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Stock code: 601668

Abbreviation: CSCEC

No.: Interim 2024-003



中國建築股份有限公司

CHINA STATE CONSTRUCTION ENGRG.CORP.LTD

Announcement on Partial Repurchase of Phase IV Restricted A Shares from Incentive Participants

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.

China State Construction Engineering Corporation Limited (the "Company") granted 912,036,000 restricted shares to 2,765 Participants under the Phase IV Restricted A Share Incentive Scheme on December 23, 2020. According to the *Phase IV Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited* (the "Phase IV Share Scheme"), a total of 75 Participants triggered the share repurchase conditions. The proposal to repurchase these restricted stocks from the said participants was examined and approved during the 53rd meeting of the 3rd Board of Directors and the 27th meeting of the 3rd Board of Supervisors. This buy-back is contingent on the approval from the Shareholders' General Meeting of CSCEC. The detailed implementation plan for this buy-back is as follows:

I. Reason for Share Repurchase

According to Article 31 of the *Phase IV Share Scheme*, in the event that a Participant terminates his/her labor relationship with the Company due to objective reasons such as job transfer, dismissal, retirement, death or loss of civil capacity, the portion of restricted shares granted to the Participant that meet both the lock-up period and work performance related conditions for share unlock may be unlocked within six months after the date of departure, and the restricted shares that do not meet the aforementioned conditions for share unlock will not be unlocked - the Company shall repurchase them with interest (which is calculated at the benchmark deposit rate adopted by banks during the same period, and for the period between the Grant Date and the date of departure) paid, and related matters should be handled in accordance with the "Company Law".

According to Article 32 of the *Phase IV Share Scheme*, all restricted shares remaining to be unlocked, and those do not meet the conditions for share unlock specified in the Scheme, may not be unlocked, and the Company shall repurchase them (without paying interest), with related matters handled in accordance with the "Company Law", in any of the following circumstances:

- (I) The Participant becomes an independent director, supervisor, or is prohibited from holding restricted shares in the Company for other reasons;
- (II) The Participant is laid off by the Company, or his/her labor or employment contract expires;

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(III) The labor or employment contract between the Participant and the Company is terminated through an agreement with the Company;

(IV) If the Participant receives a "pass" rating in the performance assessment, the restricted shares granted thereto shall be unlocked at a rate of 80% as prescribed in the Scheme, and the remaining 20% may not be unlocked;

(V) Other circumstances prescribed by the CSRC and SASAC.

According to the foregoing provisions, the Company shall repurchase the restricted shares held by 75 Participants at the prescribed prices. Among them, 61 Participants shall have their shares repurchased by the Company at the granting price, with interest paid.

II. Repurchase Price and Pricing Basis

According to the *Announcement of China State Construction Engineering Corporation Limited on the Granting of Shares under the Phase IV Restricted A Share Incentive Scheme*, the granting price is RMB 3.06 per share.

According to the *Phase IV Restricted A Share Incentive Scheme*, if a Participant's employment with the Company is terminated due to objective reasons such as job transfer, dismissal, retirement, death, or loss of civil capacity, the restricted shares granted to the Participant that meet both the lock-up period and work performance conditions for share unlocking may be unlocked within six months from the date of departure. However, any restricted shares that do not meet the aforementioned conditions for share unlocking will not be released, and the Company will repurchase them at a price of RMB 3.06 per share with interest (the interest will be calculated based on the benchmark deposit rate adopted by banks during the same period, and for the duration between the Grant Date and the date of departure). Relevant procedures will be handled in accordance with the Company Law.

III. Type and Number of Shares to be Repurchased, and Proportions of These Shares to Total Underlying Shares under the Equity Incentive Scheme and to Total Equities

The current repurchase plan includes 9,630,000 restricted shares, comprising 1.06% of the 912,036,000 restricted shares under the Phase IV Share Scheme, and 0.0230% of the Company's total share capital.

IV. Total Repurchase Price and Funding Source

The total repurchase price will be RMB 30,694,678.86 (including interest), which will be sourced from the Company's own funds.

V. Changes in the Company's Equity Structure after the Repurchase and Impact on the Company's Performance

The repurchased shares will be cancelled in accordance with the *Company Law* and the *Administrative Measures for Equity Incentives of Listed Companies*. The Company's registered capital and total number of shares will be reduced accordingly. However, given the small ratio of the cancelled shares to its total equities, the cancellation will not result in substantial changes in the Company's equity structure. Furthermore, it is not expected to have a material impact on the Company's financial standing and business performance or the diligence of its management teams. The Company's management teams will remain committed to fulfilling their duties and creating value for the shareholders.

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VI. Documents for reference

1. Resolution of the 53rd Meeting of the 3rd Board of Directors of CSCEC
2. Resolutions of the 27th Meeting of the 3rd Board of Supervisors of CSCEC

The above is hereby announced.

The Board of Directors of China State Construction Engineering Corporation Limited

January 9, 2024