

This is a free translation into English of an announcement issued in China and is provided solely for the convenience of English-speaking readers. This announcement should be read in conjunction with, and is construed in accordance with, relevant Chinese laws and professional auditing standards applicable in China. Should there be any inconsistency between the Chinese version and the English version, the Chinese version shall prevail. Investors can access the Company's announcements on the website of the Shanghai Stock Exchange (www.sse.com.cn).

Stock code: 601668

Abbreviation: CSCEC

No.: Interim 2023-020



中國建築股份有限公司
CHINA STATE CONSTRUCTION ENGRG.CORP.LTD

Announcement on the Re-appointment of Accounting Firm for the Year 2023

The Board of Directors of the Company and each member of the Board of Directors guarantee that the contents of the public announcement contain no false or misleading statements or major omission, and they are jointly and severally liable for the truthfulness, accuracy and completeness of the said contents.

Important notice:

- Name of the accounting firm proposed to be appointed: Ernst & Young Hua Ming LLP (Special General Partnership)

I. About the accounting firm proposed to be appointed

(I) Information on the institution

1. Basic information. Established in September 1992, Ernst & Young Hua Ming LLP (Special General Partnership) (hereinafter referred to as Ernst & Young) completed its localisation transformation from a Sino-foreign cooperative limited liability accounting firm to a special general partnership accounting firm in August 2012. Ernst & Young is headquartered in Beijing, with its registered address at Room 01-12, Level 17, Ernst & Young Tower, Oriental Plaza, No.1 East Chang'an Avenue, Dongcheng District, Beijing. By the end of 2022, it had 229 partners, and its managing partner was Mr. Mao Anning. Ernst & Young has always been committed to the training of talents. By the end of 2022, Ernst & Young had 1,818 certified public accountants. Among them, more than 1,500 had experience in providing audit services for securities-related business and more than 400 had ever signed securities audit reports. In 2021, Ernst & Young's total business revenue was RMB 5.49 billion, including RMB 5.282 billion from auditing business (RMB 2.27 billion from securities business). In 2021, it audited the annual reports of 116 A-share listed companies, for a total service fee of RMB 763 million. These listed companies were mainly operating in manufacturing, finance, wholesale and retail trade, information transmission, software and information technology services and real estate industries. The company has offered services for three listed companies in the same industry.

Ernst & Young has been providing annual report/internal control audit services for the Company for 3 consecutive years since 2020, and the previous year's audit opinion is a standard unqualified opinion. There is no such case that the Company appointed Ernst & Young to conduct some audits and then dismissed it.

2. Investor protection capability Ernst & Young has a strong investor protection capability, and has allocated the occupational risk funds and purchased occupational insurance covering Beijing headquarters and all its branches in accordance with

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relevant laws and regulations. The sum of the occupational risk funds allocated and the aggregate limit of indemnity of the purchased occupational insurance exceeds RMB 200 million. Ernst & Young has not been required to bear any civil liabilities due to civil litigation related to its practice in the past three years.

3. Integrity record. In the past three years, Ernst & Young and its practitioners have not been subject to any criminal penalties, administrative penalties, self-regulatory measures or disciplinary sanctions by self-regulatory organisations such as stock exchanges and industry associations. It has received a warning letter from the securities regulator twice, involving thirteen practitioners. But the warning letter is by nature a regulatory measure, rather than an administrative penalty. In accordance with the relevant laws and regulations, the regulatory measure will not affect Ernst & Young's ability to continue to provide services for the securities and other related business.

(II) About the Project

1. Basic information. Ms. Zhou Ying, a project partner/signatory certified public accountant, became a certified public accountant in 1994, and started providing audit services for listed companies in 1998. She joined Ernst & Young in 2015, and started to provide audit services for the Company in 2020. In the past three years, she has signed/reviewed the annual reports/internal control of 4 listed companies operating in the construction, wholesale and retail trade, manufacturing, leasing and business service industries.

Ms. Yang Shujuan, a project partner/signatory certified public accountant, became a certified public accountant in 1997, and started providing audit services for listed companies in 1994. She joined Ernst & Young in 1994, and started to provide audit services for the Company in 2020. In the past three years, she has signed/reviewed the annual reports/internal control of 3 listed companies operating in the construction, wholesale and retail trade, scientific research and technical service industries.

Ms. Shen Yan, a project partner/signatory certified public accountant, became a certified public accountant in 2010 and started providing audit services for listed companies in 2004. She joined Ernst & Young in 2001, and started to provide audit services for the Company in 2020. In the past three years, she has signed/reviewed the annual reports/internal control of 4 listed companies operating in the construction and manufacturing industries.

Ms. Zhang Ningning, a project quality control auditor, became a certified public accountant in 1999 and started providing audit services for listed companies in 1997. She joined Ernst & Young in 1997, and started to provide audit services for the Company in 2021. In the past three years, she has signed/reviewed the annual reports/internal control of 9 listed companies operating in the construction, real estate, manufacturing, electricity, heat, gas and water production and supply, agriculture, forestry, animal husbandry and fishery industries.

2. Integrity record. During the past three years, none of the above-mentioned project partners, signatory certified public accountants or project quality control auditors has been subject to any criminal penalty or any administrative sanctions, supervisory or administrative measures by China Securities Regulatory Commission or its regional offices or the industry regulator, or any self-regulatory measures or disciplinary sanctions by self-regulatory organizations, such as stock exchanges and industry associations, for their professional conduct.

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3. Independence. Neither Ernst & Young, nor the above project partners, signatory certified public accountants or project quality control auditors has violated the independence requirements of the Code of Ethics for Chinese Certified Public Accountants.

4. Audit fee. The Board of Directors of the Company requested the Company to authorize it at the annual general meeting to negotiate with Ernst & Young about the audit fee in accordance with the audit requirements and audit scope in 2023.

III. Procedures to re-appoint the accounting firm

On April 13, 2023, the Audit and Risk Committee of the 3rd Board of Directors of the Company deliberated on and approved the "Proposal on the Reappointment of Auditor of Financial Reports of China State Construction Engineering Corporation Limited for 2023" and "Proposal on the Reappointment of Auditor of Internal Control of China State Construction Engineering Corporation Limited for 2023", and submitted them to the Board of Directors for deliberation.

After reviewing the basic information of Ernst & Young and information on its personnel, business scale, professional competence, investor protection capability, independence and integrity, the Audit and Risk Committee of the Board of Directors is of the opinion that Ernst & Young has the statutory qualifications to provide audit services in Chinese mainland and relevant regions and countries, and has rich experience in providing audit services for listed companies; the audit projects completed in the past have proved that it is capable of conducting audits in an independent, fair and objective manner; it has fulfilled the responsibilities and obligations as an external auditor; and at the same time, it has a strong investor protection capability. After reviewing the resumes, professional qualifications, independence and integrity records, the Committee is of the opinion that the project partners, signatory certified public accountants and quality control auditors have rich practical experience, have not violated the independence requirements of the Code of Professional Ethics for Chinese Certified Public Accountants, and have not been subject to criminal penalties, administrative penalties, administrative supervision measures or self-regulatory measures in the past three years. The Company's re-appointment of Ernst & Young as auditor of financial reports and internal control for the year 2023 is in accordance with the relevant provisions of the Company Law and the Articles of Association, and will not be prejudicial to the interests of shareholders, in particular minority shareholders.

According to the "Proposal on the Reappointment of Auditor of Financial Reports of China State Construction Engineering Corporation Limited for 2023" and "Proposal on the Reappointment of Auditor of Internal Control of China State Construction Engineering Corporation Limited for 2023" respectively approved at the 33rd meeting of the 3rd Board of Directors and the 20th meeting of the 3rd Board of Supervisors on April 17, 2023, Ernst & Young will be appointed to audit the 2023 annual financial report and the internal control for a period from the date of the Company's 2022 annual shareholders' meeting to the date of the next annual shareholders' meeting, with the audit fee to be determined by the Board of Directors as authorized by the annual general meeting of the Company.

The independent directors of the Company have given a prior-approval opinion on this matter and have issued the following independent opinion: The Board of Directors of the Company has obtained our consent before deliberating on the "Proposal on the Reappointment of Auditor of Financial Reports of China State Construction Engineering Corporation Limited for 2023" and "Proposal on the Reappointment of

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Auditor of Internal Control of China State Construction Engineering Corporation Limited for 2023", and the Audit and Risk Committee of the Board of Directors proposed to reappoint Ernst & Young as auditor of the Company's financial report and internal control for 2023. It is of our opinion that Ernst & Young has the statutory qualifications to provide audit services in Chinese mainland, Hong Kong, and other relevant regions and countries, and has rich experience in providing audit services for listed companies, and a strong customer protection capability. It has a good integrity record and is capable of conducting audit in an independent, objective and impartial manner. The Company's decision-making and deliberation processes with respect to re-appointment of Ernst & Young as auditor of the financial reports and internal control for 2023 is in accordance with the relevant provisions of the Company Law and the Articles of Association, and will not be prejudicial to the interests of the Company, in particular minority shareholders. Hence, we agree to re-appoint Ernst & Young as the auditor of the Company's financial reports and internal control for 2023, and agree to submit the relevant proposals to the Company's annual general meeting for consideration.

The above proposals shall be subject to consideration by the Company's annual general meeting and shall take effect from the date of approval.

The above is hereby announced.

The Board of Directors of China State Construction Engineering Corporation Limited
April 17, 2023