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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
ACQUISITION OF 30% EQUITY INTEREST IN CRED TIANJIN

The Board hereby announces that, in accordance with the resolution passed at the thirty-second meeting of the fourth session of the Board, CFHEC, CCCC Beijing-Tianjin-Hebei, CCCG Property and CRED Tianjin entered into the Equity Transfer Agreement on 23 January 2020, pursuant to which CFHEC has conditionally agreed to acquire and CCCG Property has conditionally agreed to sell 20% equity interest in CRED Tianjin at the consideration of RMB560,001,100, and CCCC Beijing-Tianjin-Hebei has conditionally agreed to acquire and CCCG Property has conditionally agreed to sell 10% equity interest in CRED Tianjin at the consideration of RMB280,000,550.

As at the date of this announcement, CCCG Property and CRED Tianjin are subsidiaries of CCCG, the controlling Shareholder of the Company which holds approximately 57.96% equity interests in the issued ordinary shares of the Company. CCCG Property and CRED Tianjin are thus connected persons of the Company under the Hong Kong Listing Rules. As such, the transaction under the Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

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

BACKGROUND

The Board hereby announces that, in accordance with the resolution passed at the thirty-second meeting of the fourth session of the Board, CFHEC, CCCC Beijing-Tianjin-Hebei, CCCG Property and CRED Tianjin entered into the Equity Transfer Agreement on 23 January 2020, pursuant to which CFHEC has conditionally agreed to acquire and CCCG Property has conditionally agreed to sell 20% equity interest in CRED Tianjin at the consideration of RMB560,001,100, and CCCC Beijing-Tianjin-Hebei has conditionally agreed to acquire and CCCG Property has conditionally agreed to sell 10% equity interest in CRED Tianjin at the consideration of RMB280,000,550.

EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are set out as below:

- Date:** 23 January 2020
- Parties:**
- 1) CFHEC;
 - 2) CCCC Beijing-Tianjin-Hebei;
 - 3) CCCG Property; and
 - 4) CRED Tianjin
- Subject Matter:** Pursuant to the Equity Transfer Agreement, CFHEC has conditionally agreed to acquire and CCCG Property has conditionally agreed to sell 20% equity interest in CRED Tianjin; CCCC Beijing-Tianjin-Hebei has conditionally agreed to acquire and CCCG Property has conditionally agreed to sell 10% equity interest in CRED Tianjin.
- Consideration:** Pursuant to the Equity Transfer Agreement, the consideration payable by CFHEC for acquisition of 20% equity interest in CRED Tianjin is RMB560,001,100; the consideration payable by CCCC Beijing-Tianjin-Hebei for acquisition of 10% equity interest in CRED Tianjin is RMB280,000,550.

The consideration was determined after arm's length negotiation with reference to the appraised net assets value of CRED Tianjin as at 23 November 2019 (i.e., the valuation benchmark date) as set out in the assets valuation report prepared by China Appraisal Associates* (北京中天華資產評估有限責任公司), a qualified independent PRC valuer, using the asset-based approach (i.e., RMB2,800,005,500).

Payment: CFHEC and CCCC Beijing-Tianjin-Hebei shall pay their respective consideration for the equity acquisition in one lump sum to the bank account designated by CCCG Property within 30 days after the entering into of the Equity Transfer Agreement.

Others: CCCG Property shall properly complete relevant industrial and commercial registration procedures for changes within 30 days upon completion of the internal approval procedures by CRED Tianjin in respect of the Equity Transfer Agreement and the payment of respective consideration for equity acquisition by CFHEC and CCCC Beijing-Tianjin-Hebei.

INFORMATION ABOUT CRED TIANJIN

CRED Tianjin was incorporated in the PRC on 20 November 2019 and is primarily engaged in real estate development and operation, hotel management and property management, etc. As at the date of this announcement, CRED Tianjin is a wholly-owned subsidiary of CCCG Property, which has fully paid the 100% registered capital of CRED Tianjin (i.e., RMB2,800,000,000). Upon completion of the equity acquisition, CCCG Property, CFHEC and CCCC Beijing-Tianjin-Hebei will hold 70%, 20% and 10% equity interests in CRED Tianjin, respectively.

According to the assets valuation report, the book value of the net assets of CRED Tianjin was RMB2,800,005,500 as at the valuation benchmark date. As at the date of this announcement, as CRED Tianjin has not in operation yet, no revenue or profit has been generated by CRED Tianjin.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The equity acquisition will facilitate the structural adjustment, transformation and upgrade of investment business of CFHEC and CCCC Beijing-Tianjin-Hebei, both of which are subsidiaries of the Company, to meet the requirements of market development. In addition, it will be conducive to the Company's regional layout and market development to obtain satisfactory economic benefits, and therefore is helpful to the realisation of the interests of the Company and its Shareholders as a whole.

CONFIRMATION FROM DIRECTORS

Mr. LIU Qitao and Mr. SONG Hailiang, Mr. LIU Maoxun and Mr. QI Xiaofei, being the Directors of the Company, are also the directors of CCCG, and therefore are deemed to have material interests in the transaction contemplated under the Equity Transfer Agreement, and have abstained from voting on the relevant Board resolution. Save for the above Directors, none of the other Directors of the Company 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 enquiries, are of the view that the terms of the Equity Transfer Agreement are fair and reasonable and on normal commercial terms, and the transaction contemplated thereunder is conducted in the ordinary and usual course of business of the Company and is in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS OF HONG KONG LISTING RULES

As at the date of this announcement, CCCG Property and CRED Tianjin are subsidiaries of CCCG, the controlling Shareholder of the Company which holds approximately 57.96% equity interests in the issued ordinary shares of the Company. CCCG Property and CRED Tianjin are thus connected persons of the Company under the Hong Kong Listing Rules. As such, the transaction under the Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

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

GENERAL INFORMATION

(1) The Company

The Company is a leading transportation infrastructure enterprise in the PRC. Its scope of business mainly consists of the investment, design, construction, operation and management of port, waterway, river basin, road and bridge, railway, tunnel, rail transit, municipal infrastructure, environmental protection and land reclamation at home and abroad. The Company 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.

(2) CFHEC

CFHEC is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in the engineering design, consultation, construction and general contracting business in the field of transportation infrastructure construction.

(3) CCCC Beijing-Tianjin-Hebei

CCCC Beijing-Tianjin-Hebei is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in investment, development, construction and operation of transportation infrastructure and urban complex, etc.

(4) CCCG Property

CCCG Property, a company incorporated in the PRC with limited liability, is a wholly-owned subsidiary of CCCG as at the date of this announcement, and is primarily engaged in the investment of real estate, comprehensive development and operation of real estate and urban-rural integration.

(5) CRED Tianjin

CRED Tianjin, a company incorporated in the PRC with limited liability, is a wholly-owned subsidiary of CCCG as at the date of this announcement, and is primarily engaged in real estate development and operation, hotel management and property management, etc.

DEFINITIONS

In this announcement, unless the content otherwise requires, the following expressions have the following meanings:

“Board”	the board of directors of the Company
“CCCC Beijing-Tianjin-Hebei”	CCCC Beijing-Tianjin-Hebei Investment and Development Co., Ltd.* (中交京津冀投資發展有限公司), a wholly-owned subsidiary of the Company as at the date of this announcement
“CCCG”	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
“CCCG Property”	CCCG Property Co., Ltd.* (中交置業有限公司), a wholly-owned subsidiary of CCCG as at the date of this announcement
“CFHEC”	CCCC First Highway Engineering Group Co., Ltd.* (中交一公局集團有限公司), a wholly-owned subsidiary of the Company as at the date of this announcement
“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 the stock code 1800 and the A shares of which are listed on the Shanghai Stock Exchange under the stock code 601800
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules

“CRED Tianjin”	CRED (Tianjin) Real Estate Development Ltd.* (中房(天津)房地產開發有限公司), a wholly-owned subsidiary of CCCG as at the date of this announcement
“Director(s)”	the director(s) of the Company
“Equity Transfer Agreement”	the equity transfer agreement entered into among CFHEC, CCCC Beijing-Tianjin-Hebei, CCCG Property and CRED Tianjin on 23 January 2020
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, 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
23 January 2020

As at the date of this announcement, the Directors of the Company are LIU Qitao, SONG Hailiang, LIU Maoxun, QI Xiaofei, HUANG Long[#], ZHENG Changhong[#] and NGAI Wai Fung[#].

[#] *Independent non-executive Director*

^{*} *For identification purpose only*