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中国铁建
中國鐵建股份有限公司

China Railway Construction Corporation Limited

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1186)

ANNOUNCEMENT ON THE PROGRESS OF THE INTRODUCTION OF THIRD-PARTY INVESTORS FOR CAPITAL CONTRIBUTIONS TO CERTAIN SUBSIDIARIES

Reference is made to the announcement of China Railway Construction Corporation Limited (the “**Company**”) dated 18 December 2019 (the “**Announcement**”), in relation to the introduction of third-party investors for capital contributions to certain subsidiaries. Unless the context otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement. On 18 December 2019, the Company, the eight Investors including Taiping Life, Chengtong ICBC Fund, BOCOM Investment, Everbright AMC, BOC Asset, ABC Investment, CCB Investment and Xinmaisui Investment and each of the Target Companies entered into the Investment Agreements, respectively, to implement market-driven debt-for-equity swap, pursuant to which the Investors respectively agreed to make capital contributions to the Target Companies in cash in accordance with the terms and conditions of their respective Investment Agreements. The capital contributions amount to RMB11 billion in aggregate.

Since the implementation of the market-driven debt-for-equity swap, the debt level and gearing ratio of the Company and the Target Companies have been effectively improved, and the cost of capital has been reduced, effectively ensuring the healthy development of the business of the Company and the Target Companies; at the same time, the directors accredited by the Investors have actively participated in the companies’ decision-making and improved corporate governance, which has had a positive impact on the sound operation of the Target Companies.

As no subsequent reorganisation arrangements were conducted within 36 months after the Capital Contribution Date, the Company and Target Companies entered into the Supplementary Agreements to the Investment Agreements with the Investors, respectively, on 13 January 2023, amending the original term for the subsequent reorganisation period from within 36 months after the Capital Contribution Date (24 December 2019) to within 72 months after the Capital Contribution Date. The main contents of the agreements are as follows:

Within 72 months after the Capital Contribution Date, the Company is entitled to issue targeted shares of the Company to the Investors in consideration of acquisition of the Target Equity held by the Investors as negotiated between the parties. In such share swap transactions, pricing of the Target Equity and issue price of the shares of the Company shall be determined in accordance with the industry practice of the capital market in a fair and reasonable principle.

As at the date of this announcement, the Company has not finalised any concrete plan or agreement in respect of the aforesaid subsequent reorganisation. The Company will perform its compliance obligations in accordance with the applicable requirements of the Hong Kong Listing Rules as and when appropriate.

By order of the Board of Directors
China Railway Construction Corporation Limited
WANG Jianping
Chairman

Beijing, the PRC
13 January 2023

As at the date of this announcement, the Board comprises Mr. WANG Jianping (Chairman and Executive Director), Mr. ZHUANG Shangbiao (President and Executive Director), Mr. CHEN Dayang (Executive Director), Mr. LIU Ruchen (Executive Director), Mr. GAO Lieyang (Non-executive Director), Mr. MA Chuanjing (Independent Non-executive Director), Mr. ZHAO Lixin (Independent Non-executive Director), Mr. XIE Guoguang (Independent Non-executive Director) and Mr. TSIN Wai Lun Kenneth (Independent Non-executive Director).