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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)

(Stock Code: 3323)

VOTING RESULTS OF ANNUAL GENERAL MEETING AND PAYMENT OF FINAL DIVIDEND

The board of directors (the “**Board**”) of China National Building Material Company Limited (the “**Company**”) is pleased to announce that the annual general meeting for the year ended 31 December 2017 (the “**AGM**”) of the Company was held at 9:30 a.m. on Wednesday, 13 June 2018 at Tower 2, Guohai Plaza, No. 17 Fuxing Road, Haidian District, Beijing, the People’s Republic of China (the “**PRC**”).

The number of issued shares of the Company as at the date of the AGM was 8,434,770,662 shares, of which 4,454,898,633 shares were domestic shares, 111,174,235 shares were unlisted foreign shares and 3,868,697,794 shares were H shares. There were no shares entitling the shareholders to attend and abstain from voting in favour of any of the resolutions proposed at the AGM as set out in Rule 13.40 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). To the extent that the Company is aware having made all reasonable enquiries, other than China National Building Material Group Co., Ltd. (the “**Parent**”) and its associates who were required under the Listing Rules to abstain from voting on resolution 7, no shareholder was required under the Listing Rules to abstain from voting on any of the resolutions proposed at the AGM. As at the date of the AGM, the Parent and its associates held 3,559,722,190 shares of the Company, representing approximately 42.20% of the total issued share capital of the Company.

Save as disclosed above, none of the shareholders has stated their intention in the circular dated 25 April 2018 and the supplementary circular dated 3 May 2018 to vote against any of the resolutions or to abstain from voting at the AGM.

Accordingly, the total number of shares entitling the holders to attend and vote for or against: (a) resolutions 1 to 6, 7A, 7B and 8 to 11 proposed at the AGM was 8,434,770,662 shares; and (b) resolution 7 proposed at the AGM was 4,875,048,472 shares.

The convening of the AGM was in compliance with the requirements of the Company Law of the PRC and the provisions of the Articles of Association of the Company. The AGM was chaired by Mr. Song Zhiping, an executive director and the chairman of the Board of the Company.

VOTING RESULTS OF AGM

The total number of shares entitling the holders to attend and vote for or against resolutions 1 to 6, 7A, 7B and 8 to 11 proposed at the AGM was 8,434,770,662 shares, representing 100% of the total issued share capital of the Company. The total number of shares entitling the holders to attend and vote for or against resolution 7 proposed at the AGM was 4,875,048,472 shares, representing 57.80% of the total issued share capital of the Company.

All the resolutions at the AGM were taken by poll pursuant to the Listing Rules. The poll results in respect of the proposed resolutions at the AGM are as follows:

Ordinary Resolutions		For	%	Against	%
I.	As more than half (1/2) of the votes from the shareholders who attended and voted at the AGM were cast in favour of each of the following resolutions, the resolutions were duly passed as ordinary resolutions:				
1.	To consider and approve the report of the board of Directors (the "Board") of the Company for the year ended 31 December 2017.	6,213,325,192	99.9723%	1,720,000	0.0277%
2.	To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2017.	6,213,325,192	99.9723%	1,720,000	0.0277%
3.	To consider and approve the report of the auditors and audited financial statements of the Company for the year ended 31 December 2017.	6,213,325,192	99.9723%	1,720,000	0.0277%
4.	To consider and approve the proposed profit distribution plan and the final dividend distribution plan of the Company for the year ended 31 December 2017 and to authorise the Board to distribute such final dividend to the shareholders of the Company.	6,216,479,192	99.9999%	4,000	0.0001%

Ordinary Resolutions		For	%	Against	%
5.	To consider and approve the grant of authorisation to the Board to deal with all matters in relation to the Company's distribution of interim dividend for the year 2018 in its absolute discretion (including, but not limited to, determining whether to distribute interim dividend for the year 2018).	6,186,733,192	99.9999%	4,000	0.0001%
6.	To consider and approve the continuation of appointment of Baker Tilly China Certified Public Accountants (Special General Partnership) as the domestic auditor of the Company and Baker Tilly Hong Kong Limited as the international auditor of the Company, to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board to determine their remuneration.	6,186,733,192	99.9999%	4,000	0.0001%
7.	To consider and approve the financial services framework agreement dated 23 March 2018 entered into between the Company and Sinoma Group Finance Co., Ltd (中材集團財務有限公司), the provision of deposit services and the cap of the deposit services contemplated thereunder and all other matters of and incidental thereto or in connection therewith.	1,679,884,115	62.9387%	989,196,648	37.0613%
7A.	(a) To consider and approve the election of Mr. Peng Jianxin as an executive Director of the Company and to consider and approve the remuneration of Mr. Peng, as set out in the Supplementary AGM Circular.	6,157,795,402	99.0583%	58,536,350	0.9417%
	(b) To consider and approve the election of Ms. Xu Weibing as a non-executive Director of the Company and to consider and approve the remuneration of Ms. Xu, as set out in the Supplementary AGM Circular.	6,140,838,482	98.7856%	75,493,270	1.2144%

Ordinary Resolutions		For	%	Against	%
	(c) To consider and approve the election of Mr. Shen Yungang as a non-executive Director of the Company and to consider and approve the remuneration of Mr. Shen, as set out in the Supplementary AGM Circular.	6,145,472,482	98.8601%	70,859,270	1.1399%
	(d) To consider and approve the election of Ms. Fan Xiaoyan as a non-executive Director of the Company and to consider and approve the remuneration of Ms. Fan, as set out in the Supplementary AGM Circular.	6,145,472,482	98.8601%	70,859,270	1.1399%
7B.	(a) To consider and approve the election of Mr. Li Xinhua as a Supervisor of the Company and to consider and approve the remuneration of Mr. Li, as set out in the Supplementary AGM Circular.	6,204,482,080	99.8144%	11,537,672	0.1856%
	(b) To consider and approve the election of Mr. Guo Yanming as a Supervisor of the Company and to consider and approve the remuneration of Mr. Guo, as set out in the Supplementary AGM Circular.	6,063,449,322	97.5455%	152,570,430	2.4545%
Special Resolutions		For	%	Against	%
II.	As more than two-thirds (2/3) of the votes from the shareholders who attended and voted at the AGM were cast in favour of each of the following resolutions, the resolutions were duly passed as special resolutions:				
8.	To give a general mandate to the Board to allot, issue and deal with additional Domestic Shares not exceeding 20% of the Domestic Shares in issue and additional H Shares not exceeding 20% of the H Shares in issue as at the date of passing this resolution and authorise the Board to make corresponding amendments to the Articles of Association of the Company as it thinks fit so as to reflect the new share capital structure upon the allotment or issuance of shares.	5,007,922,614	80.6019%	1,205,232,339	19.3981%

Special Resolutions		For	%	Against	%
9.	To consider and approve the Company's issuance of debt financing instruments in one or several tranche(s) within the limit of issue permitted under relevant laws and regulations as well as other regulatory documents and grant of authorisation to the Board and/or its authorised person(s) to handle all relevant matters in relation to the issuance of debt financing instruments.	6,156,549,667	99.0359%	59,933,525	0.9641%
10.	To consider and approve the proposed amendments to the Articles of Association of the Company as set out in Appendix I to the First AGM Circular.	5,212,580,932	83.8917%	1,000,886,021	16.1083%
11.	To consider and approve the proposed amendments to the Articles of Association and the Rules of Procedure for Shareholders' General Meetings of the Company as set out in Appendix I to the Supplementary AGM Circular.	6,206,634,942	99.8416%	9,848,250	0.1584%

Baker Tilly China Certified Public Accountants, the auditor of the Company, has acted as the scrutineer and compared the poll results summary to the poll forms collected by the Company. The work performed by Baker Tilly China Certified Public Accountants 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 nor did it include provision of any assurance or advice on matters of legal interpretation or entitlement to vote.

PAYMENT OF FINAL DIVIDEND

The Board wishes to inform the Company's shareholders that the details of the payment of the final dividend are as follows:

The Company will pay a final dividend of RMB843,477,066.20 in total (pre-tax) for the period from 1 January 2017 to 31 December 2017 (the "**2017 Final Dividend**") for shareholders whose names appear on the Company's register of members on Monday, 25 June 2018, representing RMB0.100 per share (pre-tax) based on 8,434,770,662 shares in issue as at the date of this announcement. The final amount of the dividend per share will be determined based on the number of shares of the Company in issue as at 25 June 2018. 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 of the Company through Shanghai-Hong Kong Stock Exchanges Connectivity Mechanism (the “**Shanghai-Hong Kong Stock Connect**”) as well as Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (the “**Shenzhen-Hong Kong Stock Connect**”), whose dividend will be paid in Renminbi). 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 AGM (RMB0.8160 equivalent to HK\$1.00).

Dividend Tax Deduction

Enterprise Income Tax

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 2017 Final Dividend to all non-resident enterprise shareholders (including HKSCC Nominees Limited, other nominees, trustees or other entities and organisations, who will be deemed as non-resident enterprise shareholders) whose names appear on the H share register of members of the Company on 25 June 2018.

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 and bonuses derived from the investment by a domestic corporate investor in stocks listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) through the Shanghai-Hong Kong Stock Connect and the 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 and bonuses 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 and bonuses received by domestic corporate investors, H share companies listed on the Hong Kong 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 2017 Final Dividend to the domestic corporate investors as the holders of H shares of the Company whose names appear on the register of shareholders of the Company on 25 June 2018 provided by China Securities Depository and Clearing Corporation Limited (“**China Clearing**”), the Company shall not withhold tax on dividend and bonuses for the domestic corporate investors. The tax payable shall be reported and paid by the enterprises themselves.

Individual Income Tax

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 Tentative Measures on Withholding and Payment of Individual Income Tax (《個人所得稅代扣代繳暫行辦法》), 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 register of members of H shares 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 and bonuses received by domestic individual investors from the investment in H shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, the H share companies listed on the Hong Kong Stock Exchange shall withhold and pay individual income tax at a rate of 20% on behalf of the investors. For dividends and bonuses received by domestic securities investment funds from the investment in shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect and the 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 2017 Final Dividend to the domestic individual investors (including domestic securities investment funds) as the holders of H shares of the Company whose names appear on the register of shareholders of the Company on 25 June 2018 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 Tax and the letter titled “Tax arrangements on dividends paid to Hong Kong residents by Mainland companies” issued by the Hong Kong Stock Exchange, the overseas resident individual shareholders of 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 25 June 2018 (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 Company will withhold and pay individual income tax at the rate of 10% on behalf of the Individual H Shareholders. If relevant Individual H Shareholders would like to apply for a refund of the additional amount of tax withheld and paid, the Company can assist the relevant shareholder to handle the application for the underlying preferential tax benefits pursuant to the tax treaties, provided that the relevant shareholder shall submit to the Company the information required under the “Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties” (Guo Shui Fa [2015] No. 60) (《非居民納稅人享受稅收協定待遇管理辦法》國稅發[2015]60號) (the “**Measures on Tax Treaties**”) on or before Tuesday, 26 June 2018. Upon examination and approval by competent tax authorities, the Company will assist in refunding the additional amount of tax withheld and paid.
- 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 26 June 2018. 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 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 of the Company.

The Company will appoint a receiving agent (the “**Receiving Agent**”) in Hong Kong and will pay to such Receiving Agent the 2017 Final Dividend declared for payment to holders of H shares (except for the holders of H shares who became shareholders of the Company through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, whose dividend will be paid in the manner set out below). The 2017 Final Dividend will be paid by the Receiving Agent on or before Friday, 29 June 2018. The cheques will be dispatched to holders of H shares by ordinary post at their own risk.

The Company will entrust the Shanghai Branch and Shenzhen Branch of CSDC in the PRC to pay the declared 2017 Final Dividend to the relevant investors who became the holders of H shares of the Company under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect through its depository and clearing system.

By order of the Board
China National Building Material Company Limited*
Yu Kaijun
Secretary of the Board

Beijing, the PRC
13 June 2018

As at the date of this announcement, the board of directors of the Company comprises Mr. Cao Jianglin, Mr. Peng Jianxin, Mr. Peng Shou and Mr. Cui Xingtai as executive directors, Ms. Xu Weibing, Mr. Chang Zhangli, Mr. Tao Zheng, Mr. Chen Yongxin, Mr. Shen Yungang and Ms. Fan Xiaoyan as non-executive directors and Mr. Sun Yanjun, Mr. Liu Jianwen, Mr. Zhou Fangsheng, Mr. Qian Fengsheng and Ms. Xia Xue as independent non-executive directors.

* *For identification only*