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If you sell or have sold or otherwise transferred all of your ordinary shares in Cleantech Building Materials plc (“**CBM**” or the “**Company**”) please send this document, together with the accompanying form of proxy, immediately to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Cleantech Building Materials plc

(Incorporated and registered in England & Wales with Registered No. 09357256)

NOTICE OF 2022 ANNUAL GENERAL MEETING

A letter from the Chairman of the Company explaining the background to and the reasons for the proposed resolutions, including the grant of authority to the Directors to allot relevant securities and the disapplication of pre-emption rights is set out on pages 5 to 8 of this document.

The notice convening the annual general meeting of the Company is set out at the end of this document. The 2022 Annual General Meeting will be held at the offices of the Company’s solicitors, Marriott Harrison LLP, 80 Cheapside, London EC2V 6EE on Friday 24 June 2022 at 1.00 p.m. **A form of proxy for use at the meeting is enclosed with this document and should be completed, signed and returned in accordance with the instructions thereon as soon as possible but in any event so as to be received by the Company’s registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD by not later than 1.00 p.m. on Wednesday 22 June 2022.** The completion and return of a form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you wish to do so.

This document does not comprise or form part of any offer or invitation to acquire or to dispose of or to subscribe for any interests in shares or securities in the Company and none of its contents nor the fact of its existence may be relied on in connection with any contract therefor.

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TIMETABLE

Latest time and date for receipt of completed forms of proxy for the Annual General Meeting

1.00 p.m. on Wednesday 22 June 2022

Annual General Meeting

1.00 p.m. on Friday 24 June 2022

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company convened for 1.00 p.m. on Friday 24 June 2022 at which the ordinary and special resolutions will be proposed, notice of which is set out at the end of this document
“Articles”	the articles of association of the Company which are in force as at the date of this document
“Board” or “Directors”	the board of Directors of the Company, whose names are set out at page 5 of this document
“Company”	Cleantech Building Materials plc
“Companies Act”	Companies Act 2006 (as amended from time to time)
“Diamond Wood”	Diamond Wood China Limited, of which the Company owns 98.74% of the capital
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the Annual General Meeting, which accompanies this document
“Notice of Annual General Meeting”	the notice convening the Annual General Meeting set out at the end of this document
“Ordinary Shares”	ordinary shares of £0.10 each in the share capital of the Company
“Preference Shares”	the 9 per cent. cumulative redeemable preference shares of £0.10 each with an annual cumulative dividend of 9 per cent. to be issued by the Company
“Resolutions”	the ordinary and special resolutions to be proposed at the Annual General Meeting and set out in the Notice of Annual General Meeting
“Shareholder”	a holder of Ordinary Shares
“UK” and “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland

LETTER FROM THE CHAIRMAN

Cleantech Building Materials plc

(Incorporated and registered in England & Wales as a public limited company with registered number 09357256)

Directors:

Andrew Paul Richards *(Non-Executive Chairman)*
Jason Hung-Wen Wang *(Chief Executive Officer)*
Dwight Wei Zou *(Chief Financial Officer)*
Adrian Wyn-Griffiths *(Executive Director)*
Simon Allocca *(Non-Executive Director)*
Briony Mathieson *(Non-Executive Director)*

Registered Office

Floor 6
International House
4 Maddox Street
London
W1S 1QP
United Kingdom

1 June 2022

Dear Shareholder

Notice of 2022 Annual General Meeting

Introduction and Background

I am pleased to invite you to the Company's 2022 Annual General Meeting ("AGM"). The AGM gives the Directors the opportunity to present the Company's performance and strategy to Shareholders and to listen and respond to your questions.

Despite the logistical challenges arising from the Covid-19 pandemic in 2021, CBM is now in a stronger position for transformative growth in the coming years. In 2021, CBM's subsidiary company Diamond Wood China Limited ("DWC") was able to progress on its strategy to build an Accoya® acetylated wood (Accoya® Wood) factory in China, with its joint venture ("JV") partner, Nantong Acetic Acid Company ("NTAAC"). NTAAC is amongst China's top speciality chemical companies, serving global multinational food and beverage producers in the US and Europe. NTAAC is listed on the Shanghai Stock Exchange with a market capitalisation of approximately €515 million. As reported in the Company's 2020 Report & Accounts on 31 March 2021, DWC and NTAAC signed the investment agreement constituting the JV.

Since then, and through consultation with local government officials in Jiangsu province, DWC and NTAAC have established the timing and key milestones of the Accoya® Wood factory project. There is a schedule for the construction of the Accoya® Wood factory and the corresponding financing. The factory will be built in the Jiangsu Rudong Yangkou Port Economic Development Zone.

Under the investment agreement between the two parties, DWC is the majority shareholder in the JV company, Jiangsu Dragon Wood Limited ("JDW"). Additionally, DWC will receive a royalty on profits from JDW. DWC's equity investments into JDW is being financed through CBM, which previously entered into a subscription agreement for €15 million with a private family office. During 2021, the family office subscribed for CBM shares under the subscription agreement related to the achievement of milestones in the Accoya® Wood factory project.

The following is a brief update of the JDW Accoya® Wood factory developments in China:

- The Accoya® technology licensor, Accsys plc subsidiary Titan Wood Limited ("Titan Wood"), transferred the Accoya® Basic Engineering Design information to DWC during 2020 and 2021.
- During 2021, Titan Wood provided technical assistance to DWC for the preparation of the Nantong Accoya® Wood factory engineering and equipment selection.
- A letter of intent with a leading Chinese bank was signed by JDW on 29 April 2021 regarding €26 million debt financing for JDW.
- Registration of JDW was completed and the business license issued on 18 May 2021.

- JDW completed the signing of the Project Investment Agreement with the local Chinese government authority regarding land, utilities and taxes on 18 May 2021.
- Milestone 1 and Milestone 2 capital injections into JDW were completed by both shareholders, NTAAC and DWC, in 2021.
- All DWC's wholesaler agreements were officially transferred to JDW during September 2021. The DWC sales staff have also been transferred to JDW.
- The Feasibility Study Report approval was granted to JDW on 15 November 2021 by the Chinese government, and the Registration Certificate of Investment Project of Jiangsu Province obtained. The JDW Project is now officially posted on the government web site (<http://222.190.131.17:8075>).
- The approval of Social Stability Assessment Report was granted for the JDW project on 30 November 2021 by the Chinese government.
- JDW finalized the Front-End Engineering Design with an engineering, procurement and construction (EPC) firm, LBT Shanghai, in November 2021.
- The Energy Conservation Assessment application was approved on 24 February 2022 by the Chinese government.
- The Environmental Impact Assessment report has been submitted for final approval.

These are material developments towards the construction of the Accoya® Wood factory. The key JDW activities are being undertaken by the Group's people in the region, so international travel restrictions have had minimal impact on the progress of the project.

Accoya® Wood is produced using a cutting-edge patented technology, enabling it to resist rot, defy the elements and stay strong for decades. Guaranteed for 50 years above ground and 25 years in ground or freshwater, the performance and properties associated with the Accoya® brand are sought by joinery manufacturers, architects and builders worldwide.

In 2021 the Group invested in the development of its marketing and sales operations in China and the ASEAN countries, which resulted in a new offtake agreement being added to the growing list of manufacturers and wholesalers in the region committing to purchase significant volumes of Accoya® Wood. These agreements, and the ongoing business with the Company's existing base of distribution partners, attest to a strong and increasing demand for Accoya® Wood in the region.

The Company's audited financial statements for the period from 1 January 2021 to 31 December 2021 accompany this letter and more information on the progress made by the Company in 2021 is included in the accounts.

In anticipation of the new Accoya® Wood factory construction financing and related working capital requirements, the Company will require the issue of new Ordinary Shares. Additionally, taking into account the Company's current obligations to issue Ordinary Shares under the loan facility and the outstanding option and warrant arrangements, the Board has concluded that it would be appropriate to increase the Directors' authority to issue new Ordinary Shares and give the Board maximum flexibility to issue shares for cash without having to first offer them to existing shareholders. New Ordinary Shares will only be issued either to fund the construction of the factory and related working capital, or in relation to the Company's existing commitments to issue shares, without further authority from Shareholders.

The Directors currently have authority to allot new Ordinary Shares (and rights to subscribe therefor) and Preference Shares on a non pre-emptive basis for cash pursuant to the authority which was granted by the Shareholders at its last annual general meeting held in June 2021. These authorities expire at this AGM and the Directors propose that those authorities be refreshed.

The following notes explain the items of business to be conducted at the AGM.

Resolution 1: To receive the 31 December 2021 report and accounts

Shareholders shall have the opportunity to ask the Directors who attend the AGM questions on the Company's reports and financial statements for the period from 1 January 2021 to 31 December 2021.

Resolution 2: To approve the re-appointment of Crowe UK LLP as auditors

The Company's auditors must offer themselves for reappointment at each annual general meeting at which accounts are presented. The Directors, having made such enquiries as they consider appropriate, are satisfied with the service provided from and the terms of engagement of Crowe UK LLP as the Company's auditors and are pleased to propose their re-election to that role under Resolution 2.

Resolution 3: To authorise the Directors to set the remuneration of the Company's auditors

This resolution would authorise the Directors to set the remuneration of the auditors.

Resolution 4: To reappoint Briony Mathieson as a director of the Company as she was appointed following the previous AGM and is therefore required to resign and seek re-election under the Articles.

The biographical details of Ms Mathieson are set out on the Company's website at <http://www.cbm-plc.com/investor-relations/board-of-directors>.

Resolution 5: Powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares

The Directors of the Company seek authority for the purposes of section 551 of the Companies Act to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares up to an aggregate nominal amount of £16,284,994 which is equivalent to 200 per cent. of the total issued Ordinary Share capital of the Company as at the date of this document. This authority shall be in substitution for and shall replace any other existing authority to the extent not utilised at the date this Resolution is passed. If the resolution is passed, the authority shall expire on the earlier of the date of the Company's next annual general meeting and 15 months after the passing of the resolution save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and the Directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

The Directors expect that there will be a need to exercise the authority to issue such securities to be given by Resolution 5 in the near future, and they believe it would be appropriate to do so in respect of present commercial opportunities which they consider are consistent with the Company's strategic objectives.

Resolution 6: Disapplication of pre-emption rights

The purpose of Resolution 6 is to authorise the Directors to allot new shares pursuant to the authority given by Resolution 5, or sell treasury shares, for cash in connection with a pre-emptive offer or otherwise up to a nominal value of £16,284,994 and as to £1,000,000 in nominal value of Preference Shares without in each case the shares first being offered to existing Shareholders in proportion to their existing holdings. The amount of the proposed authority (other than that proposed in respect of Preference Shares) is equivalent to 200 per cent. of the total issued Ordinary Share capital as at the date of this document.

The Board considers the authority in Resolution 6 to be appropriate in order to allow the Company the flexibility to undertake equity issues without the need to comply with the requirements of the statutory pre-emption provisions, and to enable the issue from time to time of Preference Shares.

If the resolution is passed, the authority shall expire on the earlier of the date of the Company's next annual general meeting and 15 months after the passing of the resolution.

Action to be taken in respect of the Annual General Meeting by the holders of Ordinary Shares

Set out at the end of this document is the notice convening the Annual General Meeting of the Shareholders to be held at the offices of the Company's solicitors, Marriott Harrison LLP, 80 Cheapside, London EC2V 6EE on Friday 24 June 2022 at 1.00 p.m., at which the Resolutions set out in the notice of AGM will be proposed.

A Form of Proxy for use at the Annual General Meeting of the Shareholders is enclosed with this document.

Whether or not you intend to attend and participate at the Annual General Meeting, the Form of Proxy should be completed and signed in accordance with the instructions on it and in accordance with the Company's articles of association and returned to the Company's registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD as soon as possible, but in any event so as to be received not later than 1.00 p.m. on Wednesday 22 June 2022.

The completion and return of the Form of Proxy will not preclude you from attending the Annual General Meeting and voting in person should you so wish.

I am delighted by the progress, which the Company has made, and look forward to having the opportunity to discuss this with you in further detail at the AGM.

Yours faithfully

Paul Richards

Non-Executive Chairman

Cleantech Building Materials Plc

Company Number: 09357256

CLEANTECH BUILDING MATERIALS PLC

(the “Company”)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **2022 ANNUAL GENERAL MEETING (“AGM”)** of the Company will be held at the offices of the Company’s solicitors, Marriott Harrison LLP, 80 Cheapside, London EC2V 6EE on Friday 24 June 2022 at 1.00 p.m.

The meeting will be held in order to consider and, if thought fit, pass resolutions 1, 2, 3, 4, and 5 as ordinary resolutions and resolution 6 as a special resolution.

Ordinary resolutions

1. To receive the report and accounts of the Company for the period from 1 January 2021 to 31 December 2021.
2. To re-appoint Crowe UK LLP as auditors to hold office until the conclusion of the next Annual General Meeting of the Company at which accounts are laid.
3. To authorise the Company’s Directors to set the remuneration of the auditors.
4. To re-elect as a director of the Company, Briony Mathieson who retires as a director pursuant to article 26.2.1 of the Company’s Articles.
5. That the Directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares up to an aggregate nominal amount of £16,284,994 this authority shall be in substitution for and shall replace any other existing authority to the extent not utilised at the date this resolution is passed and shall expire on the date which is the earlier of the conclusion of the next annual general meeting of the Company and 15 months from the passing of this resolution save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and the Directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

Special resolution

6. That, in substitution for any existing power but without prejudice to the exercise of any power prior to the date hereof, the Directors of the Company be and they are hereby empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority conferred by resolution 1 above as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to (i) the allotment of equity securities for cash up to an aggregate nominal amount of £16,284,994 and (ii) to the allotment of Preference Shares up to an aggregate nominal amount of £1,000,000 such authority to expire on the date which is the earlier of the conclusion of the next annual general meeting of the Company and 15 months from the passing of the resolution.

BY ORDER OF THE BOARD

Adrian Wyn-Griffiths
Director and Company Secretary
Cleantech Building Materials Plc

Dated: 1 June 2022

Registered Office: Floor 6 International House 4 Maddox Street London W1S 1QP

NOTES

1. Shareholders entitled to attend and vote at the meeting may appoint a proxy or proxies to attend and speak on their behalf. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company. To appoint more than one proxy you may photocopy the Proxy Form which accompanies this notice. Investors who hold their shares through a nominee may wish to attend the meeting as a proxy, or to arrange for someone else to do so for them, in which case they should discuss this with their nominee or stockbroker. Shareholders are invited to complete and return the enclosed Proxy Form. Completion of the Proxy Form will not prevent a Shareholder from attending and voting at the meeting if subsequently he/she finds they are able to do so. To be valid, completed Proxy Forms must be received at the offices of the Company's registrars, Neville Registrars Limited, Neville House, Steelpark House, Halesowen, West Midlands, B62 8HD, by not later than 1.00 p.m. on Wednesday 22 June 2022 (being 48 hours prior to the time fixed for the meeting excluding any part of a day that is not a working day) or, in the case of an adjournment, as at 48 hours prior to the time of the adjourned meeting.
2. Representatives of Shareholders which are corporations attending the meeting should produce evidence of their appointment by an instrument executed in accordance with section 44 of the Companies Act 2006 or signed on behalf of the corporation by a duly authorised officer or agent and in accordance with article 22.5 of the Company's articles of association.
3. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
4. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), specifies that only those holders of Ordinary Shares registered in the register of members of the Company at 1.00 p.m. on Wednesday 22 June 2022 (being 48 hours prior to the time fixed for the meeting excluding any part of a day that is not a working day) shall be entitled to attend and vote at the AGM in respect of such number of shares registered in their name at that time. Changes to entries in the register of members after 1.00 p.m. on Wednesday 22 June 2022 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

