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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
CONTINUING CONNECTED TRANSACTIONS
ENTERING INTO THE NEW PROPERTY LEASING FRAMEWORK AGREEMENT

The Board announces that as the Original Property Leasing Framework Agreement entered into between the Company and CRCCG on 27 December 2024 will expire on 31 December 2025, the Company entered into the New Property Leasing Framework Agreement with CRCCG on 30 October 2025 for a term from 1 January 2026 to 31 December 2026, in order to regulate the continuing connected transactions under such agreement.

The Company estimates that the annual cap of expenditures in respect of the continuing connected transactions under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement for the year ending 31 December 2026 will amount to RMB200 million.

As at the date of this announcement, CRCCG, holding approximately 51.23% equity interests in the Company, is the Controlling Shareholder of the Company and hence a connected person of the Company. Therefore, the transactions between the Company and CRCCG under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement constitute continuing connected transactions of the Company under the Hong Kong Listing Rules.

As the highest applicable percentage ratio exceeds 0.1% but is less than 5% in respect of the continuing connected transactions under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement on an aggregated basis, such transactions are therefore subject to the reporting, announcement and annual review requirements but are exempted from the circular (including independent financial advice) and independent shareholders' approval requirements under the Hong Kong Listing Rules.

1. BACKGROUND

Reference is made to the announcement on continuing connected transactions of the Company dated 27 December 2024.

In order to regulate the transactions for leasing certain properties and land use rights from CRCCG and/or its related parties/associates by the Group, the Company entered into the Land Use Rights Leasing Framework Agreement and the Original Property Leasing Framework Agreement with CRCCG on 5 November 2007 and 27 December 2024, for a term of 20 years commencing from 5 November 2007 and from 1 January 2025 to 31 December 2025, respectively.

The Board announces that as the Original Property Leasing Framework Agreement entered into between the Company and CRCCG on 27 December 2024 will expire on 31 December 2025, the Company entered into the New Property Leasing Framework Agreement with CRCCG on 30 October 2025 for a term from 1 January 2026 to 31 December 2026, in order to regulate the continuing connected transactions under such agreement.

2. CONTINUING CONNECTED TRANSACTIONS

(1) New Property Leasing Framework Agreement

Major terms of the New Property Leasing Framework Agreement are summarized as follows:

Date:	30 October 2025
Parties:	CRCCG (the "**Lessor**"); and the Company (the "**Lessee**")
Term:	From 1 January 2026 to 31 December 2026

Principal terms:

- The Lessor mentioned in the New Property Leasing Framework Agreement represents CRCCG and/or its related parties/associates from time to time (excluding the Company and its subsidiaries).

- The Lessee mentioned in the New Property Leasing Framework Agreement represents the Company and/or its subsidiaries.

- CRCCG has agreed to lease certain of its lawfully owned properties (the "**Leased Properties**") to the Company on the terms and conditions set out in the New Property Leasing Framework Agreement, and the Company has agreed to pay to CRCCG at the respective consideration for the lease of the Leased Properties as provided for under the New Property Leasing Framework Agreement.

- The Leased Properties include those properties leased to the Company by CRCCG at the time of incorporation of the Company and certain properties built thereafter by CRCCG, and CRCCG confirms that the Leased Properties are under good conditions satisfying the requirements of the Company at the time of delivery.

- The Lessor will procure that its associates or subsidiaries (as applicable) that own the Leased Properties enter into a specific leasing agreement (the "**Specific Leasing Agreement**") with the Lessee or its subsidiaries in respect of one or multiple properties owned by them in strict accordance with the terms and conditions provided for under the New Property Leasing Framework Agreement.

- Upon signing of the New Property Leasing Framework Agreement by the legal representatives or authorized representatives of the Company and CRCCG and being sealed with their respective company chops, the effective period will be from 1 January 2026 to 31 December 2026. Under the conditions precedent of compliance with normative documents such as relevant laws and regulations and the listing rules of the places where the Company is listed, the New Property Leasing Framework Agreement could be extended or renewed as agreed by both parties.

- Upon expiry of the New Property Leasing Framework Agreement, under the conditions precedent of not breaching the listing rules of the places where the Company is listed, the Lessee will be entitled to request for extension of the leasing term of the Leased Properties, but the Lessee shall inform the Lessor in writing at least three months prior to the aforesaid expiry.

- Upon expiry of the New Property Leasing Framework Agreement, the Company shall have the pre-emptive right to lease the Leased Properties under the same conditions.

- If CRCCG intends to sell any of the Leased Properties under the New Property Leasing Framework Agreement, a three months' prior notice shall be given to the Company. The Company shall have the pre-emptive right to purchase such properties under the same conditions.

Determination and payment of rentals: Under the New Property Leasing Framework Agreement, the rentals shall be determined and paid as follows:

- The Lessee shall pay rentals to the Lessor for the Leased Properties, and such rentals shall be negotiated and determined in the Specific Leasing Agreement by both parties under the principle of fairness.

- The rental rates of the specific properties shall be determined by both parties through negotiation by reference to market rates. When determining annual rentals, both parties shall make reference to (i) the recent fair trading prices in the comparable lease market of the Leased Properties; (ii) the government-guided price of property leasing of the government where the Leased Properties are located (if any); (iii) various relevant factors such as the location, scale and public utilities of the properties; and (iv) appraised value from independent valuers (if applicable).

(2) Land Use Rights Leasing Framework Agreement

Major terms of the Land Use Rights Leasing Framework Agreement are summarized as follows:

Date: 5 November 2007

Parties: CRCCG (the "**Lessor**"); and

the Company (the "**Lessee**")

Term: 20 years commencing from 5 November 2007

Principal terms:

- CRCCG and/or its related parties/associates have agreed to lease certain of their lawfully owned land use rights to the Company and/or its subsidiaries on the terms and conditions set out in the Land Use Rights Leasing Framework Agreement, and the Company and/or its subsidiaries agreed to pay the corresponding consideration as provided for in the Land Use Rights Leasing Framework Agreement.

- CRCCG's subsidiaries that own the land use rights to the relevant parcels of land will enter into specific leasing agreements with the Company and/or its subsidiaries in respect of one or multiple parcels of the land for which the CRCCG's subsidiaries own the use rights in strict accordance with the terms and conditions provided for under the Land Use Rights Leasing Framework Agreement.

- Upon signing of the Land Use Rights Leasing Framework Agreement and affixing their respective company chops thereon by the legal representatives or authorized representatives of the parties, the agreement will be effective retroactively from the date of incorporation of the Lessee according to law for a term of twenty years. On the premise of this article, the term of lease of each of the leased parcels under the Land Use Rights Leasing Framework Agreement shall be specified and stipulated in relevant specific leasing agreement. The Lessee is entitled to early termination of the land use right of any part of leased parcels of land at any time within the term of the leases.

- The parties agreed that upon expiry of the term of the Land Use Rights Leasing Framework Agreement, the Lessee will be entitled to extend the term of lease for part or all of the land use rights of leased parcels of land, subject to no violation of the listing rules in the places where the Lessee is listed, by notifying the Lessor in writing at least 6 months prior to expiry of the above-mentioned term. Upon receipt of the above-mentioned notice, the Lessor shall not refuse except for occurrence of force majeure circumstances as stipulated in the Land Use Rights Leasing Framework Agreement. The parties shall make corresponding adjustments to the number, scope and total rental of leased parcels of land and renew the Land Use Rights Leasing Framework Agreement through negotiation.

- If CRCCG and/or its related parties/associates intend to sell the land use rights under the Land Use Rights Leasing Framework Agreement, a three months' prior notice shall be given to the Company and/or its relevant subsidiaries. The Company and/or its subsidiaries shall have the pre-emptive right to purchase such land use rights under the same conditions.

- The Company and/or its subsidiaries may, at any time before the term of lease under the Land Use Rights Leasing Framework Agreement expires, terminate the lease(s) of all or part of the land use rights thereunder by giving three months' prior notice in writing to CRCCG and/or its related parties/associates.

Determination and payment of rentals: Under the Land Use Rights Leasing Framework Agreement, the rentals shall be determined and paid as follows:

- The Lessee shall pay rentals to the Lessor for the land use rights to the corresponding leased parcels of land, and such rentals shall be determined in the specific leasing agreement by both parties through negotiation under the principle of fairness.

- Rentals shall be calculated on a yearly basis. The specific rental rates shall be determined by both parties through negotiation by reference to market rates.

- The payment method of annual rentals shall be provided for in the specific leasing agreement.

3. HISTORICAL AMOUNTS OF CONTINUING CONNECTED TRANSACTIONS

Set out below are historical amounts of the continuing connected transactions of the Group under the Original Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement for the two years ended 31 December 2024 and the nine months ended 30 September 2025:

	2023	**2024**	**For the nine months ended 30 September 2025**
			(RMB thousand)
Expenditure incurred by the Group for leasing properties and land use rights from CRCCG and/or its related parties/associates under the Original Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement	133,678	136,212	35,284

4. PROPOSED ANNUAL CAP OF CONTINUING CONNECTED TRANSACTIONS

As all leases to be entered into under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement will be short-term leases, rentals to be received by CRCCG from the Company for the lease of leased assets under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement will be recognised as expenses in the consolidated statement of profit or loss of the Group. Set out below is the proposed annual cap of the continuing connected transactions under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement set for the year ending 31 December 2026:

	2026 *(RMB thousand)*
Expenditure payable by the Group for leasing properties and land use rights from CRCCG and/or its related parties/ associates under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement	200,000

When determining the annual cap of the expenditures payable by the Company to CRCCG under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement in 2026, the Company has taken into consideration that (1) historical transaction amounts for 2023 and 2024 were approximately RMB134 million and RMB136 million, with annual cap utilization rates of approximately 67% and 68%, respectively; (2) as the majority of rental settlements occurred in the fourth quarter, and the estimated transaction amount for the full year of 2025 was approximately RMB147 million, with an annual cap utilization rate of approximately 74%; (3) the inquiry results from the China Beijing Equity Exchange regarding the primary Leased Properties under the New Property Lease Framework Agreement, which took into account the location of the relevant properties, the leasing conditions of surrounding properties, and historical rental price trends; and (4) in addition to existing property and land use right leases, it was anticipated that, considering the Group's business development needs, the Group would have new leasing requirements for properties and land use rights provided by CRCCG and, after factoring in the need to reserve buffer space, the annual cap for 2026 would be set at RMB200 million.

The Directors (including independent non-executive Directors) consider that the above annual cap is fair and reasonable.

5. INTERNAL CONTROL AND CORPORATE GOVERNANCE MEASURES FOR CONTINUING CONNECTED TRANSACTIONS

The Company has adopted the following internal control and corporate governance measures to ensure that the pricing and terms of the continuing connected transactions are fair and reasonable and no less favourable than those offered by independent third parties from time to time:

(1) the Company has established a series of internal rules and policies relating to the management and control of connected transactions, including a decision-making system for connected transactions;

(2) the Company will regularly collect and refer to quotations from independent third parties for similar transactions and conduct market research on pricing to assess and review whether the prices offered by the CRCCG are fair and reasonable. For transactions under the Land Use Rights Leasing Framework Agreement and the New Property Leasing Framework Agreement, the Company will obtain the market rates with reference to (i) quotations from at least two independent third parties for land or properties of similar size in the same region under normal trading conditions; and (ii) quotations from the CRCCG to independent third parties for similar land or properties. Besides, the Company will comprehensively consider the construction area, decoration facilities, geographical location, usage and nature of the relevant land or properties, etc., to assess the fairness and reasonableness of the quotations offered by the CRCCG.

(3) Based on the aforesaid framework agreement for continuing connected transactions, the Company will enter into specific agreements with the CRCCG and/or its related parties/connect persons in respect of the specific requirements of the relevant transactions and in accordance with the terms of the framework agreement, including the pricing policy, which will be reviewed by the relevant business and legal departments.

(4) The Company's external auditors will conduct interim reviews and annual audits every year, and express opinions on the implementation of the pricing policies and whether the actual connected transaction amounts incurred are within relevant annual caps for respective year pursuant to the Hong Kong Listing Rules.

Based on the above, the Company has established adequate internal control measures to ensure that the terms of the connected transactions are fair and reasonable, on normal commercial terms, and in the interests of the Company and its shareholders as a whole.

6. REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW PROPERTY LEASING FRAMEWORK AGREEMENT

When the Company became listed, the Company leased and utilized the properties of CRCCG. It is expected that the Company will continue to lease the properties of CRCCG during the year 2026. As the Original Property Leasing Framework Agreement will expire on 31 December 2025, the Company entered into the New Property Leasing Framework Agreement with CRCCG to regulate the continuing connected transactions of leasing certain properties of CRCCG by the Group.

The Directors, including independent non-executive Directors, are of the view that the New Property Leasing Framework Agreement has been entered into in the ordinary and usual course of business of the Group after arm's length negotiation and on normal commercial terms, and the terms of the transactions under the New Property Leasing Framework Agreement and the relevant annual cap are normal commercial terms, fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

7. IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, CRCCG, holding approximately 51.23% equity interests in the Company, is the Controlling Shareholder of the Company and hence a connected person of the Company. Therefore, the transactions between the Company and CRCCG under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement constitute continuing connected transactions of the Company under the Hong Kong Listing Rules.

As the highest applicable percentage ratio exceeds 0.1% but is less than 5% in respect of the continuing connected transactions under the New Property Leasing Framework Agreement and the Land Use Rights Leasing Framework Agreement on an aggregated basis, such transactions are therefore subject to the reporting, announcement and annual review requirements but are exempted from the circular (including independent financial advice) and independent shareholders' approval requirements under the Hong Kong Listing Rules.

As Mr. Dai Hegen, being a Director of the Company, is serving as a director in CRCCG concurrently, he has abstained from voting on the Board resolution approving the aforesaid agreements (if applicable) and relevant annual cap. Save as the aforementioned, none of the Directors has or is deemed to have any material interest in the aforesaid continuing connected transactions and therefore no other Director has abstained from voting on such Board resolutions.

8. INFORMATION ON PARTIES TO THE RELEVANT TRANSACTIONS

The Company is one of the strongest and largest-scale integrated construction groups in the world, and the businesses of the Company cover construction operation, planning, design and consultancy, investment operations, real estate development, manufacturing, materials and logistics, environmental protection, industrial finance and other emerging industries.

CRCCG is the Controlling Shareholder of the Company, holding approximately 51.23% equity interests in the Company as at the date of this announcement. As a large central enterprise managed by SASAC, CRCCG is mainly engaged in technical consultancy of railways, metropolitan railways, highways, airports, ports, tunnels, bridges, water conservancy and hydropower facilities, post and telecommunication facilities, mines, timbers, municipal engineering, general contracting and subcontracting of installation of circuitry, pipeline and equipment; construction of prevention and control of geologic disasters; construction project management; sale of automobile and cars; wholesale and retail of ferrous metal, timber, cement, fuel, construction materials, chemical products (excluding dangerous chemicals), electromechanical products, armored concrete product and special railway equipment; organization of the production of the enterprises under direct control; overseas construction contracting and domestic international construction tendering; rental services of machinery and construction installation equipment; renovation and interior decoration services; relevant technical consulting, technical services, import and export business; advertising business.

9. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"associate(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"Board"	the board of Directors of the Company
"Company"	China Railway Construction Corporation Limited, a joint stock limited company incorporated in the PRC with limited liability, whose H shares and A shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively
"connected person(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules

"Controlling Shareholder"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"CRCCG"	China Railway Construction Corporation (中國鐵道建築集團有限公司), the Controlling Shareholder of the Company
"Director(s)"	the director(s) of the Company (including the independent non-executive director(s))
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Land Use Rights Leasing Framework Agreement"	the land use rights leasing framework agreement dated 5 November 2007 entered into between the Company and CRCCG for a term of 20 years commencing from 5 November 2007
"New Property Leasing Framework Agreement"	the property leasing framework agreement dated 30 October 2025 entered into between the Company and CRCCG for a term from 1 January 2026 to 31 December 2026
"Original Property Leasing Framework Agreement"	the property leasing framework agreement dated 27 December 2024 entered into between the Company and CRCCG for a term from 1 January 2025 to 31 December 2025
"PRC"	the People's Republic of China
"related party(ies)"	has the meaning ascribed thereto under the Rules Governing the Listing of Stocks on Shanghai Stock Exchange

"SASAC"	State-owned Assets Supervision and Administration Commission of the State Council
"Shareholder(s)"	the shareholder(s) of the Company
"%"	per cent

By order of the Board
China Railway Construction Corporation Limited
DAI Hegen
Chairman

Beijing, the PRC
30 October 2025

As at the date of this announcement, the Board comprises Mr. DAI Hegen (Chairman and Executive Director), Mr. GAO Lieyang (Non-executive Director), Mr. MA Chuanjing (Independent Non-executive Director), Mr. XIE Guoguang (Independent Non-executive Director), Mr. TSIN Wai Lun Kenneth (Independent Non-executive Director), Mr. WANG Jun (Independent Non-executive Director) and Ms. ZHU Lin (Employee Director).