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Stock code: 601668

Abbreviation: CSCEC

No.: Interim 2020-046



中國建築股份有限公司

CHINA STATE CONSTRUCTION ENGRG . CORP. LTD

CSCEC: Announcement on Implementing Rights and Interests Distribution for 2019

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 misunderstanding statements or major omission, and they are jointly and severally liable for the truthfulness, accuracy and completeness of the said contents.

Important Notes:

- Distribution ratio per share
A-share cash dividend: RMB 0.185 per share (tax included)
- Relevant date

Type of shares	Equity registration date	Last trading day	Ex-dividend Day	Cash dividend payment day
A-share	2020/6/23	—	2020/6/24	2020/6/24

- Differentiated dividend distribution: No

I. The Session and Date of the General Meeting to Approve the Distribution Plan

The profit distribution plan was reviewed and approved by the Company's 2019 annual meeting of shareholders on May 25, 2020.

II. Distribution Plan

1. Year of distribution: 2019
2. Targeted recipients:

All common shareholders of the Company registered with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (hereinafter referred to as China Clearing Shanghai) as of the afternoon of the equity registration day after the Shanghai Stock Exchange closes.

3. Distribution plan:

This profit distribution plan is based on the Company's total share capital of 41,965,071,511 shares before the implementation of the plan, and a cash dividend of RMB 0.185 (tax included) per share will be distributed, for a total of RMB 7,763,538,229.54.

III. Relevant Date

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Type of shares	Equity registration date	Last trading day	Ex-dividend Day	Cash dividend payment day
A-share	2020/6/23	—	2020/6/24	2020/6/24

IV. Distribution and Implementation Measures

1. Implementation measures

The dividend for common shareholders (excluding those who are directly paid by the Company) registered with the Shanghai Stock Exchange as of the date of the equity registration after the closing of the market shall be paid by Shanghai Branch of China Securities Depository and Clearing Corporation Limited via its capital clearing system. And these shareholders shall have already completed relevant procedures of designated transactions on members of the Shanghai Stock Exchange. Investors who have handled designated transactions could receive cash dividends from designated stock exchanges on the dividend payment date. Dividends for those who have not processed designated transactions will be temporarily kept by Shanghai Branch of China Securities Depository and Clearing Corporation Limited and distributed after designated transactions are completed.

2. Shareholder whose dividends directly paid by the Company

The Company's controlling shareholder, China State Construction Engineering Corporation (the Group), shall receive cash dividends directly from the Company.

3. Tax deduction

(1) For natural-person shareholders and securities investment funds that hold the circulating shares not subject to trading moratorium of the Company's ordinary A-share, in accordance with the *Notice on Issues Relating to Differentiated IIT Policies for Dividends Derived from Listed Companies* (Cai Shui [2015] No. 101), *Notice on Issues Regarding the Implementation of the Differentiated Income Tax Policy on Dividend of Listed Companies* (Cai Shui [2012] No. 85), when individuals obtain a listed company's stocks from public offering or transfer market, a uniform tax rate of 20% for individual income applies to the dividends. Among them, dividends are temporarily exempt from personal income tax if the holding period exceeds 1 year; when individuals obtain stocks from public offering or transfer market and the holding period is within 1 month (including 1 month), all gains from stock dividends shall be counted into the taxable income; when the holding period is above 1 month and within 1 year (including 1 year), 50% shall be deducted from the taxable income.

According to the above notices, when the Company distributes dividends, it will not withhold personal income tax for the time being, and the actual cash dividend per share is RMB 0.185; when individual shareholders transfer their shares, Shanghai Branch of China Securities Depository and Clearing Corporation Limited will calculate the tax payable based on the holding period. Securities companies and other share custodians will deduct it from the individual shareholders' respective capital accounts and transfer it to Shanghai Branch of China Securities Depository and Clearing Corporation Limited, who then will transfer it to the Company within 5 working days of the following month. And the Company shall report and declare to the tax authority within the reporting period in the month when it receives the payment.

(2) For natural-person shareholders and securities investment funds that hold the circulating shares subject to trading moratorium of ordinary A-shares of the Company, in accordance with the *Notice on Issues Regarding the Implementation of the*

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Differentiated Income Tax Policy on Dividend of Listed Companies (Cai Shui [2012] No. 85), 50% of the dividends gained before the shares subject to trading moratorium being released would be counted into the taxable income temporarily, and the personal income tax rate of 20% is applicable. The actual cash dividend per share after tax is RMB 0.1665.

(3) For qualified foreign institutional investors (QFII) and RMB qualified foreign institutional investors (RQFII) who hold the Company's ordinary A-share, according to the *Notification of the State Taxation on Issues Regarding the Withholding of Enterprise Income Tax on Dividends, Bonuses and Interests Paid to QFII by Chinese Resident Enterprises* (guoshuihan [2009] No. 47), the Company withholds and pays income tax of cash dividend at a rate of 10%, and the actual cash dividend per share after tax is RMB 0.1665. If relevant shareholders considered that the dividends and bonus income they have obtained are entitled to the treatment of tax treaty (arrangement), they may apply to the competent tax authorities on their own after obtaining the dividend and bonus in accordance with the relevant provisions.

(4) For investors in the Hong Kong market (including enterprises and individuals) shareholders who hold the Company's ordinary A-shares (via Shanghai Stock Connect), their cash dividends will be paid by the Company through Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominal holder of shares (Hong Kong Securities Clearing Company Ltd.) in RMB, and in accordance with the *Notice of the Ministry of Finance, the State Taxation Administration, and the China Securities Regulatory Commission on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets* (Cai Shui [2014] No. 81). The Company will withhold and pay income tax at a rate of 10%. The actual cash dividend per share after tax is RMB 0.1665.

(5) For other institutional investors and legal person shareholders, the Company will not withhold and pay income tax. Taxpayers shall determine whether they should pay income tax at the tax authority according to the tax law. The actual cash dividend per share is RMB 0.185.

V. Consultation

Please consult the following for matters related to annual rights and interests distribution:

Contact department: CSCEC Board Office

Tel: 010-86498888

The above is hereby announced.

The Board of Directors of China State Construction Engineering Corporation Limited
June 16, 2020