address”). The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the Individual H Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the Individual H Shareholders or any disputes over the withholding mechanism or arrangements. Details of arrangements are as follows:

- for Individual H Shareholders who are Hong Kong or Macau residents and those whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the Individual H Shareholders.
- for Individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the relevant shareholder shall proactively submit to the Company the information required under the “Administrative Measures on Preferential Treatment Entitled by Non-resident Taxpayers under Treaties” (Circular of State Taxation Administration No. 35 of 2019) (《非居民納稅人享受協定待遇管理辦法》國家稅務總局公告2019年第35號) (the “**Measures on Tax Treaties**”) on or before Wednesday, 13 May 2026, requesting for enjoying the preferential treatment under the treaties and keeping the relevant information for record and further review. If the information submitted is complete, the Company will withhold and pay individual income tax pursuant to the relevant provisions in tax laws of the PRC and the tax treaties. If the relevant Individual H Shareholder does not provide the information or the information submitted is incomplete, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the Individual H Shareholders.
- for Individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of more than 10% but less than 20%, the Company will finally withhold and pay individual income tax at the actual tax rate stipulated in the relevant tax treaty.

- for Individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or a country which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will finally withhold and pay individual income tax at the rate of 20% on behalf of the Individual H Shareholders.

If the domicile of an Individual H Shareholder is not the same as the registered address or if the Individual H Shareholder would like to apply for a refund of the additional amount of tax finally withheld and paid, the Individual H Shareholder shall notify and provide relevant supporting documents to the Company on or before Wednesday, 13 May 2026. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding and paying provisions and arrangements. Individual H Shareholders may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the Measures on Tax Treaties if they do not provide the relevant supporting documents to the Company within the time period stated above.

Shareholders are recommended to consult their tax advisers regarding PRC, Hong Kong and other tax implications arising from their holding and disposal of H Shares.

## **CLOSURE OF REGISTER OF MEMBERS**

In order to determine the Shareholders who are eligible to attend and vote at the annual general meeting, the register of members of the Company will be closed from Friday, 24 April 2026 to Wednesday, 29 April 2026 (both days inclusive), during such period no transfer of shares in the Company will be registered. To be eligible to attend and vote at the forthcoming annual general meeting, holders of H Shares whose transfers have not been registered shall lodge all the share transfer documents and relevant share certificates with 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, not later than 4:30 p.m. on Thursday, 23 April 2026 for share registration.

Shareholders whose names appear on the register of members on Tuesday, 12 May 2026 will be eligible for the final dividend. The register of members of the Company will be closed from Wednesday, 6 May 2026 to Tuesday, 12 May 2026 (both days inclusive), during such period no share transfer will be registered. In order to qualify for the final dividend mentioned above, holders of H Shares whose transfers have not been registered shall deposit the instrument(s) of transfer and the relevant share certificate(s) at 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, not later than 4:30 p.m. on Tuesday, 5 May 2026 to facilitate the share transfer registration. The final dividend is expected to be paid on or before Tuesday, 30 June 2026 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 12 May 2026.

## MATERIAL TRANSACTIONS

### Qilianshan Assets Restructuring

Reference is made to the announcements of the Company dated 25 April 2022, 11 May 2022, 28 December 2022, 30 December 2022, 28 February 2023, 30 October 2023, 21 December 2023, the 2022 annual report, 2023 interim report and 2023 annual report in relation to the entering into of relevant agreement of assets restructuring between Qilianshan and China Communications Construction Company Limited\* (中國交通建設股份有限公司) (“**CCCC**”) and China Urban-Rural Holding Group Co. Limited\* (中國城鄉控股集團有限公司) (“**China Urban-Rural**”), in connection with Qilianshan’s acquisition of 100% equity interests in CCCC Highway Consultants Co., Ltd.\* (中交公路規劃設計院有限公司), CCCC First Highway Consultants Co., Ltd. \* (中交第一公路勘察設計研究院有限公司), CCCC Second Highway Consultants Co., Ltd.\* (中交第二公路勘察設計研究院有限公司), Southwest Municipal Engineering Design and Research Institute of China\* (中國市政工程西南設計研究總院有限公司), China Northeast Municipal Engineering Design & Research Institute Co., Ltd. \* (中國市政工程東北設計研究總院有限公司) and CCCC Urban Energy Research and Design Institute Co., Ltd. \* (中交城市能源研究設計院有限公司) (the “**Swapped-in Target Assets**”) held by CCCC and China Urban-Rural, by swapping 100% equity interests in Gansu Qilianshan Cement Group Company Limited\* (甘肅祁連山水泥集團有限公司) (“**Qilianshan Cement**”) (the “**Swapped-out Target Assets**”) and by Qilianshan issuing shares (the “**Consideration Shares**”) as consideration to acquire the part of Swapped-in Target Assets held by CCCC and China Urban-Rural with the deficiency amount between the value of the Swapped-out Target Assets and the value of the Swapped-in Target Assets (the “**Qilianshan Assets Restructuring**”). Qilianshan entered into a profit compensation undertakings agreement with CCC and China Urban-Rural, to agree on matters such as the certain profit compensation undertakings and compensation in relation to Swapped-in Target Assets, whereby the actual net profits of the performance commitment period shall not be lower than the committed net profit. During the period from the completion of the Restructuring to 31 December 2025, the actual share of revenue of the relevant performance commitment assets is in compliance with the aforesaid profit guarantee.

### Acquisition of Carpoly by BNBM

References are made to the announcements of the Company dated 20 September 2023, 29 December 2023, 8 January 2024 and 26 March 2025 in relation to BNBM (an A-share listed subsidiary of the Company), certain shareholder shareholding platforms of Carpoly and certain employee shareholding platforms of Carpoly (together, the “**Original Shareholders**”) entering into a share transfer agreement (the “**Carpoly Share Transfer Agreement**”), according to which, each of the Original Shareholders agreed to sell, and BNBM agreed to acquire, a total of 78.34% shares in Carpoly at a consideration of RMB4,073,822,613.03 in cash (the “**Share Acquisition Price**”). Upon completion of the acquisition, BNBM will hold 78.34% of the shares of Carpoly which will become an indirect subsidiary of the Company.

Pursuant to the Carpoly Share Transfer Agreement, the Original Shareholders have made certain performance undertakings that the realised net profit of the relevant performance commitment assets during each undertaking period between 2024 to 2026 will not be less than the committed net profit for that respective period. The committed net profit was RMB413 million (the “**2024 Performance Target**”) for the performance period for the 2024 financial year. Based on Carpoly’s latest audited financial statements, the realised net profit of the relevant performance commitments assets for the financial year ending 31 December 2024 was RMB335,663,063.69, which did not meet the 2024 Performance Target. Consequently, in accordance with the agreed compensation mechanism in the Carpoly Share Transfer Agreement, the shortfall of RMB77,336,936.31 will be deducted as performance compensation from the remaining Share Acquisition Price to be paid by BNBM to the Original Shareholders for the 2024 financial year. For the performance period for the 2024-2025 financial years, the committed net profit is RMB875 million in aggregate (the “**2024-2025 Performance Target**”). According to Carpoly’s latest audited financial statements, the realised net profit of the relevant performance commitment assets for the financial years from 1 January 2024 to 31 December 2025 was RMB741,116,803.93, representing a shortfall of RMB133,883,196.07 compared to the committed net profit after tax for the 2024-2025 period. Carpoly failed to meet its performance commitments for 2024-2025. Pursuant to the terms of the agreement, the Original Shareholders are required to make performance compensation to Carpoly. Compensation of RMB77,336,936.31 had already been made for 2024, and after calculation and mutual agreement, the compensation amount is RMB56,546,259.76. BNBM will directly deduct this compensation amount of RMB56,546,259.76 from the share transfer price of RMB407,382,261.26 agreed to be paid to the Original Shareholders. The Board is of the view that it is fair and reasonable and in the interests of the Shareholders as a whole for BNBM to exercise its right in accordance with the terms of the agreement.

The Company will closely monitor these aforesaid performance undertakings and provide relevant updates if and when appropriate, in compliance with Rule 14.36B of the Listing Rules.

## **EMPLOYEE AND REMUNERATION POLICY**

As at 31 December 2025, the Group had approximately 129,594 employees.

The remuneration package of the Company’s employees includes salary, bonuses and allowances. In accordance with relevant national and local labour and social welfare laws and regulations, the Group is required to pay, on behalf of employees, a monthly social insurance premium covering pension insurance, injury insurance, medical insurance, unemployment insurance and housing reserve fund. The Company’s remuneration policy for its staff is performance based, taking into account duties and responsibilities while bonus is linked to the overall economic efficiency of the Company.

When determining or recommending to the Board the emoluments payable to the independent non-executive Directors, the Remuneration and Performance Appraisal Committee will consider factors such as remuneration paid by comparable companies, the time and duties required from the Directors and senior management, employment conditions elsewhere within the Group and the desirability of performance-based remuneration in accordance with its terms of reference. Other than independent non-executive Directors, the other Directors will not receive remunerations in respect of their directorships in the Company. Some of the Directors receive employee remunerations for their role as senior management of the Company.

The Company endeavors to provide training to its employees. On-the-job training and continuous training plans include management skills and technical training, overseas exchange schemes and other courses. The Company also encourages employees to improve themselves.

As of 31 December 2025, the gender ratio for the Group's employees was approximately 78% male and approximately 22% female. The Company has implemented a fair employment policy, and the recruitment has been merit-based without any discrimination. We will continue to strive for increasing the proportion of female workers, with reference to the Shareholders' expectations and the recommended best management practice, to achieve an appropriate balance in gender diversity.

Details on the gender ratio of the Group together with relevant data can be found in the Environmental, Social and Governance Report of the Company for the year.

## **PUBLICATION OF RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE AND THE COMPANY**

In accordance with the requirements under the Listing Rules which are applicable to the Reporting Period, the 2025 Annual Report containing all information about the Company set out in this preliminary announcement of results for the year ended 31 December 2025 will be posted on the website of the Stock Exchange (website: <http://www.hkex.com.hk>) on or before 30 April 2026. This information will also be published on the website of the Company (website: [www.cnbm.com](http://www.cnbm.com)).

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

"Audit Committee"	the audit committee of the Company
"BNBM"	北新集團建材股份有限公司 (Beijing New Building Materials Public Limited Company)
"Board"	the board of directors of the Company
"Carpoly"	嘉寶莉化工集團股份有限公司 (Carpoly Chemical Group Co Ltd)
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China Cinda"	中國信達資產管理股份有限公司 (China Cinda Asset Management Co., Ltd.)

“China Jushi”	中國巨石股份有限公司 (China Jushi Co., Ltd.) (previously known as 中國玻纖股份有限公司 China Fiberglass Company Limited)
“Company” or “CNBM”	中國建材股份有限公司 (China National Building Material Company Limited*)
“Director(s)”	the director(s) of the Company
“Domestic Shares”	the ordinary shares with a nominal value of RMB1.00 each in the registered capital of the Company, which are subscribed for in RMB
“Group”	the Company and, except where the context otherwise requires, all its subsidiaries
“H Share(s)”	the overseas listed foreign shares with a nominal value of RMB1.00 each in the registered capital of the Company, which are listed on the Stock Exchange and subscribed for and traded in HKD
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	person(s) or company(ies) which is (are) independent from the Company or its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Management of Three Delicacies”	lean operation, refined management and refined organization
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“PRC”	the People’s Republic of China
“Qilianshan”	甘肅祁連山水泥集團股份有限公司 (Gansu Qilianshan Cement Group Company Limited)
“Reporting Period”	from 1 January 2025 to 31 December 2025
“RMB” or “Renminbi”	Renminbi yuan, the lawful currency of the PRC
“Share(s)”	ordinary shares of the Company with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares

“Shareholder(s)”	holder(s) of Share(s)
“Sinoma Science & Technology”	中材科技股份有限公司 (Sinoma Science & Technology Co., Ltd.)
“State” or “PRC Government”	the government of the PRC including all political subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the member(s) of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“Taishan Fiberglass”	泰山玻璃纖維(太原)有限公司 (Taishan Fiberglass (Taiyuan) Inc.)

By Order of the Board  
**China National Building Material Company Limited\***  
**Zhou Yuxian**  
*Chairman*

Beijing, the PRC  
30 March 2026

*As at the date of this announcement, the board of directors of the Company comprises Mr. Zhou Yuxian, Mr. Wei Rushan, Mr. Wang Bing and Ms. Miao Xiaoling as executive directors, Mr. Wang Yumeng and Mr. Chen Shaolong 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*