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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 AND THE NEW EQUIPMENT PURCHASES AND SALES AND LEASING SERVICES AGREEMENT

BACKGROUND

References are made to the announcements on continuing connected transactions of the Company dated 27 December 2024 and 30 October 2025.

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 30 October 2025, respectively, for a term of 20 years commencing from 5 November 2007 and from 1 January 2026 to 31 December 2026, respectively.

In order to regulate the transactions of mutual purchases of equipment between the Group and CRFL and the transactions of leasing services provided by CRFL to the Group, on 27 December 2024, the Company entered into the Original Equipment Purchases and Sales and Leasing Services Agreement with CRFL for a term from 14 September 2024 to 31 December 2026.

The Board announces that as the Original Property Leasing Framework Agreement and the Original Equipment Purchases and Sales and Leasing Services Agreement will expire on 31 December 2026, on 30 October 2026, (1) the Company entered into the New Property Leasing Framework Agreement with CRCCG for a term from 1 January 2027 to 31 December 2027; and (2) the Company entered into the New Equipment Purchases and Sales and Leasing Services Agreement with CRFL for a term of three years from 1 January 2027 to 31 December 2029, in order to regulate the continuing connected transactions under such agreements.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, CRCCG, holding approximately 51.23% equity interest in the Company, is the Controlling Shareholder of the Company, and CRFL is a subsidiary of CRCCG, therefore, CRCCG and CRFL are connected persons of the Company. Therefore, the transactions under the New Property Leasing Framework Agreement, the Land Use Rights Leasing Framework Agreement and the New Equipment Purchases and Sales and Leasing Services Agreement constitute continuing connected transactions of the Company under the Hong Kong Listing Rules.

As the highest applicable percentage ratio 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 exceeds 0.1% but is less than 5%, 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 the highest applicable percentage ratio in respect of the continuing connected transactions of equipment sales by the Group to CRFL under the New Equipment Purchases and Sales and Leasing Services Agreement exceeds 0.1% but is less than 5%, 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 the highest applicable percentage ratio in respect of the continuing connected transactions of purchasing equipment by the Group from CRFL under the New Equipment Purchases and Sales and Leasing Services Agreement exceeds 0.1% but is less than 5%, 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 the highest applicable percentage ratio in respect of the continuing connected transactions of leasing services provided by CRFL to the Group under the New Equipment Purchases and Sales and Leasing Services Agreement exceeds 0.1% but is less than 5%, 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

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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 30 October 2025, respectively, for a term of 20 years commencing from 5 November 2007 and from 1 January 2026 to 31 December 2026, respectively.

In order to regulate the transactions of mutual purchases of equipment between the Group and CRFL and the transactions of leasing services provided by CRFL to the Group, on 27 December 2024, the Company entered into the Original Equipment Purchases and Sales and Leasing Services Agreement with CRFL for a term from 14 September 2024 to 31 December 2026.

The Board announces that as the Original Property Leasing Framework Agreement and the Original Equipment Purchases and Sales and Leasing Services Agreement will expire on 31 December 2026, on 30 October 2026, (1) the Company entered into the New Property Leasing Framework Agreement with CRCCG for a term from 1 January 2027 to 31 December 2027; and (2) the Company entered into the New Equipment Purchases and Sales and Leasing Services Agreement with CRFL for a term of three years from 1 January 2027 to 31 December 2029, in order to regulate the continuing connected transactions under such agreements.

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 2026
Parties:	CRCCG (the "**Lessor**"); and the Company (the "**Lessee**")
Term:	From 1 January 2027 to 31 December 2027
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 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 2027 to 31 December 2027. 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 may 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 part or all 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) New Equipment Purchases and Sales and Leasing Services Agreement

Major terms of the New Equipment Purchases and Sales and Leasing Services Agreement are summarized as follows:

Date: 30 October 2026

Parties: CRFL; and

the Company

Term: From 1 January 2027 to 31 December 2029

Principal terms:

(1) Equipment Sales

- Pursuant to the New Equipment Purchases and Sales and Leasing Services Agreement, the Group shall sell shield machines and other machinery and equipment to CRFL;

- The Group shall sell shield machines and other machinery and equipment to CRFL at comparable market prices not lower than those of third parties. Comparable market prices refer to the prices arrived at with reference to those charged or quoted by at least two independent third parties offering the same or similar equipment with a comparable scale of equipment sales in areas where such equipment was then sold under normal trading conditions.

(2) Equipment Purchases

- Pursuant to the New Equipment Purchases and Sales and Leasing Services Agreement, the Group shall purchase engineering equipment from CRFL;

- The Group shall purchase engineering equipment from CRFL at comparable market prices not higher than those of third parties. Comparable market prices refer to the prices arrived at with reference to those charged or quoted by at least two independent third parties offering the same or similar equipment with a comparable scale of equipment sales in areas where such equipment was then sold under normal trading conditions.

(3) Leasing Services

- Pursuant to the New Equipment Purchases and Sales and Leasing Services Agreement, CRFL shall provide the Group with leasing services. The forms of leasing business include financial leasing business and operating leasing business; it mainly includes direct leasing, financial sale and leaseback, etc. in terms of the form of leasing; it includes the provision of leasing services for various types of equipment such as engineering equipment, and movable assets such as vehicles in terms of the subject of leasing;

- The leasing services provided by CRFL to the Group shall be charged at a fee not higher than the fees charged by financial institutions in the PRC of the same type for service items of the same kind.

Payment term: Payable in cash according to the progress of the provision of services, or on a yearly or quarterly or monthly basis, subject to actual situation.

3. HISTORICAL AMOUNTS OF CONTINUING CONNECTED TRANSACTIONS

(1) Original Property Leasing Framework Agreement and Land Use Rights Leasing Framework Agreement

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 2025 and the nine months ended 30 September 2026:

	2024	2025	For the nine months ended 30 September 2026
	(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	136,212	152,106	81,753

(2) Original Equipment Purchases and Sales and Leasing Services Agreement

Set out below are historical amounts of the continuing connected transactions of the Group under the Original Equipment Purchases and Sales and Leasing Services Agreement for the period from 14 September 2024 to 31 December 2024, the year ended 31 December 2025 and the nine months ended 30 September 2026:

	For the period from 14 September 2024 to 31 December 2024 *Note*	2025	For the nine months ended 30 September 2026
	(RMB thousand)		
The fees charged by the Group for the sale of equipment to CRFL	394,357	599,702	595,859
The fees paid by the Group for the purchase of equipment from CRFL	2,322	181,239	186,814

		For the period from 14 September 2024 to 31 December 2024 *Note*	2025	For the nine months ended 30 September 2026
		(RMB thousand)		
Provision of leasing services by CRFL to the Group	Direct leases: Right-of-use assets (for leases with a term of more than one year)	543,188	2,335,266	1,190,959
	Direct leases: Rentals (for leases with a term of less than one year)	146,829	343,773	148,258
	Sale and leaseback	/	/	/

Note: As CRFL has been a subsidiary of CRCCG since 14 September 2024, CRFL has been a connected person of the Company since 14 September 2024.

4. THE PROPOSED ANNUAL CAPS OF CONTINUING CONNECTED TRANSACTIONS

(1) New Property Leasing Framework Agreement and Land Use Rights Leasing Framework Agreement

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 leasing the 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 for the year ending 31 December 2027:

	2027 *Note*
	(RMB thousand)
Expenditure incurred 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

Note: Given that the Land Use Rights Leasing Framework Agreement is due to expire on 5 November 2027, the Company proposes to engage in active negotiations with CRCCG to finalise renewal arrangements prior to the expiry of such agreement.

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 2027, the Company has taken into consideration that (1) historical transaction amounts for 2024 and 2025 were approximately RMB136 million and RMB152 million, with annual cap utilization rates of approximately 68% and 76%, respectively; (2) as the majority of rental settlements take place in the fourth quarter, the transaction amount for the full year of 2026 is expected to be approximately RMB154 million, representing an annual cap utilization rate of approximately 77%; (3) the forecasts regarding the rentals of the primary Leased Properties under the New Property Leasing 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 leases of properties and land use rights, it is expected that the Group will 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 2027 would be set at RMB200 million.

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

(2) New Equipment Purchases and Sales and Leasing Services Agreement

Set out below are the proposed annual caps of the continuing connected transactions under the New Equipment Purchases and Sales and Leasing Services Agreement for the three years ending 31 December 2029:

	2027	**2028**	**2029**
		(RMB thousand)	
Fees charged by the Group for the sale of equipment to CRFL under the New Equipment Purchases and Sales and Leasing Services Agreement	1,500,000	1,500,000	1,500,000
Fees paid by the Group for the purchase of equipment from CRFL under the New Equipment Purchases and Sales and Leasing Services Agreement	400,000	400,000	400,000

		2027	2028	2029
			(RMB thousand)	
Provision of leasing services by CRFL to the Group under the New Equipment Purchases and Sales and Leasing Services Agreement	Direct leases: Right-of-use assets (for leases with a term of more than one year) *Note 1*	2,000,000	2,000,000	2,000,000
	Direct leases: Rentals (for leases with a term of less than one year) *Note 1*	1,000,000	1,000,000	1,000,000
	Sale and leaseback *Note 2*	500,000	500,000	500,000

Notes:

1. Under the PRC Accounting Standards for Business Enterprises, the Group as the lessee shall recognize leases for a term of more than one year as right-of-use assets and lease liabilities. The right-of-use assets represent the rights to use the underlying leased asset over the lease term, while the lease liabilities represent the obligations to make lease payments (i.e. the rental payment). In accordance with the Hong Kong Listing Rules, for direct leases under the New Equipment Purchases and Sales and Leasing Services Agreement, the Company is required to set an annual cap on the total value of right-of-use assets relating to leases with a term of more than one year, while other amounts payable by the Group as lessee (including rentals for those leases with a term of less than one year) will be recorded as expenses by the Company and subject to a separate annual cap in accordance with the Hong Kong Listing Rules.

2. Under the PRC Accounting Standards for Business Enterprises, for sale and leaseback, the underlying transaction will be recorded as a financial arrangement between the Group and the lessor. The sale and leaseback constitutes a "disposal" for the purpose of the Hong Kong Listing Rules and is therefore subject to a separate annual cap.

The above proposed annual caps of the continuing connected transactions are determined based on the estimated amount of transactions involved with reference to the historical transaction volumes.

When determining the proposed annual caps of the above continuing connected transactions, the Company has taken into consideration:

(a) Equipment sales

(i) The historical transaction amount of equipment sales under the Original Equipment Purchases and Sales and Leasing Services Agreement; the annual cap utilization rate for 2025 was approximately 23%, and the estimated transaction amount for the full year of 2026 is approximately RMB900 million;

(ii) The demand of CRFL for equipment provided by the Group and the supply capacity of the Group;

(iii) The current market value of shield machines and other machinery and equipment sold by the Group to CRFL.

(b) Equipment purchases

(i) The historical transaction amount of equipment purchases under the Original Equipment Purchases and Sales and Leasing Services Agreement; the annual cap utilization rate for 2025 was approximately 45%, and the estimated transaction amount for the full year of 2026 is approximately RMB340 million;

(ii) The supply capability of CRFL for equipment purchased by the Group and the demand of the Group;

(iii) The current market value of the engineering equipment sold by CRFL to the Group.

(c) Leasing services

(i) The historical transaction amount for leasing services under the Original Equipment Purchases and Sales and Leasing Services Agreement; the annual cap utilization rates for direct leases (right-of-use assets), direct leases (rentals) and sale and leaseback in 2025 were approximately 93.4%, 22.9% and 0%, respectively; it is estimated that the transaction amount for direct leases (right-of-use assets), direct leases (rentals) and sale and leaseback for the full year of 2026 will be approximately RMB1.8 billion, RMB300 million and RMB0, respectively;

(ii) The value, nature and estimated useful life of the leased assets;

(iii) The Group's development plan and its demand for the leasing services provided by CRFL (for direct leases with a term of more than one year, the total value of the right-of-use assets to be recognized by the Company; for direct leases with a term of less than one year, the rentals to be paid by the Company; and for sale and leaseback, the amount of the assets involved in the financial leasing arrangement); and

(iv) The capability and flexibility of CRFL in providing financial leasing services to the Group, the prevailing financing market conditions, the level of interest rates and the possibility of future adjustments to the Renminbi lending rates by the People's Bank of China.

The Directors (including the independent non-executive Directors) consider that the aforesaid annual caps are 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 connected persons 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 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 CRCCG. For transactions in respect of equipment sales and equipment purchases under the New Equipment Purchases and Sales and Leasing Services Agreement, the Company will refer to the prices or quotations charged by at least two independent third parties supplying the same or similar equipment for equipment of a comparable scale under normal commercial transactions. For leasing services, the Company will compare the charging standards applied by financial institutions in the PRC of the same type for service items of the same kind, to ensure that CRFL's charges do not exceed such standards.

(3) Based on the aforesaid framework agreements for continuing connected transactions, the Company will enter into specific agreements with CRCCG, CRFL and/or their related parties/associates in respect of the specific requirements of the relevant transactions and in accordance with the terms of the framework agreements (including the pricing policies), 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 exceed the relevant annual caps 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 AND THE NEW EQUIPMENT PURCHASES AND SALES AND LEASING SERVICES 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 2027. As the Original Property Leasing Framework Agreement will expire on 31 December 2026, the Company entered into the New Property Leasing Framework Agreement with CRCCG to regulate the continuing connected transactions of leasing certain properties from CRCCG by the Group.

As the Original Equipment Purchases and Sales and Leasing Services Agreement will expire on 31 December 2026, the Company entered into the New Equipment Purchases and Sales and Leasing Services Agreement with CRFL to regulate the continuing connected transactions of mutual purchases of equipment between the Group and CRFL and the continuing connected transactions of leasing services provided by CRFL to the Group. The purchase and sale transactions between the Group and CRFL are conducive to ensuring the stable provision and supply of the Group's equipment. When CRFL provides leasing services to the Group, its charges are not higher than those charged by financial institutions in the PRC of the same type for service items of the same kind. Meanwhile, CRFL can flexibly design the repayment methods according to the actual situation of the Group, and the loans can be released quickly and conveniently, which is conducive to the optimization of the Group's financial management, the enhancement of the efficiency of the Group's capital utilization, the reduction of financing costs and risks, and the facilitation of the smooth development of the Group's business and operation.

The Directors, including independent non-executive Directors, are of the view that the New Property Leasing Framework Agreement and the New Equipment Purchases and Sales and Leasing Services Agreement have 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 New Equipment Purchases and Sales and Leasing Services Agreement and the relevant annual caps 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 interest in the Company, is the Controlling Shareholder of the Company, and CRFL is a subsidiary of CRCCG, therefore, CRCCG and CRFL are connected persons of the Company. Therefore, the transactions under the New Property Leasing Framework Agreement, the Land Use Rights Leasing Framework Agreement and the New Equipment Purchases and Sales and Leasing Services Agreement constitute continuing connected transactions of the Company under the Hong Kong Listing Rules.

As the highest applicable percentage ratio 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 exceeds 0.1% but is less than 5%, 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 the highest applicable percentage ratio in respect of the continuing connected transactions of equipment sales by the Group to CRFL under the New Equipment Purchases and Sales and Leasing Services Agreement exceeds 0.1% but is less than 5%, 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 the highest applicable percentage ratio in respect of the continuing connected transactions of purchasing equipment by the Group from CRFL under the New Equipment Purchases and Sales and Leasing Services Agreement exceeds 0.1% but is less than 5%, 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 the highest applicable percentage ratio in respect of the continuing connected transactions of leasing services provided by CRFL to the Group under the New Equipment Purchases and Sales and Leasing Services Agreement exceeds 0.1% but is less than 5%, 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, Mr. PEI Minshan and Mr. CHEN Zhiming, being Directors of the Company, also hold positions in CRCCG concurrently, they have abstained from voting on the Board resolutions approving the aforesaid agreements (if applicable) and relevant annual caps. 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 strategic 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's business scope includes: Licensed items: construction engineering; urban public transport; highway management and maintenance; construction engineering survey; construction engineering design; construction engineering supervision; road freight transport (excluding dangerous goods); real estate development and operation. General items: technical services, technology development, technical consultancy, technical exchange, technology transfer and technology promotion; research and development of machinery and equipment; sale of machinery and equipment; leasing of machinery and equipment; manufacture of machinery for construction projects; sale of construction materials; sale of metal materials; retail of hardware products; supply chain management services; property management; import and export of goods; import and export of technology; general cargo warehousing services (excluding items subject to licensing and approval such as hazardous chemicals).

As at the date of this announcement, CRFL is a subsidiary of CRCCG, which is ultimately held as to 70.588% by CRCCG, and its other shareholders holding more than 5% include: (1) Qingdao TGOOD Electric Company Limited (青島特銳德電氣股份有限公司) (listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300001)), which directly and indirectly holds a total of 17.647% equity interest in CRFL; and (2) Tianjin Dongjiang Port-Industry-City Investment Group Co., Ltd.* (天津東疆港產城投資集團有限公司) (whose de facto controller, the Administration Committee of Tianjin Dongjiang Comprehensive Bonded Zone, holds a 58.5% equity interest), which directly holds 8.824% equity interest in CRFL. CRFL is principally engaged in financial leasing business; transfer and acceptance of financial leasing assets; investment in fixed-income securities; acceptance of lease deposits from lessees; absorption of time deposits from non-bank shareholders with terms of three months or above; interbank borrowings; borrowings from financial institutions; overseas borrowings; sale and disposal of leased property; and economic consultation.

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(s)"	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
"CRFL"	CRCC Financial Leasing Co., Ltd., a subsidiary of CRCCG as at the date of this announcement
"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 Equipment Purchases and Sales and Leasing Services Agreement"	the equipment purchases and sales and leasing services agreement entered into between the Company and CRFL on 30 October 2026 for a term from 1 January 2027 to 31 December 2029
"New Property Leasing Framework Agreement"	the property leasing framework agreement dated 30 October 2026 entered into between the Company and CRCCG for a term from 1 January 2027 to 31 December 2027
"Original Equipment Purchases and Sales and Leasing Services Agreement"	the equipment purchases and sales and leasing services agreement entered into between the Company and CRFL on 27 December 2024 for a term from 14 September 2024 to 31 December 2026
"Original 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
"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 2026

As at the date of this announcement, the board of directors comprises Mr. DAI Hegen (Chairman and Executive Director), Mr. PEI Minshan (President and Executive Director), Mr. CHEN Zhiming (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).