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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
FORMATION OF A PROJECT COMPANY

The Board hereby announces that, in accordance with the resolution passed at the thirty-second meeting of the fourth session of the Board, on 23 January 2020, CCCC Haosheng, CCCC Fourth Harbour, CCCC East China, CCCC Highway Consultants (all are wholly-owned subsidiaries of the Company) and CCCG Real Estate (a non-wholly owned subsidiary of CCCG) entered into the Cooperative Development Contract for the formation of the Project Company and joint development of the project land parcel. Pursuant to the Cooperative Development Contract, the registered capital of the Project Company is RMB800 million, of which RMB80 million will be contributed by CCCC Haosheng, CCCC Fourth Harbour, CCCC East China and CCCC Highway Consultants, respectively, accounting for 10% of the total registered capital of the Project Company, respectively, and RMB480 million will be contributed by CCCG Real Estate, accounting for 60% of the total registered capital of the Project Company.

As at the date of this announcement, CCCG Real Estate is a subsidiary of CCCG, the controlling Shareholder of the Company which holds approximately 57.96% equity interests in the issued ordinary shares of the Company. CCCG Real Estate is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company under the Cooperative Development Contract 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 formation of the Project Company under the Cooperative Development Contract exceeds 0.1% but is less than 5%, the Cooperative Development Contract 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.

BACKGROUND

The Board hereby announces that, in accordance with the resolution passed at the thirty-second meeting of the fourth session of the Board, on 23 January 2020, CCCC Haosheng, CCCC Fourth Harbour, CCCC East China, CCCC Highway Consultants (all are wholly-owned subsidiaries of the Company) and CCCG Real Estate (a non-wholly owned subsidiary of CCCG) entered into the Cooperative Development Contract for the formation of the Project Company and joint development of the project land parcel. Pursuant to the Cooperative Development Contract, the registered capital of the Project Company is RMB800 million, of which RMB80 million will be contributed by CCCC Haosheng, CCCC Fourth Harbour, CCCC East China and CCCC Highway Consultants, respectively, accounting for 10% of the total registered capital of the Project Company, respectively, and RMB480 million will be contributed by CCCG Real Estate, accounting for 60% of the total registered capital of the Project Company.

COOPERATIVE DEVELOPMENT CONTRACT

The principal terms of the Cooperative Development Contract are set out as below:

Date: 23 January 2020

Parties:

- 1) CCCC Haosheng;
- 2) CCCC Fourth Harbour;
- 3) CCCC East China;
- 4) CCCC Highway Consultants; and
- 5) CCCG Real Estate

Project overview: The project land parcel is the land parcel No. WJ-J-2019-029 located in Taihu New Town, Wujiang District, Suzhou City for urban residential use, on which the Project Company will develop and construct the commodity housing project.

Registered capital:	Shareholder	Capital Contribution <i>RMB'million</i>	Percentage <i>%</i>
	CCCC Haosheng	80	10
	CCCC Fourth Harbour	80	10
	CCCC East China	80	10
	CCCC Highway Consultants	80	10
	CCCG Real Estate	480	60
	Total	800	100

The amount of the capital contributions under the Cooperative Development Contract was determined after arm's length negotiations among the parties, taking into account various factors, including the nature of the business, the demand for working capital and future development plans of the Project Company.

Payment of capital contribution: CCCC Haosheng, CCCC Fourth Harbour, CCCC East China, CCCC Highway Consultants and CCCG Real Estate shall make their respective contribution by cash in proportion to their respective shareholding percentage in the Project Company before 14 February 2020.

Scope of business: The scope of business of the Project Company is expected to include development and sale of real estate, sale of building and decoration materials, construction of municipal facilities, leasing of self-owned houses, property management and construction engineering information consultation (subject to registration with industrial and commerce authorities).

Board of directors: The board of directors of the Project Company comprises nine directors. CCCC Haosheng, CCCC Fourth Harbour, CCCC East China and CCCC Highway Consultants are entitled to nominate one director, respectively, and CCCG Real Estate is entitled to nominate five directors.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The purpose of establishing the Project Company by CCCC Haosheng, CCCC Fourth Harbour, CCCC East China, CCCC Highway Consultants and CCCG Real Estate is to jointly develop the land parcel, which will be beneficial to the parties to effectively utilise resources and supplement advantages of each other, and allow the Company to improve its influence and recognition in Suzhou and obtain satisfactory economic benefits. Meanwhile, investment in the project will facilitate restructuring, transformation and upgrade of investment business of the Company and its subsidiaries, so as to meet the needs of market development, 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 Cooperative Development Contract, 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 Cooperative Development Contract 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 Real Estate is a subsidiary of CCCG, the controlling Shareholder of the Company which holds approximately 57.96% equity interests in the issued ordinary shares of the Company. CCCG Real Estate is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company under the Cooperative Development Contract 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 formation of the Project Company under the Cooperative Development Contract exceeds 0.1% but is less than 5%, the Cooperative Development Contract 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.

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) CCCC Haosheng

CCCC Haosheng is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in the development, sale and property management of real estate.

(3) CCCC Fourth Harbour

CCCC Fourth Harbour is a wholly-owned subsidiary of the Company incorporated in the PRC and is principally engaged in the construction of port, railway, bridge, highway and municipal projects, project consultation and survey, manufacturing of marine ancillary equipment and leasing of equipment.

(4) CCCC East China

CCCC East China is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in investment management, enterprise management consultation, engineering management and engineering consultation services.

(5) CCCC Highway Consultants

CCCC Highway Consultants is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in feasibility study, survey, design, supervision and monitoring of highway, bridge, tunnel, airport and facilities along highways, and preparation for standards, codes and quotas.

(6) CCCG Real Estate

CCCG Real Estate, a joint stock company incorporated in the PRC with limited liability, is a non-wholly owned subsidiary of CCCG as at the date of this announcement and is primarily engaged in real estate development and operation business and property management.

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 East China”	CCCC East China Investment Limited* (中交華東投資有限公司), a wholly-owned subsidiary of the Company
“CCCC Fourth Harbour”	CCCC Fourth Harbour Engineering Co., Ltd.* (中交第四航務工程局有限公司), a wholly-owned subsidiary of the Company
“CCCC Haosheng”	CCCC Haosheng City Construction Development Co., Ltd.* (中交豪生城市建設發展有限公司), a wholly-owned subsidiary of the Company
“CCCC Highway Consultants”	CCCC Highway Consultants Co., Ltd.* (中交公路規劃設計院有限公司), a wholly-owned 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 Real Estate”	CCCCG Real Estate Corporation Limited* (中交地產股份有限公司), a non-wholly owned subsidiary of CCCG
“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
“Cooperative Development Contract”	the cooperative development contract entered into by CCCC Haosheng, CCCC Fourth Harbour, CCCC East China, CCCC Highway Consultants and CCGG Real Estate on 23 January 2020
“Director(s)”	the director(s) of the Company
“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
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Project Company”	CCCC Huachuang Real Estate (Suzhou) Co., Ltd.* (中交華創地產(蘇州)有限公司), a company proposed to be incorporated in the PRC with limited liability, the name of which is subject to the approval by industrial and commercial authorities
“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*