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中国建设银行

China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

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

(Stock Code: 939)

Announcement on the Establishment of the House Rental Fund

Important Notice:

- China Construction Bank Corporation (the “**Bank**”) proposed to establish the house rental fund, raising a total of RMB30 billion. The Bank will contribute RMB29.999 billion to the house rental fund (the “**Investment**”).
- The Investment has been considered and approved by the board of directors of the Bank (the “**Board**”) and is not required to be submitted to the shareholders’ general meeting.
- The Investment has been approved by the China Banking and Insurance Regulatory Commission (“**CBIRC**”).
- The establishment of the fund is subject to necessary approval, filing, registration and other procedures with the relevant authorities.

I. Overview of the Investment

To implement in depth the decisions and plans of the CPC Central Committee and the State Council, encourage both housing rentals and purchases, move faster to develop the long-term rental market, increase the supply of government-subsidized rental housing, and facilitate positive circulation and sound development in the real estate sector, the Bank proposed to establish the house rental fund. The Bank will contribute RMB29.999 billion to the house rental fund with its own funds.

The Investment does not constitute a notifiable transaction of the Bank under Chapter 14 and a connected transaction of the Bank under Chapter 14A of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*.

The Investment was considered and approved by the Board of the Bank on 26 July 2022. Voting results: there were 14 valid votes, of which 14 voted in favour of the proposal, 0 voted against the proposal and 0 abstained from voting. Given that there were uncertainties regarding the Investment as the relevant approval procedures for the Investment had not been completed when the Board of the Bank considered and approved the above-mentioned proposal, upon due consideration, the Bank decided to suspend the disclosure of the Investment and had completed the internal registration and approval procedures in relation to the suspension of disclosure in accordance with the relevant requirements of the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange* and the *Administrative Measures for Suspension and Exemption of Information Disclosure of China Construction Bank Corporation*.

The Investment will not be submitted to the shareholders' general meeting for approval.

The Investment has been recently approved by the CBIRC.

II. Profiles of the Proposed Fund

Name of the Fund: CCB House Rental Fund (Limited Partnership) (which is a provisional name, its final name shall be subject to the registration with the market supervision and administration authorities)

Type of the Fund: Limited partnership fund

Proposed Place of Registration: Beijing

Business Scope: It is engaged in equity investment, investment management, asset management and other activities with private funds.

Duration of Investment/Term of the Fund: Provisional ten (10) years, and with assessment of continuity at expiry.

Scale of the Fund: The raising scale of the fund is RMB30 billion, of which RMB29.999 billion will be contributed by the Bank, and RMB1 million will be contributed by a wholly-owned subsidiary of CCB Trust Co., Ltd., a subsidiary of the Bank.

Target Positioning of the Fund: Through investing in the existing assets of real estate enterprises and transforming them into rental housing, increase the supply of market-oriented long-term rental housing and government-subsidized rental housing, and explore a new model of real estate development of both housing rentals and purchases.

Operating Mechanism of the Fund: The fund shall establish a standardized governance structure, establish the partners' meeting, the council, the investment decision-making committee, the audit and supervision committee, and the expert advisory committee, which shall be responsible for making decisions on the fund strategy, major issues, project investment, internal supervision and professional consultation, and entrust the fund management institution to be responsible for the daily operation and management of the fund.

III. Impact of the Investment on the Bank

The Bank has always followed the pace of the national housing system reform to develop housing finance as a superior business line with its own characteristics. Through the establishment of the fund, the Bank will continue to further promote its house rental strategy, acquire the existing assets of real estate enterprises under market-oriented, law-based and professional operation, strengthen collaboration with relevant parties, explore a new model of real estate development, and promote the stable and sound development of the real estate sector. Meanwhile, the Bank will leverage the group's strengths, transform its housing finance business into a model that covers both rental and purchase ends, serves the upgrading of the existing real estate projects. There will emerge a comprehensive housing financial service system integrating equity investment, merger and acquisition of assets, credit support, lease operation, and listing of real estate investment trusts (REITs), etc., to continuously sharpen the differentiated competitive edge of the Bank in the field of real estate finance.

IV. Risk Analysis

The establishment of the fund is subject to necessary approval, filing, registration and other procedures with the relevant authorities.

The Bank attaches great importance to the operation and management of the fund, and has established coordination mechanisms and decision-making procedures for the relevant risk policies at the group's level. The Bank will take a series of measures to implement risk control of the fund.

As affected by various factors such as national policies, macroeconomics, industry cycles, investment targets and investment management, there are uncertainties in the investment profits of the fund. Investors are advised to pay attention to the uncertainty.

Announcement of the captioned matter is hereby given.

By order of the Board
China Construction Bank Corporation
Zhang Jinliang
Vice Chairman, Executive Director and President

23 September 2022

As at the date of this announcement, the executive directors of the Bank are Mr. Tian Guoli and Mr. Zhang Jinliang; the non-executive directors of the Bank are Mr. Xu Jiandong, Mr. Zhang Qi, Mr. Tian Bo, Mr. Xia Yang, Ms. Shao Min and Ms. Liu Fang; and the independent non-executive directors of the Bank are Sir Malcolm Christopher McCarthy, Mr. Kenneth Patrick Chung, Mr. Graeme Wheeler, Mr. Michel Madelain, Mr. William Coen and Mr. Leung Kam Chung, Antony.