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中國交通建設股份有限公司
CHINA COMMUNICATIONS CONSTRUCTION COMPANY LIMITED
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1800)

ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS
FINANCE LEASE FRAMEWORK AGREEMENT ENTERED INTO
BETWEEN CCCC FINANCIAL LEASING AND CCCG

Reference is made to the announcement of the Company dated 21 April 2017, in relation to the Original Finance Lease Framework Agreement. On 21 April 2017, CCCC Financial Leasing, a subsidiary of the Company, entered into the Original Finance Lease Framework Agreement with CCCG, pursuant to which CCCC Financial Leasing agreed to provide finance lease services to CCCG Group in respect of the Leased Assets for the period from 21 April 2017 to 31 December 2017.

In order to renew the transactions contemplated under the Original Finance Lease Framework Agreement, CCCC Financial Leasing and CCCG entered into Finance Lease Framework Agreement on 29 March 2018 for the period from the period from 29 March 2018 to 31 December 2018.

As at the date of this announcement, CCCG is the controlling Shareholder of the Company holding approximately 63.84% interests in the issued ordinary shares of the Company, and is therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the transactions contemplated under the Finance Lease Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Hong Kong Listing Rules) of the aggregate amount for the finance lease services offered by CCCC Financial Leasing contemplated under the Finance Lease Framework Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the Finance Lease Framework Agreement and the aggregate amount thereunder are subject to the reporting, annual review and announcement requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 21 April 2017, in relation to the Original Finance Lease Framework Agreement. On 21 April 2017, CCCC Financial Leasing, a subsidiary of the Company, entered into the Original Finance Lease Framework Agreement with CCCG, pursuant to which CCCC Financial Leasing agreed to provide finance lease services to CCCG Group in respect of the Leased Assets for the period from 21 April 2017 to 31 December 2017.

In order to renew the transactions contemplated under the Original Finance Lease Framework Agreement, CCCC Financial Leasing and CCCG entered into Finance Lease Framework Agreement on 29 March 2018 for the period from the period from 29 March 2018 to 31 December 2018.

FINANCE LEASE FRAMEWORK AGREEMENT

The principal terms of the Finance Lease Framework Agreement are set out as follows:

Date

29 March 2018

Parties

- (1) CCCC Financial Leasing; and
- (2) CCCG

Term

Commencing from 29 March 2018 to 31 December 2018

Finance Lease

Pursuant to the Finance Lease Framework Agreement, CCCC Financial Leasing will provide finance lease services to CCCG Group in respect of the Leased Assets by way of direct leasing or sale and lease back arrangement.

The aggregate amount of the Finance Leases offered by CCCC Financial Leasing to CCCG Group shall not exceed RMB2,200 million for the period from 29 March 2018 to 31 December 2018.

Under the sale and lease back arrangement, CCCC Financial Leasing will purchase Leased Assets from CCCG Group, and then CCCC Financial Leasing will lease such Leased Assets back to CCCG Group for an agreed term and will receive the rental fees and other miscellaneous fees on a periodic basis.

Leased Assets

The Leased Assets primarily include engineering equipment and furniture, hotel equipment and furniture, equipment for commercial centers, and the right of return on specific assets of real estate projects, etc.

Rental Fees

The rental fees and other miscellaneous fees payable by CCCG Group to CCCC Financial Leasing with respect to the Finance Leases shall be determined at following arm's length negotiation between the parties with reference to the prevailing market prices for comparable finance lease services, after taking into account various factors, such as finance costs, value of the Leased Assets, lease period, etc.

CCCC Financial Leasing will refer to its quotations for similar services offered to at least two/three independent third parties, so as to ensure that such quotations shall not be lower than the fees for comparable finance lease services available from other financial leasing companies in the PRC or the fees for similar finance lease services offered by CCCC Financial Leasing to other companies.

Ownership of Leased Assets

Under the sale and lease back arrangement, the ownership of the abovementioned Leased Assets will be vested in CCCC Financial Leasing throughout the lease period. Upon expiry of the lease period, CCCC Financial Leasing shall transfer the ownership of the Leased Assets back to CCCG Group at a nominal consideration.

Separate Contracts

In respect of each Finance Lease, CCCC Financial Leasing and the relevant member of CCCG Group will enter into separate implementation contract(s). The terms of each implementation contract will be in line with the terms of the Finance Lease Framework Agreement. Each implementation contract shall be subject to and conditional upon the Finance Lease Framework Agreement continuing to be in force.

AGGREGATE AMOUNT OF FINANCE LEASES

The aggregate amount of the Finance Leases offered by CCCC Financial Leasing to CCCG Group shall not exceed RMB2,200 million for the period from 29 March 2018

to 31 December 2018 under the Finance Lease Framework Agreement. When estimating the aforesaid amount for the Finance Leases offered by CCCC Financial Leasing under the Finance Lease Framework Agreement, the Company has principally considered the following factors: (i) the value, nature and expected use of the life of the Leased Assets; (ii) the development plan of CCCG Group and its demand for the finance lease services provided by CCCC Financial Leasing; (iii) the capability and flexibility of CCCC Financial Leasing in providing finance lease services to CCCG Group; and (iv) the historical transaction amount for the year 2017. The Directors (including the independent non-executive Directors) are of the view that the amount for the abovementioned continuing connected transactions is fair and reasonable and in the interest of the Company and its Shareholders as a whole.

For the year ended 31 December 2017, the actual aggregate amount of the Finance Leases offered by CCCC Financial Leasing to CCCG Group was RMB1,000 million.

The Company confirmed that the actual amount of the Finance Leases offered by CCCC Financial Leasing to CCCG Group during the period from 1 January 2018 to the date of this announcement fell within the de minimis threshold under the Hong Kong Listing Rules.

REASONS AND BENEFITS

CCCC Financial Leasing is a non-banking financial institution offering comprehensive finance lease services to enterprises. The provision of finance lease services by CCCC Financial Leasing to CCCG Group is in the ordinary and usual course of business of CCCC Financial Leasing, and CCCC Financial Leasing will receive revenue from the provision of finance leasing services to CCCG Group under the Finance Leasing Framework Agreement.

The Directors (including all the independent non-executive Directors) are of the view that the terms of the Finance Lease Framework Agreement and the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of CCCC Financial Leasing, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

HONG KONG LISTING RULES IMPLICATIONS

As at the date of this announcement, CCCG is the controlling shareholder of the Company holding approximately 63.84% interests in the issued ordinary shares of the

Company, and is therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the transactions contemplated under the Finance Lease Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Hong Kong Listing Rules) of the aggregate amount for the finance lease services offered by CCCC Financial Leasing contemplated under the Finance Lease Framework Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the Finance Lease Framework Agreement and the aggregate amount thereunder are subject to the reporting, annual review and announcement requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

Mr. Liu Qitao and Mr. Chen Fenjian are also directors of CCCG, and are deemed to have material interests in the transactions under the abovementioned continuing connected transactions and have abstained from voting on the relevant resolution of the Board. Save for the directors mentioned above, none of the other Directors has or is deemed to have a material interest in the abovementioned transactions.

BACKGROUND AND GENERAL INFORMATION OF THE PARTIES

CCCC Financial Leasing is a subsidiary of the Company incorporated in the PRC and is primarily engaged in provision of finance lease services in relation to infrastructure construction, engineering equipment, and commercial real estate and tourism and relevant consulting services, guarantee and factoring business.

CCCG is a state-owned enterprise established under the laws of the PRC and the controlling shareholder of the Company, holding approximately 63.84% interest in the issued ordinary shares of the Company as at the date of this announcement. CCCG is primarily engaged in real estate development and property management, shipbuilding, ship chartering and maintenance, ocean engineering, consulting and construction services for ships and corollary equipment of harbours, import and export business, investment in and management of transportation industry, and other businesses.

DEFINITIONS

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

“Board”	the board of directors of the Company
“CCCC Financial Leasing”	CCCC Financial Leasing Co., Ltd. (中交建融租賃有限公司), a subsidiary of the Company
“CCCCG”	China Communications Construction Group (Limited) (中國交通建設集團有限公司), a state-owned enterprise established under the laws of the PRC and the controlling shareholder of the Company
“CCCCG Group”	CCCCG and/or its subsidiaries, excluding the Group
“Company”	China Communications Construction Company Limited, a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on The Stock Exchange of Hong Kong Limited under stock code 1800 and the A shares of which are listed on the Shanghai Stock Exchange under stock code 601800
“connected person”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“Finance Lease Framework Agreement”	the finance lease framework agreement dated 29 March 2018 entered into between CCCC Financial Leasing and CCGG in respect of the Finance Leases
“Finance Lease(s)”	the finance lease services provided by CCCC Financial Leasing to CCGG Group pursuant to the Finance Lease Framework Agreement
“Group”	the Company and its subsidiaries
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Leased Assets”	the assets listed in the Finance Lease Framework Agreement, which include infrastructure construction equipment, engineering equipment, furniture and equipment for commercial real estate, and the right of return on specific assets of real estate projects, etc.
“Original Finance Lease Framework Agreement”	the finance lease framework agreement dated 21 April 2017 entered into between CCCC Financial Leasing and CCCG in respect of the Finance Leases
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“RMB”	the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“%”	percent

By Order of the Board
China Communications Construction Company Limited
ZHOU Changjiang
Company Secretary

Beijing, the PRC

29 March 2018

As at the date of this announcement, the Directors are LIU Qitao, CHEN Fenjian, FU Junyuan, CHEN Yun, LIU Maoxun, QI Xiaofei, HUANG Long#, ZHENG Changhong# and NGAI Wai Fung#.

Independent non-executive Director