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)

FIRST QUARTERLY REPORT OF 2023

Reference is made to the announcements of the Company dated 12 October 2022, 14 October 2022, 17 October 2022, and the circular of the Company dated 6 April 2023.

On 17 April 2020, the Company became the first batch of first-tier mature enterprises of the National Association of Financial Market Institutional Investors, and carried out unified registration of debt financing instruments (TDFI) (including but not limited to super short-term commercial paper, short-term commercial paper, medium-term debentures, perpetual debentures, asset-backed notes, green debt financing instruments) in the China inter-bank bond market, which were issuable in different types and separate tranches, with a registration term of two years. As the registration notice would expire on 18 March 2022, the Company carried out another unified registration of debt financing instruments (TDFI) (including but not limited to super short-term commercial paper, short-term commercial paper, medium-term debentures, perpetual debentures, asset-backed notes, green debt financing instruments) in the China inter-bank bond market on 14 March 2022, which would be issuable in different types and separate tranches, with a registration term of two years.

Since the announcement of the third quarterly report of 2022 of the Company dated 28 October 2022 and up to the date of this announcement, one tranche of super short-term commercial paper has been issued by the Company. The issue of the first tranche of the super short-term commercial paper in 2023 was completed on 12 January 2023, with an aggregate principal amount of RMB1 billion, par value of RMB100, a maturity period of 260 days and an annual coupon rate of 2.11%.

Relevant documents containing the details of the issue of the super short-term commercial paper are available on the websites of China Money (http://www.chinamoney.com.cn) and Shanghai Clearing House (http://www.shclearing.com).

According to the relevant PRC regulations, the Company is required to publish the quarterly results on the websites of China Money and Shanghai Clearing House during the term of the above super short-term commercial paper, and to publish the interim results and annual results on the website of the Shanghai Stock Exchange (http://www.sse.com.cn/disclosure/bond/announcement/company/) during the term of the above super short-term commercial paper.

The following is the financial information of the Group and the Company for the first quarter ended 31 March 2023 prepared under PRC GAAP, which is published simultaneously on the websites of China Money and Shanghai Clearing House.

1. THE CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

CONSOLIDATED BALANCE SHEET

As at 31 March 2023

Prepared by: China National Building Material Company Limited*

Currency: RMB

Item	31 March 2023	31 December 2022 (Restated)
Current assets:		
Cash and bank balance	**36,116,409,858.49**	31,259,590,065.86
Financial assets held for trading	**10,401,597,441.73**	11,194,203,320.10
Financial assets at fair value through profit or loss		
Derivative financial assets	**24,308,382.89**	11,056,284.55
Notes receivable	**2,181,012,690.81**	2,351,997,112.50
Accounts receivable	**53,565,119,139.26**	50,554,618,768.44
Financing receivable	**10,878,744,562.58**	12,358,568,425.38
Prepayments	**11,469,774,095.09**	8,747,984,299.54
Other receivables	**5,576,311,518.65**	5,571,625,861.73
Inventories	**25,799,761,569.36**	24,590,033,668.02
Contract assets	**5,623,263,338.19**	4,423,976,939.26
Assets held-for-sale		
Non-current assets due within one year	**1,367,020,843.98**	1,099,672,603.68
Other current assets	**2,633,417,966.48**	3,230,397,374.95
Total current assets	**165,636,741,407.51**	155,393,724,724.01

Item	31 March 2023	31 December 2022 (Restated)
Non-current assets:		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables	**4,129,197,018.60**	4,081,276,466.54
Long-term equity investments	**30,652,237,820.96**	30,302,935,312.18
Investments in other equity instruments		
Other non-current financial assets	**548,500,614.86**	540,963,705.26
Investment properties	**1,465,345,684.60**	1,484,167,141.18
Fixed assets	**172,858,769,580.68**	174,301,296,248.30
Construction in progress	**23,260,472,238.95**	20,781,833,830.56
Productive biological assets		
Oil and gas assets		
Right-to-use assets	**2,116,411,602.47**	2,168,019,781.38
Intangible assets	**50,491,954,930.56**	50,414,183,239.32
Development expenses	**331,225,550.93**	307,806,381.16
Goodwill	**32,517,549,968.39**	32,519,218,162.69
Long-term deferred expenditures	**6,037,782,697.38**	6,116,840,211.20
Deferred income tax assets	**7,629,506,012.55**	7,412,716,164.45
Other non-current assets	**3,615,187,690.12**	3,963,869,856.92
Total non-current assets	**335,654,141,411.05**	334,395,126,501.14
Total assets	**501,290,882,818.56**	489,788,851,225.15

Item	**31 March 2023**	31 December 2022 (Restated)
Current liabilities:		
Short-term borrowings	**44,090,907,777.99**	43,876,507,540.22
Held-for-trading financial liabilities	**210,213.59**	4,444,855.13
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities	**1,570,603.52**	
Notes payable	**18,009,109,257.39**	17,694,926,158.83
Accounts payable	**51,066,347,089.97**	51,592,273,173.35
Payment received in advance	**2,794,146.27**	1,403,577.03
Contract liabilities	**10,951,562,379.46**	10,827,621,580.78
Payroll payable	**1,713,225,476.93**	3,537,460,653.32
Taxes payable	**3,022,108,457.30**	4,656,830,238.81
Other payables	**14,621,505,433.12**	14,859,564,904.60
Liabilities held-for-sale		
Non-current liabilities due within one year	**28,909,861,005.72**	30,876,400,142.61
Other current liabilities	**6,488,646,247.82**	5,457,077,387.63
Total current liabilities	**178,877,848,089.08**	183,384,510,212.31
Non-current liabilities:		
Long-term borrowings	**81,154,213,538.49**	61,992,651,994.04
Debentures payables	**32,428,506,047.90**	34,789,710,664.29
Lease liabilities	**1,679,653,317.03**	1,800,680,103.94
Long-term payables	**3,165,419,248.29**	3,216,964,882.95
Long-term employees' remuneration payable	**516,918,871.13**	534,444,014.91
Accrued liabilities	**3,102,282,649.54**	3,197,159,783.52
Deferred income	**2,198,719,341.04**	2,210,814,420.43
Deferred income tax liabilities	**3,013,971,707.32**	2,816,946,923.34
Other non-current liabilities	**1,499,084.20**	1,580,424.85
Total non-current liabilities	**127,261,183,804.94**	110,560,953,212.27
Total liabilities	**306,139,031,894.02**	293,945,463,424.58

Item	**31 March 2023**	31 December 2022 (Restated)
Owners' equity:		
Paid-up capital (or share capital)	**8,434,770,662.00**	8,434,770,662.00
Other equity instruments	**15,545,788,500.00**	15,545,788,500.00
Including: Preferential shares		
Perpetual debentures	**15,545,788,500.00**	15,545,788,500.00
Capital reserve	**14,286,733,395.85**	14,709,831,585.53
Less: Treasury stock		
Other comprehensive income	**-220,768,623.96**	-244,216,306.12
Including: Currency translation differences	**-131,770,918.29**	-140,999,653.38
Special reserve	**845,558,781.98**	764,372,346.81
Surplus reserve	**6,035,338,974.69**	6,035,338,974.69
Undistributed profit	**76,934,034,478.21**	77,558,052,561.57
Total owners' equity attributable to the Company	**121,861,456,168.77**	122,803,938,324.48
Minority interests	**73,290,394,755.77**	73,039,449,476.09
Total owners' equity	**195,151,850,924.54**	195,843,387,800.57
Total liabilities and owners' equity	**501,290,882,818.56**	489,788,851,225.15

Legal Representative:	*Chief Accountant:*	*Head of the Accounting Department:*
Zhou Yuxian	**Chen Xuean**	**Yin Ling**

CONSOLIDATED INCOME STATEMENT

For the three months ended 31 March 2023

Prepared by: China National Building Material Company Limited*

Currency: RMB

Item		**January to March 2023**	January to March 2022 (Restated)
I.	**Total operating revenue**	**44,142,044,861.64**	49,890,767,488.75
	Including: Operating revenue	**44,142,044,861.64**	49,890,767,488.75
II.	**Total operating costs**	**44,586,320,282.08**	47,233,965,513.00
	Including: Operating cost	**37,207,719,205.16**	39,867,355,210.47
	Tax and auxiliary charges	**712,500,057.55**	694,952,066.79
	Selling expenses	**910,543,145.65**	873,760,066.11
	Administrative expenses	**3,233,866,236.40**	3,313,781,942.96
	R&D expenses	**1,055,088,342.82**	894,881,150.85
	Finance costs	**1,466,603,294.49**	1,589,235,075.83
	Others		
	Add: Other income	**250,306,670.84**	313,749,771.79
	Investment income (loss stated with "-")	**326,686,134.34**	1,440,858,805.19
	Net gain from exposure hedging (loss stated with "-")		
	Gains on fair value changes (loss stated with "-")	**-14,826,409.41**	-625,489,101.02
	Impairments loss on credits (loss stated with "-")	**11,739,083.50**	-46,351,636.59
	Impairments loss on assets (loss stated with "-")	**-7,517,313.44**	-28,245,022.61
	Gains on disposal of assets (loss stated with "-")	**8,420,299.51**	96,334,984.00

Item	**January to March 2023**	January to March 2022 (Restated)
III. Operating profit (loss stated with "-")	**130,533,044.91**	3,807,659,776.50
Add: Non-operating income	**156,613,103.41**	149,575,438.90
Less: Non-operating expense	**42,884,987.22**	65,752,318.11
IV. Total profit (total loss stated with "-")	**244,261,161.10**	3,891,482,897.29
Less: Income tax expense	**275,779,652.71**	995,711,973.78
V. Net profit (net loss stated with "-")	**-31,518,491.61**	2,895,770,923.51
Net profit attributable to the owners of the Company	**-527,715,093.36**	1,802,568,929.53
Minority interests	**496,196,601.75**	1,093,201,993.98

Legal Representative:	*Chief Accountant:*	*Head of the Accounting Department:*
Zhou Yuxian	**Chen Xuean**	**Yin Ling**

CONSOLIDATED CASH FLOW STATEMENT
For the three months ended 31 March 2023

Prepared by: China National Building Material Company Limited*

Currency: RMB

Item	January to March 2023	January to March 2022 (Restated)
I. Cash flows from operating activities:		
Cash received from product sales and rendering services	**38,618,522,525.27**	45,208,290,727.29
Refund of taxes and levies received	**428,376,415.70**	367,483,054.40
Cash received relating to other operating activities	**1,816,975,956.43**	2,992,370,534.82
Sub-total of cash inflows from operating activities	**40,863,874,897.40**	48,568,144,316.51
Cash paid for purchase of goods and receipt of services	**30,745,488,327.85**	37,679,800,837.06
Cash paid to and paid for employees	**7,047,277,367.31**	7,354,243,539.42
Taxes and auxiliary charges paid	**4,264,514,311.44**	5,931,382,260.20
Cash paid relating to other operating activities	**2,373,167,560.34**	4,142,860,125.95
Sub-total of cash outflows from operating activities	**44,430,447,566.94**	55,108,286,762.63
Net cash flows from operating activities	**-3,566,572,669.54**	-6,540,142,446.12

Item	**January to March 2023**	January to March 2022 (Restated)
II. Cash flows from investing activities:		
Cash received from disposal of investments	**6,965,258,601.26**	5,955,206,248.41
Cash received from returns on investments	**63,269,837.60**	128,028,960.87
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**101,419,107.05**	217,396,622.03
Net cash received from disposal of subsidiaries and other operating entities		33,485,300.00
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	**7,129,947,545.91**	6,334,117,131.31
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	**5,865,059,955.73**	4,690,203,601.17
Cash paid for investment	**6,306,322,414.19**	5,206,714,002.58
Net cash paid for acquisition of subsidiaries and other operating entities	**6,972,646.00**	9,657,445.55
Cash paid relating to other investing activities	**9,430,000.00**	
Sub-total of cash outflows from investing activities	**12,187,785,015.92**	9,906,575,049.30
Net cash flows from investing activities	**-5,057,837,470.01**	-3,572,457,917.99

Item	January to March 2023	January to March 2022 (Restated)
III. Cash flows from financing activities:		
Cash received from investments	**57,293,632.22**	7,677,432,851.05
Cash received from borrowings	**37,543,448,655.67**	46,438,708,099.73
Cash received relating to other financing activities	**152,958,627.48**	886,194,178.67
Sub-total of cash inflows from financing activities	**37,753,700,915.37**	55,002,335,129.45
Cash paid for repayments of liabilities	**21,531,431,398.26**	30,345,689,076.59
Cash paid for dividend, profit distribution or interest repayment	**1,832,141,357.18**	2,069,421,583.20
Cash paid relating to other financing activities	**747,391,329.62**	3,604,648,971.04
Sub-total of cash outflows from financing activities	**24,110,964,085.06**	36,019,759,630.83
Net cash flows from financing activities	**13,642,736,830.31**	18,982,575,498.62
IV. Effect of foreign exchange rates under changes on cash and cash equivalents	**-74,085,717.89**	-84,322,764.56
V. Net increase in cash and cash equivalents	**4,944,240,972.87**	8,785,652,369.95
Add: Balance of cash and cash equivalents at the beginning of the period	**26,982,534,412.22**	27,409,750,055.91
VI. Balance of cash and cash equivalents at the end of the period	**31,926,775,385.09**	36,195,402,425.86

Legal Representative:
Zhou Yuxian

Chief Accountant:
Chen Xuean

Head of the Accounting Department:
Yin Ling

2. FINANCIAL INFORMATION OF THE COMPANY

BALANCE SHEET
As at 31 March 2023

Prepared by: China National Building Material Company Limited*

Currency: RMB

Item	31 March 2023	31 December 2022
Current assets:		
Cash and bank balance	**2,587,278,864.91**	648,094,693.96
Financial assets held for trading	**1,513,149,016.69**	1,513,149,016.69
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Financing receivable		
Prepayments	**178,955.70**	200,194.64
Other receivables	**58,507,715,653.26**	58,377,213,816.73
Inventories		
Contract assets		
Assets held-for-sale		
Non-current assets due within one year		
Other current assets	**10,598,712.17**	5,570,164.56
Total current assets	**62,618,921,202.73**	60,544,227,886.58

Item	**31 March 2023**	31 December 2022
Non-current assets:		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	**67,463,726,510.42**	66,136,733,433.95
Investments in other equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	**1,026,316,610.68**	1,032,761,201.97
Construction in progress	**1,443,853.22**	5,057,699.12
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets		
Development expenses		
Goodwill		
Long-term deferred expenditures		
Deferred income tax assets		
Other non-current assets	**220,000.00**	220,000.00
Total non-current assets	**68,491,706,974.32**	67,174,772,335.04
Total assets	**131,110,628,177.05**	127,719,000,221.62

Item	**31 March 2023**	31 December 2022
Current liabilities:		
Short-term borrowings	**7,326,293,937.90**	11,725,892,410.11
Held-for-trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	**1,573,863.64**	4,591,689.08
Payment received in advance		
Contract liabilities		
Payroll payable	**18,447,129.12**	16,679,159.35
Taxes payable	**2,298,001.08**	1,159,931.81
Other payables	**1,263,808,767.23**	1,260,972,150.48
Liabilities held-for-sale		
Non-current liabilities due within one year	**10,581,017,527.02**	11,317,489,990.63
Other current liabilities	**1,004,068,673.97**	
Total current liabilities	**20,197,507,899.96**	24,326,785,331.46
Non-current liabilities:		
Long-term borrowings	**18,573,692,433.52**	10,727,400,000.00
Debentures payable	**18,580,181,065.16**	19,099,171,139.84
Lease liabilities		
Long-term payables		
Long-term employees' remuneration payable	**28,855,782.83**	29,910,000.00
Accrued liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	**37,182,729,281.51**	29,856,481,139.84
Total liabilities	**57,380,237,181.47**	54,183,266,471.30

Item	**31 March 2023**	31 December 2022
Owners' equity:		
Paid-up capital (or share capital)	**8,434,770,662.00**	8,434,770,662.00
Other equity instruments	**15,545,788,500.00**	15,545,788,500.00
Including: Preference shares		
Perpetual debentures	**15,545,788,500.00**	15,545,788,500.00
Capital reserve	**14,310,652,404.86**	14,310,652,404.86
Less: Treasury stock		
Other comprehensive income	**-103,247,500.04**	-103,247,500.04
Including: Currency translation differences	**92,127,702.48**	92,127,702.48
Special reserve		
Surplus reserve	**5,562,706,240.28**	5,562,706,240.28
Undistributed profit	**29,979,720,688.48**	29,785,063,443.22
Total owners' equity attributable to the Company	**73,730,390,995.58**	73,535,733,750.32
Minority interests		
Total owners' equity	**73,730,390,995.58**	73,535,733,750.32
Total liabilities and owners' equity	**131,110,628,177.05**	127,719,000,221.62

Legal Representative:	*Chief Accountant:*	*Head of the Accounting Department:*
Zhou Yuxian	**Chen Xuean**	**Yin Ling**

INCOME STATEMENT
For the three months ended 31 March 2023

Prepared by: China National Building Material Company Limited*

Currency: RMB

Item	**January to March 2023**	January to March 2022
I. Total operating revenue	**46,421,385.75**	
Including: Operating revenue	**46,421,385.75**	
II. Total operating costs	**94,621,846.16**	118,073,616.31
Including: Operating cost		
Tax and auxiliary charges	**987,601.23**	1,727,759.25
Selling expenses		
Administrative expenses	**78,502,893.88**	94,364,663.80
R&D expenses		
Finance costs	**15,131,351.05**	21,981,193.26
Others		
Add: Other income	**2,163,119.20**	1,737,941.67
Investment income (loss stated with "-")	**336,993,076.47**	564,573,081.51
Net gain from exposure hedging (loss stated with "-")		
Gains on fair value changes (loss stated with "-")		
Impairments loss on credits (loss stated with "-")		
Impairments loss on assets (loss stated with "-")		
Gains on disposal of assets (loss stated with "-")		

Item	January to March 2023	January to March 2022
III. Operating profit (loss stated with "-")	**290,955,735.26**	448,237,406.87
Add: Non-operating income	**4,500.00**	
Less: Non-operating expense		1,378,270.52
IV. Total profit (total loss stated with "-")	**290,960,235.26**	446,859,136.35
Less: Income tax expense		
V. Net profit (net loss stated with "-")	**290,960,235.26**	446,859,136.35
Net profit attributable to the owners of the Company	**290,960,235.26**	446,859,136.35
Minority interests		

Legal Representative:	*Chief Accountant:*	*Head of the Accounting Department:*
Zhou Yuxian	**Chen Xuean**	**Yin Ling**

CASH FLOW STATEMENT

For the three months ended 31 March 2023

Prepared by: China National Building Material Company Limited*

Currency: RMB

Item		**January to March 2023**	January to March 2022
I.	**Cash flows from operating activities:**		
	Cash received from product sales and rendering services	**24,261,737.50**	
	Refund of taxes and levies received	**2,163,119.20**	1,737,941.67
	Cash received relating to other operating activities	**4,856,256,922.28**	11,841,817.26
	Sub-total of cash inflows from operating activities	**4,882,681,778.98**	13,579,758.93
	Cash paid for purchase of goods and receipt of services		
	Cash paid to and paid for employees	**57,146,423.33**	70,832,338.11
	Taxes and auxiliary charges paid	**6,145,570.64**	2,324,571.08
	Cash paid relating to other operating activities	**5,496,712,324.64**	7,084,043,984.77
	Sub-total of cash outflows from operating activities	**5,560,004,318.61**	7,157,200,893.96
	Net cash flows from operating activities	**-677,322,539.63**	-7,143,621,135.03

Item	**January to March 2023**	January to March 2022
II. Cash flows from investing activities:		
Cash received from disposal of investments		
Cash received from returns on investments		7,105,046.60
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities		7,105,046.60
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	**6,432,119.50**	6,330,009.17
Cash paid for investment	**990,000,000.00**	229,454,821.58
Net cash paid for acquisition of subsidiaries and other operating entities		
Cash paid relating to other investing activities		
Sub-total of cash outflows from investing activities	**996,432,119.50**	235,784,830.75
Net cash flows from investing activities	**-996,432,119.50**	-228,679,784.15

Item	**January to March 2023**	January to March 2022
III. Cash flows from financing activities:		
Cash received from investments		2,000,000,000.00
Cash received from borrowings	**12,387,000,000.00**	18,200,000,000.00
Cash received relating to other financing activities		
Sub-total of cash inflows from financing activities	**12,387,000,000.00**	20,200,000,000.00
Cash paid for repayments of liabilities	**8,278,000,000.00**	8,253,000,000.00
Cash paid for dividend, profit distribution or interest repayment	**495,357,872.78**	427,193,609.46
Cash paid relating to other financing activities	**703,297.14**	1,514,416,562.84
Sub-total of cash outflows from financing activities	**8,774,061,169.92**	10,194,610,172.30
Net cash flows from financing activities	**3,612,938,830.08**	10,005,389,827.70
IV. Effect of foreign exchange rates under changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	**1,939,184,170.95**	2,633,088,908.52
Add: Balance of cash and cash equivalents at the beginning of the period	**447,568,846.08**	891,670,224.60
VI. Balance of cash and cash equivalents at the end of the period	**2,386,753,017.03**	3,524,759,133.12

Legal Representative:	*Chief Accountant:*	*Head of the Accounting Department:*
Zhou Yuxian	**Chen Xuean**	**Yin Ling**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). The financial information in this announcement is prepared in accordance with PRC GAAP and has not been audited. The shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

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

“Company”	China National Building Material Company Limited* (中國建材股份有限公司), a joint stock limited company incorporated under the laws of the PRC, the H shares of which are listed on The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement only, the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan
“PRC GAAP”	the relevant accounting principles and financial regulations as promulgated in the PRC
“RMB”	Renminbi yuan, the lawful currency of the PRC

By order of the Board
China National Building Material Company Limited*
Pei Hongyan
Secretary of the Board

Beijing, the PRC
28 April 2023

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

* *For identification purposes only*