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**中國建築興業集團有限公司**

**CHINA STATE CONSTRUCTION DEVELOPMENT HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 830)**

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS  
WITH 中國建築股份有限公司 (CHINA STATE CONSTRUCTION  
ENGINEERING CORPORATION LIMITED) IN RELATION TO  
THE CSCECL WORKS**

References are made to (i) the joint announcement of the Company and CSC dated 20 October 2023 and (ii) the circular of the Company dated 30 November 2023 in relation to, among other things, the Previous CSCD-CSCECL Sub-construction Engagement Agreement entered into between CSCECL and the Company which will expire on 31 December 2026.

On 22 October 2026, CSCECL and the Company entered into the New CSCD-CSCECL Sub-construction Engagement Agreement to renew the Previous CSCD-CSCECL Sub-construction Engagement Agreement. Pursuant to the New CSCD-CSCECL Sub-construction Engagement Agreement, for a term of three years commencing from 1 January 2027 and ending on 31 December 2029 (both dates inclusive), the CSCECL Group may engage the Group as its subcontractor or service provider (as the case may be) for provision of the CSCECL Works from time to time subject to the CSCECL Works Caps.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, CSCECL is an intermediate holding company of the Company by virtue of it being indirectly interested in approximately 70.81% of the issued share capital of the Company. Accordingly, members of the CSCECL Group are connected persons of the Company. The CSCECL Works Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since all applicable percentage ratios in respect of the highest CSCECL Works Cap exceed 5%, the CSCECL Works Transactions are subject to the annual review, reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL**

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions (together with the CSCECL Works Caps). Altus Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this connection.

An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions (together with the CSCECL Works Caps).

A circular containing, among other things, further particulars of the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions together with, the recommendations of the Independent Board Committee, a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, and a notice convening the EGM is expected to be despatched to the Shareholders on or before 30 November 2026 as the Company expects additional time will be required to prepare and finalise the information to be included in the circular.

## **BACKGROUND**

References are made to (i) the joint announcement of the Company and CSC dated 20 October 2023 and (ii) the circular of the Company dated 30 November 2023 in relation to, among other things, the Previous CSCD-CSCECL Sub-construction Engagement Agreement entered into between CSCECL and the Company which will expire on 31 December 2026.

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## **NEW CSCD-CSCECL SUB-CONSTRUCTION ENGAGEMENT AGREEMENT**

### **Date**

22 October 2026

## **Parties**

1. CSCECL; and
2. the Company.

## **Term**

Subject to all conditions to the New CSCD-CSCECL Sub-construction Engagement Agreement set out below having been satisfied, the New CSCD-CSCECL Sub-construction Engagement Agreement shall take effect on 1 January 2027 and shall continue for the period ending on 31 December 2029 (both dates inclusive).

## **Conditions precedent**

The obligations in the New CSCD-CSCECL Sub-construction Engagement Agreement are conditional upon the following conditions being satisfied:

- (a) each of the Company and CSC having obtained the approval of its independent shareholders at its extraordinary general meeting by way of poll in relation to the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions; and
- (b) the Company and CSC having complied with all other requirements as may be imposed by the Stock Exchange as a condition to the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions under the Listing Rules, if any.

## **Subject matter**

Pursuant to the New CSCD-CSCECL Sub-construction Engagement Agreement, CSCECL and the Company agreed that:

- (a) any member of the Group may act as subcontractor or service provider (as the case may be) of the CSCECL Group for provision of contracting, engineering, project consultancy and project management services for or in connection with the construction works undertaken by the CSCECL Group, and design, manufacture and supply of construction materials relating to the exterior of buildings by the Group to the CSCECL Group (the “CSCECL Works”) from time to time;

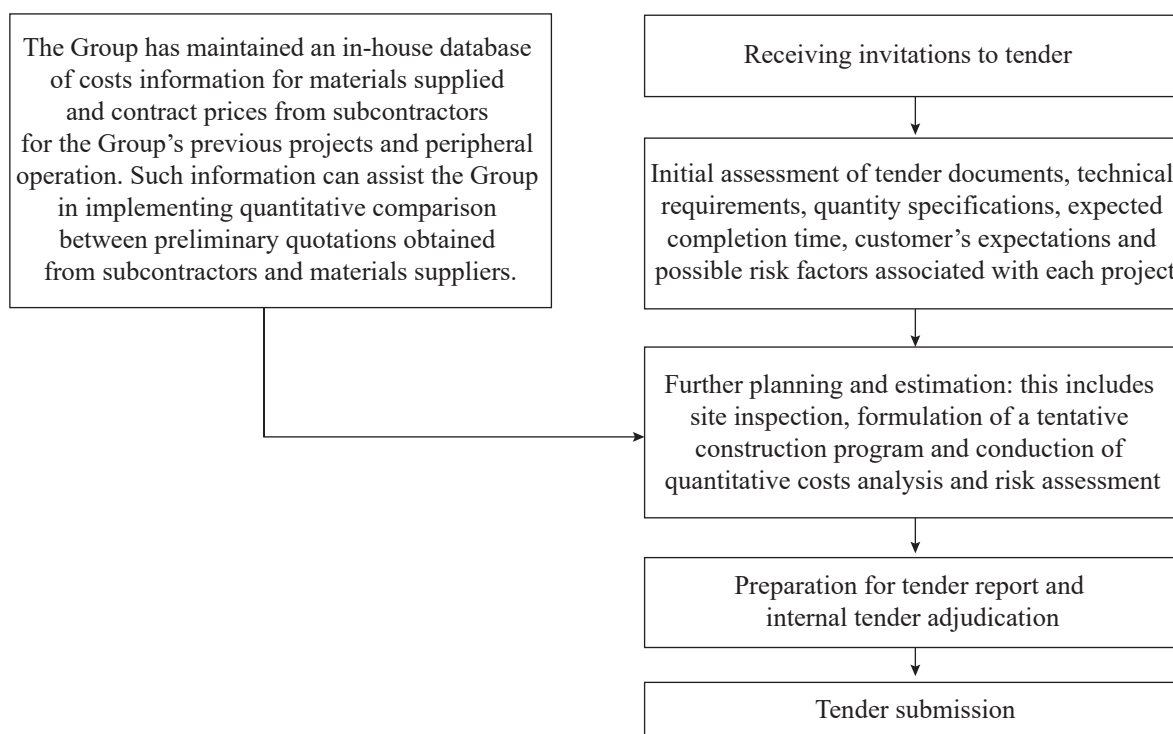
- (b) the parties may from time to time enter into further specific contracts which set out the detailed terms in relation to the engagement of the Group to act as subcontractor or service provider (as the case may be) of the CSCECL Group for provision of the CSCECL Works, provided that the total contract sum that may be awarded by CSCECL Group to the Group under the New CSCD-CSCECL Sub-construction Engagement Agreement for each of the three financial years ending 31 December 2027, 2028 and 2029 shall not exceed HK\$4,200 million, HK\$5,400 million and HK\$2,400 million, respectively (i.e. the CSCECL Works Caps). The terms of the specific contracts will be negotiated on an arm's length basis between the parties; and
- (c) the fees payable by CSCECL Group to the Group will be settled pursuant to the payment terms set out in the specific contracts.

***Pricing basis of the Group's tenders submitted to the CSCECL Group***

As a general principle, the prices and terms of the contracts shall be determined in the ordinary course of business on normal commercial terms, negotiated on arm's length basis and at prices and on terms no more favourable to CSCECL Group than those provided to the independent third parties.

The Group will normally need to go through a tender or similar process before being selected and appointed as subcontractor or service provider (as the case may be) of the CSCECL Group. The prices and terms of the tenders submitted by the Group to the CSCECL Group for the CSCECL Works are subject to standard and systematic tender submission procedures of the Group, which apply to tenders submitted to both connected persons and independent third parties, in order to ensure that the prices and terms of the proposed tenders submitted by the Group to the CSCECL Group are no more favourable to the CSCECL Group than those submitted to independent third parties.

The standard and systematic tender submission procedures generally involve (i) receiving invitations to tender; (ii) initial assessment of tender documents; (iii) further planning and estimation; (iv) preparation for tender report and internal tender adjudication; and (v) tender submission. The procedures, as illustrated in the following diagram, will enable the Group to review the feasibility and profitability of the tender to be submitted and to decide the contents and pricing terms of the tender to be submitted.



In preparing and assessing the tender documents, the Group will take into account factors including technical requirements, quantity specifications, expected completion time, customer's expectations and possible risk factors associated with a project. The Group will then perform site inspection, formulate a tentative construction program and conduct quantitative costs analysis and risk assessment.

In determining the pricing terms, the Group will review the costs information maintained in its in-house database for materials supplied and contract prices from subcontractors for the Group's previous projects and peripheral operation. Such information will assist the Group in implementing quantitative comparison between preliminary quotations obtained from sub-contractors and materials suppliers.

The Group will also review and compare previous tender prices submitted to both connected persons and independent third parties, so as to ensure that the tender price to be submitted is no more favourable to the CSCECL Group than those submitted to independent third parties.

Where the Group participates in a tender with all bidders (including independent third parties in the market), the Group will follow its standard and systematic tender submission procedures and the winning bid of which will be the one with the lowest tender amount in accordance with the tender procedures of the CSCECL Group on the condition that the bidder also satisfies other essential requirements (including but not limited to relevant experience, capability, historical relationship and track records) as set out in the bid invitation.

Where the Group submits tender directly to the ultimate employer, the Group will follow the standard and systematic tender submission procedures in determining the terms and price of the tender, and if the Group is nominated as subcontractor or service provider of the CSCECL Group (as the case may be) by the ultimate employer, consideration to the Group will be ascertained by the ultimate employer or its independent professional quantity surveyor.

### ***Historical transaction amounts***

The table below sets out the actual amount of provision of the CSCECL Works by the Group for the two years ended 31 December 2025 and the six months ended 30 June 2026:

|                                                | For the year ended 31 December |                 | For the six months ended |
|------------------------------------------------|--------------------------------|-----------------|--------------------------|
|                                                | 2024                           | 2025            | 30 June                  |
|                                                | (HK\$)                         | (HK\$)          | 2026                     |
|                                                | (approximately)                | (approximately) | (approximately)          |
| Actual amount of provision of the CSCECL Works | 18,630,000                     | 366,200,000     | 30,350,000               |

### ***Calculation of the CSCECL Works Caps***

The CSCECL Works Caps are calculated with reference to the following factors:

- (a) the historical annual caps in respect of the transactions under the Previous CSCD-CSCECL Sub-construction Engagement Agreement, being HK\$1,200 million, HK\$1,500 million and HK\$1,500 million for each of the three years ended/ending 31 December 2024, 31 December 2025 and 31 December 2026, respectively;
- (b) the historical total actual contract sums of the CSCECL Works provided by the Group under the Previous CSCD-CSCECL Sub-construction Engagement Agreement, as stated in the table above; and

- (c) for the year ending 31 December 2027, the total contract sum of approximately HK\$4,200 million for new construction projects of the CSCECL Group is estimated based on (i) the project in the total amount of approximately HK\$3,550 million under negotiation with the CSCECL Group; and (ii) potential projects available from the CSCECL Group in the total amount of approximately HK\$650 million; for the year ending 31 December 2028, the total contract sum of approximately HK\$5,400 million for new construction projects of the CSCECL Group is estimated based on (iii) the project in the total amount of approximately HK\$2,970 million under negotiation with the CSCECL Group; (iv) potential projects available from the CSCECL Group in the total amount of approximately HK\$2,430 million; and for the year ending 31 December 2029, the total contract sum of approximately HK\$2,400 million for new construction projects of the CSCECL Group is estimated based on the same basis of potential projects available from the CSCECL Group as for the year ending 31 December 2028.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE NEW CSCD-CSCECL SUB-CONSTRUCTION ENGAGEMENT AGREEMENT**

The Directors consider that the CSCECL Works Transactions will allow the Company to maximise profits and by being able to participate in the CSCECL Works upon successful tender, the Group can secure a more diverse base of customers, thereby expanding its market reach. As for the CSCECL Group, it can leverage on the Group's extensive experience and expertise in landmark facade projects of skyscrapers to increase construction efficiency. In addition, given the satisfactory cooperation between CSCECL and the Company pursuant to the Previous CSCD-CSCECL Sub-construction Engagement Agreement, the continuation of the longstanding and established business relationship between CSCECL and the Company will bring synergy effect to both CSCECL and the Company, thereby facilitating the expansion of the Group's businesses.

The Directors (other than the independent non-executive Directors whose opinion will be provided after reviewing the advice of the Independent Financial Adviser) consider that the CSCECL Works Transactions are expected to be entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiations between the parties, and the terms of the CSCECL Works Transactions (together with the CSCECL Works Caps) are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ABOUT THE PARTIES TO THE NEW CSCD-CSCECL SUB-CONSTRUCTION ENGAGEMENT AGREEMENT**

The Group is principally engaged in general contracting business, facade contracting business (including design, engineering, manufacture and installation of curtain wall system) and operating management business.

CSCECL is an intermediate holding company of the Company and is a contractor which is principally engaged in construction works in various cities in the PRC and various countries around the world.

CSCEC is the ultimate holding company of each of CSCECL and the Company. CSCEC, together with its subsidiaries (excluding those listed on any stock exchange), is a conglomerate principally engaged in building construction, international contracting, real estate development and investment, infrastructure construction and investment and design and prospecting.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CSCECL is an intermediate holding company of the Company by virtue of it being indirectly interested in approximately 70.81% of the issued share capital of the Company. Accordingly, members of the CSCECL Group are connected persons of the Company. The CSCECL Works Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since all applicable percentage ratios in respect of the highest CSCECL Works Cap exceed 5%, the CSCECL Works Transactions are subject to the annual review, reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL**

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions (together with the CSCECL Works Caps). Altus Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this connection.

An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions (together with the CSCECL Works Caps).

A circular containing, among other things, further particulars of the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions together with, the recommendations of the Independent Board Committee, a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, and a notice convening the EGM is expected to be despatched to the Shareholders on or before 30 November 2026 as the Company expects additional time will be required to prepare and finalise the information to be included in the circular.

Shareholders should note that the CSCECL Works Caps only represent the best estimates by the Directors of the amount of the CSCECL Works Transactions based on the information currently available. The CSCECL Works Caps bear no direct relationships to, nor should be taken to have any direct bearings to, the Group's financial or potential financial performance.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

|                                                                                                                                        |                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “associate(s)”, “connected persons”, “continuing connected transactions”, “holding company”, “percentage ratios” and “subsidiary(ies)” | each has the meaning ascribed to it under the Listing Rules                                                                                                                                                                                                            |
| “Board”                                                                                                                                | the board of Directors                                                                                                                                                                                                                                                 |
| “Company”                                                                                                                              | China State Construction Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 830)                                                       |
| “CSC”                                                                                                                                  | China State Construction International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 3311) and an intermediate holding company of the Company |
| “CSCEC”                                                                                                                                | 中國建築集團有限公司 (China State Construction Engineering Corporation*), a state-owned corporation organised and existing under the laws of the PRC and the ultimate holding company of each of CSCECL and the Company                                                          |

|                             |                                                                                                                                                                                                                                                                                                    |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “CSCECL”                    | 中國建築股份有限公司 (China State Construction Engineering Corporation Limited), a joint stock company established in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 601668) and a non-wholly owned subsidiary of CSCEC                                                         |
| “CSCECL Group”              | CSCECL and its subsidiaries (excluding subsidiary(ies) listed on any stock exchange and their respective subsidiary(ies)) from time to time                                                                                                                                                        |
| “CSCECL Works”              | contracting, engineering, project consultancy and project management services for or in connection with the construction works undertaken by the CSCECL Group, and design, manufacture and supply of construction materials relating to the exterior of buildings by the Group to the CSCECL Group |
| “CSCECL Works Caps”         | the maximum aggregate value of the contract sum of the contracts for the provision of the CSCECL Works that may be awarded by the CSCECL Group to the Group for the relevant year(s) under the New CSCD-CSCECL Sub-construction Engagement Agreement                                               |
| “CSCECL Works Transactions” | the transactions contemplated under the New CSCD-CSCECL Sub-construction Engagement Agreement                                                                                                                                                                                                      |
| “Director(s)”               | the director(s) of the Company                                                                                                                                                                                                                                                                     |
| “EGM”                       | an extraordinary general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, approve the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions (together with the CSCECL Works Caps)                |
| “Group”                     | the Company and its subsidiaries from time to time                                                                                                                                                                                                                                                 |
| “HK\$”                      | Hong Kong dollars, the lawful currency of Hong Kong                                                                                                                                                                                                                                                |
| “Hong Kong”                 | the Hong Kong Special Administrative Region of the PRC                                                                                                                                                                                                                                             |

|                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Independent Board Committee”                                | the independent board committee of the Company comprising all independent non-executive Directors to advise the Independent Shareholders in respect of the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions (together with the CSCECL Works Caps)                                                                                                                                        |
| “Independent Financial Adviser”                              | Altus Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the New CSCD-CSCECL Sub-construction Engagement Agreement and the CSCECL Works Transactions (together with the CSCECL Works Caps)                                                                                                                                                    |
| “Independent Shareholder(s)”                                 | Shareholders, other than CSCECL and its associates                                                                                                                                                                                                                                                                                                                                                                              |
| “Listing Rules”                                              | the Rules Governing the Listing of Securities on the Stock Exchange                                                                                                                                                                                                                                                                                                                                                             |
| “New CSCD-CSCECL Sub-construction Engagement Agreement”      | the engagement agreement entered into between CSCECL and the Company on 22 October 2026 in respect of the engagement of the Group by the CSCECL Group as subcontractor or service provider (as the case may be) for provision of the CSCECL Works for the period from 1 January 2027 to 31 December 2029                                                                                                                        |
| “PRC”                                                        | People’s Republic of China, and for the purposes of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan                                                                                                                                                                                                                                                |
| “Previous CSCD-CSCECL Sub-construction Engagement Agreement” | the engagement agreement entered into between CSCECL and the Company on 20 October 2023 in respect of the engagement of the Group by the CSCECL Group as subcontractor or service provider (as the case may be) for provision of contracting and engineering works, project consultancy service and project management service for the CSCECL Group’s construction works for the period from 1 January 2024 to 31 December 2026 |
| “Shareholder(s)”                                             | holder(s) of share(s) of the Company from time to time                                                                                                                                                                                                                                                                                                                                                                          |

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

By Order of the Board

**China State Construction Development Holdings Limited**

**Wang Xiaoguang**

*Chairman and Non-executive Director*

Hong Kong, 22 October 2026

*As at the date of this announcement, the Board comprises Mr. Wang Xiaoguang as Chairman and Non-executive Director; Mr. Zhu Haiming (Chief Executive Officer) and Mr. Wong Man Cheung as Executive Directors; Mr. Huang Jiang as Non-executive Director; and Mr. Zhou Jinsong, Ms. Chan Man Ki Maggie and Mr. Sit Wing Hang as Independent Non-executive Directors.*

\* *For identification purpose only*