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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  
CONNECTED TRANSACTION  
CAPITAL INCREASE IN CCCCSA SARL**

On 11 January 2019, the Company and its subsidiaries, namely CHEC, CRBC, CCC Dredging, entered into the Shareholders' Agreement with ZPMC and CCCG Overseas Real Estate (both are subsidiaries of CCCG), pursuant to which the Company, CHEC, CRBC, ZPMC and CCC Dredging agreed to make a capital contribution of US\$18,115,314, US\$16,306,092, US\$14,489,171, US\$14,489,171 and US\$13,588,410 (equivalent to approximately HK\$142,005,946, HK\$127,823,455, HK\$113,580,611, HK\$113,580,611 and HK\$106,519,546) to CCCCSA SARL in cash, respectively.

As at the date of this announcement, ZPMC and CCCG Overseas Real Estate are subsidiaries of CCCG, the controlling shareholder of the Company which holds approximately 59.91% interest in the Company. ZPMC and CCCG Overseas Real Estate are thus connected persons of the Company. As such, the Capital Increase under the Shareholders' Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

Prior to the Capital Increase, CCCCSA SARL is owned as to an aggregate of 69% interest by the Company and its subsidiaries while an aggregate of 31% interest by ZPMC and CCCG Overseas Real Estate. Upon completion of the Capital Increase, the Company and its subsidiaries will hold an aggregate of 74.21% interest while ZPMC and CCCG Overseas Real Estate will hold an aggregate of 25.79% interest in CCCCSA SARL. As such, CCCCSA SARL will remain a connected subsidiary of the Company by virtue of Rule 14A.16 of the Hong Kong Listing Rules.

As the highest applicable percentage ratio in respect of the Capital Increase under the Shareholders' Agreement exceeds 0.1% but is less than 5%, the Shareholders' Agreement and the transaction contemplated thereunder is subject to the announcement requirement but is exempted from the independent shareholders' approval requirement under the Hong Kong Listing Rules.

## INTRODUCTION

The Board hereby announces that on 11 January 2019, the Company and its subsidiaries, namely CHEC, CRBC, CCCC Dredging, entered into the Shareholders' Agreement with ZPMC and CCCG Overseas Real Estate (both are subsidiaries of CCCG), pursuant to which the Company, CHEC, CRBC, ZPMC and CCCC Dredging agreed to make a capital contribution of US\$18,115,314, US\$16,306,092, US\$14,489,171, US\$14,489,171 and US\$13,588,410 (equivalent to approximately HK\$142,005,946, HK\$127,823,455, HK\$113,580,611, HK\$113,580,611 and HK\$106,519,546) to CCCCSA SARL in cash, respectively.

## THE SHAREHOLDERS' AGREEMENT

The principal terms of the Shareholders' Agreement are set out below:

- Date: 11 January 2019
- Parties:
- 1) The Company
  - 2) CHEC
  - 3) CRBC
  - 4) ZPMC
  - 5) CCCC Dredging; and
  - 6) CCCG Overseas Real Estate

Subject matter:	Shareholder	Shareholding before the Capital Increase	Capital contribution in the Capital Increase		Shareholding after the Capital Increase
			(US\$)	(HK\$)	
	The Company	20%	18,115,314	142,005,946	21.51%
	CHEC	18%	16,306,092	127,823,455	19.36%
	CRBC	16%	14,489,171	113,580,611	17.21%
	ZPMC	16%	14,489,171	113,580,611	17.21%
	CCCC Dredging	15%	13,588,410	106,519,546	16.13%
	CCCG Overseas Real Estate	15%	0	0	8.58%

As at the date of this announcement, the share capital of CCCCSA SARL is US\$103,000,000 (equivalent to approximately HK\$807,417,000). Upon completion of the Capital Increase, the share capital of CCCCSA SARL will be US\$179,988,158 (equivalent to approximately HK\$1,410,927,171).

The amount of the capital contributions made by the parties under the Shareholders' Agreement is determined after arm's length negotiations with reference to the capital demands for future development of CCCCSA SARL and its subsidiaries.

Payment of the capital contribution:	Each of the Company, CHEC, CRBC, ZPMC and CCCC Dredging will pay its capital contribution in cash.
Use of the increased capital:	The increased capital will mainly be used to acquire 51% interest in a project company incorporated in Brazil in order to invest in and develop the Sao Luiz Port located in State of Maranhao of Brazil regarding bulk cargo.
Board:	Upon completion of the Capital Increase, the board of directors of CCCCSA SARL will comprise seven directors. The Company is entitled to nominate two directors while each of CHEC, CRBC, ZPMC, CCCC Dredging and CCCG Overseas Real Estate is entitled to nominate one director, respectively.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Capital Increase will enable CCCCSA SARL to invest in and construct the Sao Luiz port located in Brazil, which is beneficial to the Company's control of the port logistics channel in northern Brazil and in line with the national strategy layout of food security. As a significant measure in implementing the "Three Steps" Strategy of CCCCSA SARL, the transaction also facilitates the Company's market layout in Brazil, strengthens its business model innovation and is in line with its strategy of operating internationally and giving priority to overseas development.

## **INFORMATION OF CCCCSA SARL**

CCCCSA SARL was incorporated in Grand Duchy of Luxembourg and is primarily engaged in providing whole-package infrastructure solution to clients in Latin America, from upfront studies, engineering, financing, construction to management and operation and investment of infrastructure assets.

According to the unaudited consolidated financial statements of CCCCSA SARL prepared pursuant to the Luxembourg Accounting Standards, the net book value of the assets of CCCCSA SARL was approximately US\$122,002,578 (equivalent to approximately HK\$956,378,209) as at 30 June 2018. Set out below is the net profit / (loss) attributable to CCCCSA SARL (before and after taxes and extraordinary items) for the two financial years ended 31 December 2016 and 2017.

	<b>For the year ended</b>		<b>For the year ended</b>	
	<b>31 December 2016</b>		<b>31 December 2017</b>	
	<i>(US\$)</i>	<i>(HK\$)</i>	<i>(US\$)</i>	<i>(HK\$)</i>
Net profit / (loss) after taxes and extraordinary items	0	0	(10,890,903.03)	(85,373,788.85)
Net profit / (loss) before taxes and extraordinary items	0	0	(10,885,827.54)	(85,334,002.09)

#### **CONFIRMATION FROM THE DIRECTORS**

Mr. LIU Qitao and Mr. SONG Hailiang, being Directors of the Company, are also directors of CCCG, and therefore are deemed to have material interests in the Capital Increase, and have abstained from voting on the relevant Board resolution. Save for Mr. LIU Qitao and Mr. SONG Hailiang, none of the other Directors has or is deemed to have a material interest in the abovementioned connected transaction.

The Directors (including the independent non-executive Directors), having made all reasonable and due inquiries, are of the opinion that the terms of the Shareholders' Agreement are fair and reasonable and on normal commercial terms, and the Capital Increase contemplated thereunder, although not conducted in the ordinary and usual course of the business of the Company, is in the interests of the Company and its shareholders as a whole.

#### **HONG KONG LISTING RULES IMPLICATIONS**

As at the date of this announcement, ZPMC and CCCG Overseas Real Estate are subsidiaries of CCCG, the controlling shareholder of the Company which holds approximately 59.91% interest in the Company. ZPMC and CCCG Overseas Real Estate are thus connected persons of the Company. As such, the Capital Increase under the Shareholders' Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

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## **GENERAL INFORMATION**

### ***The Company***

The Company is a leading transportation infrastructure enterprise in the PRC with its core businesses of infrastructure construction, infrastructure design and dredging. It is primarily engaged in providing customers with integrated solutions services for each stage of the infrastructure projects leveraging on its extensive operating experience, expertise and know-how accumulated from projects undertaken in a wide range of areas over the past six decades.

### ***CHEC***

CHEC is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in basic infrastructure construction, such as marine engineering, roads and bridges, railway, airports, complete equipment and other projects.

### ***CRBC***

CRBC is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in engineering contracting such as road, bridge, port, airport, tunnel, waterway transportation construction and municipal projects in the PRC and overseas, as well as businesses such as investment, industrial investment, trading, leasing and servicing.

### ***CCCC Dredging***

CCCC Dredging is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in navigation channel dredging, port and navigation channel construction, exploration and survey, environmental and municipal projects construction and sales of equipment.

### ***ZPMC***

ZPMC is an enterprise established under the laws of the PRC and a non-wholly owned subsidiary of CCCG. ZPMC is primarily engaged in design, construction, installation and contracting of large port handling systems and equipment, heavy marine equipment, construction machinery, engineering ships, and large metal structures, their parts and accessories, ship repair, self-produced crane rental business, selling self-made products, engaged in international maritime shipping using special transport ships for shipping whole-machinery, steel structure engineering professional contracting, power engineering construction and mechanical and electrical installation engineering construction.

### ***CCCG Overseas Real Estate***

CCCG Overseas Real Estate is an enterprise established in Singapore with limited liabilities and a subsidiary of CCCG. It is primarily engaged in real estate development and management, and real estate related asset management and technical consultation.

## **DEFINITIONS**

“Board”	the board of directors of the Company
“Capital Increase”	the capital increase of CCCCSA SARL by the Company, CHEC, CRBC, ZPMC and CCCC Dredging contemplated under the Shareholders’ Agreement
“CCCC Dredging”	CCCC Dredging (Group) Co., Ltd. (中交疏浚(集團)股份有限公司), a wholly-owned subsidiary of the Company
“CCCCSA SARL”	CCCC South America Regional Company S.à.r.l. (中國交建南部美洲區域公司), a company organized and existing under the laws of Grand Duchy of Luxembourg and a connected 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 Overseas Real Estate”	CCCCG Overseas Real Estate Pte. Ltd. (中交海外房地產有限公司), a company established in Singapore with limited liabilities and a subsidiary of CCCC
“CHEC”	China Harbour Engineering Company Ltd. (中國港灣工程有限責任公司), a wholly-owned subsidiary of the Company
“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 Hong Kong Stock Exchange 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
“CRBC”	China Road and Bridge Corporation (中國路橋工程有限責任公司), a wholly-owned subsidiary of the Company
“Hong Kong Listing Rules”	The Rules Governing the Listing of Shares on The Stock Exchange of Hong Kong Limited
“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
“Shareholders’ Agreement”	the shareholders’ agreement entered into among the Company, CHEC, CRBC, ZPMC, CCCC Dredging and CCCC Overseas Real Estate in relation to the Capital Increase in CCCC SA SARL on 11 January 2019
“US\$”	the lawful currency of the United States of America
“ZPMC”	Shanghai Zhenhua Heavy Industries Co., Ltd (上海振華重工(集團)股份有限公司), a company incorporated on 14 February 1992 in the PRC and listed on the Shanghai Stock Exchange, and a non-wholly owned subsidiary of CCCC
“%”	percent

*For the purpose of this announcement, unless the context otherwise requires, conversion of US\$ into HK\$ is based on the approximate exchange rate of US\$1.00 to HK\$7.839. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in US\$ or HK\$ have been, could have been or may be converted at such or any other rate or at all.*

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

Beijing, the PRC  
11 January 2019

*As at the date of this announcement, the Directors are LIU Qitao, SONG Hailiang, CHEN Yun, LIU Maoxun, QI Xiaofei, HUANG Long<sup>#</sup>, ZHENG Changhong<sup>#</sup> and NGAI Wai Fung<sup>#</sup>.*

<sup>#</sup> *Independent non-executive Director*