

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 2022-038



中國建築股份有限公司

CHINA STATE CONSTRUCTION ENGRG.CORP.LTD

Announcement of China State Construction Engineering Corporation Limited on the Implementation of the 2021 Annual Equity Distribution

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:

- Distribution ratio per share
A-share cash dividend: RMB 0.25 per share (tax included)
- Relevant date

Share category	Equity registration date	Last trading date	Ex-Rights (Ex-dividend) date	Cash dividend distribution date
A Share	2022/6/29	—	2022/6/30	2022/6/30

- Differentiated dividend distribution: No

I. Session and Date of the General Meeting of Shareholders that Adopted the Distribution Plan

The profit distribution plan was deliberated on and adopted by the 2021 General Meeting of Shareholders of the Company on May 13, 2022.

II. Distribution Plan

1. Year of issuance: 2021
2. Target recipients:

All common shareholders of the Company registered with Shanghai Branch of China Securities Depository and Clearing Corporation Limited (hereinafter referred to as "CSDC Shanghai Branch") as of the equity registration date after Shanghai Stock Exchange was closed in the afternoon.

3. Distribution plan:

This profit distribution plan is based on the Company's total share capital of 41,940,858,844 shares before the implementation of the plan, and a cash dividend of RMB 0.25 (tax included) per share will be issued, for a total of RMB 10,485,214,711.

III. Relevant Date

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A Share	2022/6/29	—	2022/6/30	2022/6/30

IV. Distribution and Implementation Measures

1. Implementation measures

Except dividends to be distributed directly by the Company, the dividends for common shareholders who have been registered with CSDC Shanghai Branch as of the equity registration date after the Exchange is closed and have completed designated transactions with its members will be distributed by CSDC Shanghai Branch via its clearing system. Investors who have completed designated transactions may receive cash dividends from their designated securities business outlets on the dividend distribution date. Dividends for shareholders who have not completed designated transactions will be temporarily kept by CSDC Shanghai Branch and distributed after the designated transactions are completed.

2. For recipients to whom the dividends will be directly distributed the Company,

the cash dividends on shares held by the controlling shareholder of the Company, China State Construction Engineering Corporation, will be distributed directly by the Company.

3. Notes on tax deduction

(1) With respect to natural-person shareholders and securities investment funds that hold circulating shares not subject to trading moratorium of the Company's common A-share, in accordance with the *Notice on Issues concerning Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies* (Cai Shui [2015] No. 101), the *Notice on Issues concerning the Implementation of Differential Individual Income Tax Policies on Dividends and Bonuses of Listed Companies* (Cai Shui [2012] No. 85), when an individual acquires shares from public offering or transfers the shares of a listed company in the stock market, a 20% uniform personal income tax shall apply to the dividends and bonus. Specifically, if the shareholding period is within 1 month (inclusive), the full amount of income from the dividends and bonus shall be counted into the tax base; if the shareholding period is more than 1 month but within 1 year (inclusive), 50% of the income shall be deducted from the tax base; if the shareholding period exceeds 1 year, the individual will be exempted from the personal income tax.

According to the above notices, when the Company distributes dividends, it will not withhold personal income tax, and the actual cash dividend per share is RMB 0.25. When the natural person shareholders and the securities investment funds transfer their shares, CSDC Shanghai Branch will calculate the tax payable based on their shareholding periods (which refers to the holding period from the day when the natural person shareholders and the securities investment funds obtain the Company's shares from the public offering and equity market to the day before the transfer and settlement of the Company's shares); share custodians such as securities companies will then deduct the tax from their accounts and transfer the amount to CSDC Shanghai Branch; then CSDC Shanghai Branch will transfer the amount to the Company within 5 working days of the following month; and the Company will then declare and pay the tax to the tax authorities within the statutory declaration period in the month when it receives the payment.

(2) With respect to natural-person shareholders and securities investment funds that hold circulating shares subject to trading moratorium of the Company's common A-

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share, in accordance with the *Notice on Issues concerning the Implementation of Differential Individual Income Tax Policies on Dividends and Bonuses of Listed Companies* (Cai Shui [2012] No. 85), 50% of the dividends and bonus obtained from shares subject to trading moratorium before such shares are unlocked shall be counted into the taxable income and the applicable rate personal income tax shall be 20%. The actual cash dividend per share after tax is RMB 0.225.

(3) With respect to qualified foreign institutional investors (QFII) and RMB qualified foreign institutional investors (RQFII) who hold the Company's common A-share, according to the *Notice on Issues Concerning the Withholding of Enterprise Income Tax on Dividends, Bonuses and Interests Paid to QFII by Chinese Resident Enterprises* (Guo Shui Han [2009] No. 47), the Company will withhold and pay income tax on cash dividends at a rate of 10%, and the actual cash dividend per share after tax is RMB 0.225. If relevant shareholders believe that the dividends and bonus they have received are entitled to treatment of tax treaty (arrangement), they may apply for such treatment to the competent tax authority according to relevant regulations after obtaining the dividends and bonus.

(4) With respect to Hong Kong market investor (including corporate and individual) shareholders ("Shanghai-Hong Kong Stock Connect") who hold the Company's common A-share, the cash dividends will be paid in RMB by the Company through CSDC Shanghai Branch to the account of the nominal shareholder (Hong Kong Securities Clearing Company Ltd.). The *Notice 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) shall apply, whereby the Company withholds and pays income tax at a rate of 10%, and the actual cash dividend per share after tax is RMB 0.225. With respect to Hong Kong investors who are taxpayers of other countries and whose tax treaty with China stipulates that the rate of income tax on dividends is lower than 10%, enterprises or individuals may apply to the competent tax authorities with jurisdiction over the Company for tax treaty treatment on their own or entrust tax withholding and payment agents to do so. After the competent tax authorities review and approve such applications, the difference between the tax already paid and the tax payable as calculated according to the rate specified in the tax treaty will be refunded.

(5) For other institutional investors and corporate shareholders, the Company will not withhold and pay income tax on their behalf. Instead, the taxpayers shall determine whether they should pay income tax to tax authorities according to the tax law. The actual cash dividend per share is RMB 0.25.

V. Consultation

For further details of the annual equity distribution by the Company, please consult the following contact:

Contact department: Office of the Board of Directors

Tel.: 010-86498888

The above is hereby announced.

The Board of Directors of China State Construction Engineering Corporation Limited
June 22, 2022