

This is a free translation into English of an announcement issued in China and is provided solely for the convenience of English-speaking readers. This announcement should be read in conjunction with, and is construed in accordance with, relevant Chinese laws and professional auditing standards applicable in China. Should there be any inconsistency between the Chinese version and the English version, the Chinese version shall prevail. Investors can access the Company's announcements on the website of the Shanghai Stock Exchange (www.sse.com.cn).

Stock code: 601668

Abbreviation: CSCEC

No.: Interim 2021-057



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

Announcement on New External Guarantee

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.

Important Notice:

- Name of the guaranteed party: China Construction Oceania Pty Ltd (hereinafter referred to as "China Construction Oceania")
- The amount of the guarantee: China State Construction Engineering Corporation Limited (hereinafter referred to as the "Company" and "CSCEC") provides a joint liability guarantee of no more than AUD 5.708 billion (approximately RMB 27.1 billion) for performance of obligations by China Construction Oceania under the contract of design and construction of North East Rail Line in Australia, and provides a cross-guarantee of no more than AUD 856 million (approximately RMB 4.1 billion) for performance of obligations by China Construction Oceania within the consortium.
- Is there a counter-guarantee for this guarantee: Yes
- Cumulative number of overdue external guarantees: The Company has no overdue external guarantees

I. Overview of the Guarantee

(I). Basic information

To undertake the project of North East Rail Line in Australia, China Construction Oceania, WeBuild S.p.A., GS Engineering & Construction Australia Pty Ltd, and CPB Contractors Pty Ltd formed a consortium of designers and constructors named CIMIC Group Limited (hereinafter referred to as the "consortium"), to jointly participate in the design and construction of the project.

CSCEC, as the parent company of China Construction Oceania, plans to provide the following guarantees to China Construction Oceania:

1. Parent company guarantee. The guarantee covers the performance of obligations by China Construction Oceania under the relevant contract of North East Rail Line in

This is a free translation into English of an announcement issued in China and is provided solely for the convenience of English-speaking readers. This announcement should be read in conjunction with, and is construed in accordance with, relevant Chinese laws and professional auditing standards applicable in China. Should there be any inconsistency between the Chinese version and the English version, the Chinese version shall prevail. Investors can access the Company's announcements on the website of the Shanghai Stock Exchange (www.sse.com.cn).

Australia, with the maximum guarantee amount capped at AUD 5.708 billion (approximately RMB 27.1 billion), and the term of guarantee is 19 years;

2. Cross-guarantee. The guarantee covers the obligation performance and compensation liability of China Construction Oceania within the consortium for North East Rail Line in Australia, with the maximum guarantee amount capped at AUD 856 million (approximately RMB 4.1 billion), and the term of guarantee is 19 years.

(II). The internal decision-making procedures for this guarantee

The Company convened the fourth meeting of the third Board of Directors and the fourth meeting of the third Board of Supervisors on September 30, 2021, at which the *Proposal on Parent Company Guarantee and Cross Guarantee in Australian North East Rail Line Project* was reviewed and approved, and it was agreed that the Company provides the above guarantees to China Construction Oceania.

As this guarantee is not included in the guarantees approved by the 2020 Annual General Meeting, it still needs to be submitted to the Company's Annual General Meeting for review and approval.

II. Basic Information of the Guaranteed Party

1. Basic information

Name of the guaranteed party: China Construction Oceania Pty Ltd

Date of incorporation: November 19, 2015

Registered address: 50th Floor, No. 120 Collins Street, Victoria, Australia.

Registered capital: As of September 2021, the subscribed capital is AUD 1 and the paid-in capital is AUD 1.

Legal representative: None.

Business scope: engineering contracting, infrastructure construction and investment, prospecting and design, real estate development and related import trade (including construction materials, engineering machinery and equipment, vehicles, and office equipment and supplies).

Significant contingencies that affect the solvency of the guaranteed party: None.

Assets and liabilities: As of June 30, 2021, the total unaudited assets of the guaranteed party are AUD 1, the total liabilities are AUD 0, the net assets are AUD 1, and the debt-to-asset ratio is 0%.

Operation and credit rating: China Construction Oceania is a company established for related projects and has not yet actually started operations. The operating income and the net profit is AUD 0, and the credit rating has not yet been carried out.

2. The relationship between the guaranteed party and the Company

The Company holds 100% equity of China Construction Oceania through China Construction Eighth Engineering Division Corp. Ltd, a wholly-owned subsidiary of the Company.

This is a free translation into English of an announcement issued in China and is provided solely for the convenience of English-speaking readers. This announcement should be read in conjunction with, and is construed in accordance with, relevant Chinese laws and professional auditing standards applicable in China. Should there be any inconsistency between the Chinese version and the English version, the Chinese version shall prevail. Investors can access the Company's announcements on the website of the Shanghai Stock Exchange (www.sse.com.cn).

III. The Main Content of the Guarantee Agreement

(I). The main content of the parent company guarantee

As the guarantor, the Company plans to provide a joint guarantee of no more than AUD 5.708 billion (approximately RMB 27.1 billion) for performance of obligations by China Construction Oceania under the contract of design and construction of North East Rail Line in Australia for a term of 19 years.

The above guarantee agreement has yet to be formally signed.

(II). The main content of the cross guarantee

The Company plans to sign a cross-guarantee agreement with all parties of the consortium and their parent companies on the project of North East Rail Line in Australia. The guarantee covers the obligation performance and compensation liability of China Construction Oceania within the consortium for the project. China State Construction, as the guarantor, provides a guarantee of no more than AUD 856 million (about RMB 4.1 billion) to China Construction Oceania as the guaranteed party for a term of 19 years.

The other parties of the consortium and their parent companies provide a counter-guarantee for the liabilities in the above-mentioned guarantee that China Construction Oceania may assume in excess of its share within the consortium, and China Construction Oceania may recover the excess losses from the other parties of the consortium and their parent companies when the liabilities it assumes exceed its share in the consortium. The maximum amount of counter-guarantee is approximately AUD 4.852 billion (approximately RMB 23 billion) and the term of counter-guarantee is 19 years.

The above guarantee agreement has yet to be formally signed.

IV. Opinions of the Board of Directors

The Company's Board of Directors believes that this external guarantee is in line with the Company's development and overall interests, and the guarantee risk is controllable considering that the guaranteed party is a wholly-owned subsidiary of the Company. The Company's Board of Directors has reviewed and approved the *Proposal on Parent Company Guarantee and Cross Guarantee in Australian North East Rail Line Project*, and agreed that the Company provides the guarantee to China Construction Oceania and that this guarantee will be submitted to the Company's Annual General Meeting for review and approval.

The independent directors of the Company issued the following independent opinions: The Company has provided guarantee for China Construction Oceania Pty Ltd based on the guarantee matters from normal business operations of the Company, and the beneficiary is a wholly-owned subsidiary of the Company. The guarantee does not damage the interests of the Company and other shareholders, especially minority shareholders; the guarantee and relevant decision-making procedures comply with the relevant provisions of the *Stock Listing Rules of the Shanghai Stock Exchange* and *Articles of Association of China State Construction Engineering Corporation Limited*. We gave our consent to the external guarantees.

This is a free translation into English of an announcement issued in China and is provided solely for the convenience of English-speaking readers. This announcement should be read in conjunction with, and is construed in accordance with, relevant Chinese laws and professional auditing standards applicable in China. Should there be any inconsistency between the Chinese version and the English version, the Chinese version shall prevail. Investors can access the Company's announcements on the website of the Shanghai Stock Exchange (www.sse.com.cn).

V. The cumulative number of external guarantees and overdue guarantees

As of the date of announcement, the total amount of external guarantees provided by the Company and its holding subsidiaries is RMB 237.6 billion, and the total amount of guarantees provided by the Company to its holding subsidiaries is RMB 25.7 billion, with no overdue external guarantees.

The above is hereby announced.

The Board of Directors of China State Construction Engineering Corporation Limited
September 30, 2021