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中國建築股份有限公司
CHINA STATE CONSTRUCTION ENGRG.CORP.LTD

Announcement on Acquisition of Cooperative Development Right in Wenchong East Subdistrict Urban Renewal Project in Guangzhou Huangpu District by CSCEC's Subsidiary through Equity Acquisition

The Board of Directors of the Company and each member of the Board of Directors guarantee that the contents of the public announcement contain no false or misleading statements or major omission, and they are jointly and severally liable for the truthfulness, accuracy and completeness of the said contents.

The 49th meeting of the Third Board of Directors of China State Construction Engineering Corporation Limited (hereinafter referred to as "CSCEC" or "the Company") deliberated on and approved the Proposal on the Implementation of the Urban Renewal Project of Wenchong East Subdistrict in Huangpu District of Guangzhou by China Construction Second Engineering Division Co., Ltd. through Equity Acquisition, and agreed that China Construction Second Engineering Division Co., Ltd. (hereinafter referred to as China Construction Second Engineering Division), a CSCEC's subsidiary, invests in the urban renewal project of Wenchong East Subdistrict in Huangpu District of Guangzhou (hereinafter referred to as the Project). Recently, CSC Jiuhé Group, a wholly-owned subsidiary of China Construction Second Engineering Division, has won 100% equity of Guangzhou Zhicheng Honglin Investment Co., Ltd. (hereinafter referred to as Honglin Company) by purchasing the listed stocks.

This Project is located in Huangpu District, Guangzhou, south to Guangyuan Expressway, west to Guangzhou Jiaotong University and on both sides of Shihua Road and Dasha East Road. It is adjacent to the Pearl River in the south and the double-track station, covering an area of about 742,700 square meters. The Project comprises two primary sections: rebuilding area and financing area. The construction types in the rebuilding area include resettlement houses, collective properties and public facilities, while those in the financing area mainly include residential housing and public facilities. In this Project, the original land owner, Wenchong Joint Stock Economic Cooperative of Wenchong Street, Huangpu District, Guangzhou (hereinafter referred to as Wenchong Economic Cooperative) chose the cooperative enterprise through open procedures (involving the introduction of a social capital partner) to establish Guangzhou Wenchong Dongpian Investment Co., Ltd. (hereinafter referred to as the Project Company). The Project Company is tasked with rebuilding area construction, financing area development and associated operations. The estimated total investment for the Project amounts to approximately RMB 25.283 billion.

China Construction Second Engineering Division, represented by CSC Jiuhé Group, indirectly holds about 34.3% equity of the Project Company by acquiring 100% equity of Honglin Company, a wholly-owned subsidiary of Knowledge City (Guangzhou) Investment Group Co., Ltd. (hereinafter referred to as Knowledge City Group). After the completion of the above-mentioned equity acquisition, the ownership distribution

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in the Project Company is as follows: 51% held by Wenchong Economic Cooperative, 34.3% by China Construction Second Engineering Division (with Honglin Company as the primary shareholder), and 14.7% by Knowledge City Group. After the rebuilding area is completed, Wenchong Economic Cooperative will transfer 51% equity of the Project Company to China Construction Second Engineering Division and Knowledge City Group at an agreed price, and completely withdraw from the Project Company. Subsequently, China Construction Second Engineering Division and Knowledge City Group will continue to cooperate in the development of the financing area, maintaining an equity ratio of 70% to 30%.

China State Construction thoroughly implements the decision of the CPC Central Committee and the State Council on implementing the urban renewal action, gives full play to its advantage in the whole industrial chain covering investment, design, construction and operation, and actively participates in the investment and reconstruction of villages in megacities, contributing its own plan to the urban renewal. The involvement of China Construction Second Engineering Division in the investment, development and construction of the Project is conducive to improving the Company's influence, leading position and brand appealing in Guangzhou market, and help the Company to establish a deeper presence in the urban renewal sector.

This Project is an investment decision made by the Company under the current status of market and based on the actual situations, with risks fully taken into consideration. There will be certain procedural requirements to be fulfilled. The achievement of the project's intended objectives depends on factors such as macro policies, project development cycle and market demand. All investors are kindly advised to take heed of investment risks.

The above is hereby announced.

The Board of Directors of China State Construction Engineering Corporation Limited
December 5, 2023