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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
FINANCIAL ASSISTANCE TO PROJECT COMPANY

On 24 September 2019, in order to jointly invest in the Harbin Metro Project, CCCC Northeast (a subsidiary of the Company), Harbin Greentown Real Estate (a subsidiary of CCCG) and Harbin Metro RED (an independent third party) entered into the Cooperation Agreement for the formation of the Project Company. Pursuant to the Cooperation Agreement, the registered capital of the Project Company is RMB45.00 million, of which RMB4.50 million, RMB20.70 million and RMB19.80 million will be contributed by CCCC Northeast, Harbin Greentown Real Estate and Harbin Metro RED, respectively, accounting for 10%, 46% and 44% of the total registered capital of the Project Company, respectively.

On 5 February 2021, in order to provide the Project Company with the funds needed to develop and advance the Harbin Metro Project, CCCC Northeast, Harbin Greentown Real Estate, Harbin Metro RED and the Project Company entered into the Supplemental Agreement. Pursuant to the Supplemental Agreement, CCCC Northeast, Harbin Greentown Real Estate and Harbin Metro RED will provide the Project Company with loans of not more than RMB256.23 million, RMB1,316.18 million and RMB1,127.41 million, respectively.

As at the date of this announcement, the Project Company is a subsidiary of Harbin Greentown Real Estate, while Harbin Greentown Real Estate is a subsidiary of CCCG, the controlling Shareholder of the Company. The Project Company is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company and the provision of financial assistance constitute connected transactions 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 is less than 0.1%, in accordance with Chapter 14A of the Hong Kong Listing Rules, the formation of the Project Company is exempted from the reporting, announcement and independent Shareholders' approval requirements under the Hong Kong Listing Rules. As the highest applicable percentage ratio in respect of the provision of financial assistance (as aggregated with the formation of the Project Company) exceeds 0.1% but is less than 5%, the Supplemental 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.

BACKGROUND

On 24 September 2019, in order to jointly invest in the Harbin Metro Project, CCCC Northeast (a subsidiary of the Company), Harbin Greentown Real Estate (a subsidiary of CCCG) and Harbin Metro RED (an independent third party) entered into the Cooperation Agreement for the formation of the Project Company. Pursuant to the Cooperation Agreement, the registered capital of the Project Company is RMB45.00 million, of which RMB4.50 million, RMB20.70 million and RMB19.80 million will be contributed by CCCC Northeast, Harbin Greentown Real Estate and Harbin Metro RED, respectively, accounting for 10%, 46% and 44% of the total registered capital of the Project Company, respectively.

On 5 February 2021, in order to provide the Project Company with the funds needed to develop and advance the Harbin Metro Project, CCCC Northeast, Harbin Greentown Real Estate, Harbin Metro RED and the Project Company entered into the Supplemental Agreement. Pursuant to the Supplemental Agreement, CCCC Northeast, Harbin Greentown Real Estate and Harbin Metro RED will provide the Project Company with loans of not more than RMB256.23 million, RMB1,316.18 million and RMB1,127.41 million, respectively.

Supplemental Agreement

The principal terms of the Supplemental Agreement are set out below:

Date: 5 February 2021

Parties:

- (1) CCCC Northeast;
- (2) Harbin Greentown Real Estate;
- (3) Harbin Metro RED; and
- (4) the Project Company

**Loan amount and
interest rate:**

According to the terms and conditions of the Supplemental Agreement, shareholders of the Project Company has agreed to provide loans to the Project Company at an interest rate of 7.5% per annum, which shall accrue from the date of the drawdown up to the date of repayment by the Project Company. The following loans will be provided to the Project Company:

- (i) CCCC Northeast will provide no more than RMB256.23 million of loans;
- (ii) Harbin Greentown Real Estate will provide no more than RMB1,316.18 million of loans, including the amount of RMB643.46 million advanced for Harbin Metro RED; and
- (iii) Harbin Metro RED will provide no more than RMB1,127.41 million of loans, of which the amount of RMB643.46 million will be advanced by Harbin Greentown Real Estate and secured by Harbin Metro RED with all of its equity interests in the Project Company.

The loans under the Supplemental Agreement will be used for the land acquisition and development of the Project Company. The loans (including but not limited to the principal and interests) contemplated under the Supplemental Agreement were determined after arm's length negotiation among the parties, taking into account various factors, including the nature of business, the funds demand for acquisition of project land parcels and the future development plans of the Project Company.

Others:

The transaction under the Supplemental Agreement shall be conditional on, if applicable, the clearance of the Hong Kong Stock Exchange, the approval of independent shareholders of Greentown China Holdings Limited (the controlling shareholder of Harbin Greentown Real Estate, the shares of which are listed on the Hong Kong Stock Exchange under stock code 03900), and all the consent, permission, authorisation or approval as required under the Hong Kong Listing Rules and other applicable laws, regulations or rules.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The investment in the Harbin Metro Project is highly consistent with the Company's development strategy and will enable the Company to further deepen the regional market in Heilongjiang by relying on the good cooperation between the Company and Harbin Metro Group in the Phase II Project of Harbin Metro Line 3, and will help enhance the Group's investment and operating capability in the Northeast regional market. Meanwhile, Harbin Greentown Real Estate enjoys the excellent brand value of Greentown and possesses mature experience in projects, the participation of which will help to promote the smooth implementation and the quality of the Harbin Metro Project. In addition, the loans provided to the Project Company will be used for the land acquisition and development, thereby promoting the smooth development of the Harbin Metro Project, which is beneficial to the overall interests of the Company and its Shareholders as a whole.

CONFIRMATION FROM DIRECTORS

Mr. Wang Tongzhou and Mr. Liu Maoxun, being the Directors of the Company, are also the directors of CCCG, and therefore are deemed to have a material interest in the transaction contemplated under the Supplemental Agreement, and have abstained from voting on the relevant Board resolution. Save for the abovementioned Directors, none of the other Directors of the Company has or is deemed to have a material interest in the aforesaid connected transaction.

The Directors (including independent non-executive Directors), having made all reasonable and due enquiries, are of the view that the terms of the Supplemental 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, the Project Company is a subsidiary of Harbin Greentown Real Estate, while Harbin Greentown Real Estate is a subsidiary of CCCG, the controlling Shareholder of the Company. The Project Company is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company and the provision of financial assistance constitute connected transactions 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 is less than 0.1%, in accordance with Chapter 14A of the Hong Kong Listing Rules, the formation of the Project Company is exempted from the reporting, announcement and independent Shareholders' approval requirements under the Hong Kong Listing Rules. As the highest applicable percentage ratio in respect of the provision of financial assistance (as aggregated with the formation of the Project Company) exceeds 0.1% but is less than 5%, the Supplemental 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.

GENERAL INFORMATION

(1) CCCC Northeast

CCCC Northeast is a wholly-owned subsidiary of the Company incorporated in the PRC and is principally engaged in project investment, management and technical consultation services.

(2) The Company

The Company is a leading transportation infrastructure enterprise in the PRC and its core businesses are infrastructure construction, infrastructure design and dredging. 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, housing construction, environmental protection and land reclamation at home and abroad. The Company is engaged in providing customers with integrated solutions 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 decades.

(3) Harbin Greentown Real Estate

Harbin Greentown Real Estate is a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of Greentown China Holdings Limited, a subsidiary of CCCG (the controlling Shareholder of the Company) and the shares of which are listed on the Hong Kong Stock Exchange under stock code 03900. It is principally engaged in project investment and operation in relation to the Harbin Metro Project.

(4) CCCG

CCCG is a state-owned enterprise established under the laws of the PRC and the controlling Shareholder of the Company holding approximately 57.99% equity interests 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, technical consultation services for ships and corollary equipment of harbours, import and export business, investment in and management of transportation industry, and other businesses.

(5) Project Company

The Project Company is a company incorporated in the PRC with limited liability pursuant to the Cooperation Agreement and is principally engaged in the development of the Harbin Metro Project. As at the date of this announcement, the equity interests of the Project Company are held as to 10%, 46% and 44% by CCC Northeast, Harbin Greentown Real Estate and Harbin Metro RED, respectively.

(6) Harbin Metro RED

Harbin Metro RED is a company incorporated in the PRC with limited liability and is principally engaged in the property development of the local metro system. The ultimate beneficial owners of Harbin Metro RED are the State-owned Assets Supervision and Administration Commission of Harbin Municipal Government, the State-owned Assets Supervision and Administration Commission of Heilongjiang Provincial Government and China Development Bank, which hold 42.92%, 36.53% and 20.55% equity interests in Harbin Metro RED, respectively. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Harbin Metro RED and its ultimate beneficial owners are third parties independent of the Company and its connected persons as at the date of this announcement.

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 Northeast”	CCCC Northeast Investment Co., Ltd.* (中交東北投資有限公司), a wholly-owned subsidiary of the Company as at the date of this announcement
“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
“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(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Cooperation Agreement”	the cooperation agreement dated 24 September 2019 entered into among CCCC Northeast, Harbin Greentown Real Estate and Harbin Metro RED in respect of the formation of the Project Company
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Harbin Greentown Real Estate”	Harbin Greentown Real Estate Co., Ltd.* (哈爾濱綠城置業有限公司), a subsidiary of CCGG as at the date of this announcement
“Harbin Metro Project”	the development project in relation to the vehicle above-depot area of the Antong street of Harbin Metro Line 3* (哈爾濱地鐵3號線安通街車輛上蓋項目)

“Harbin Metro RED”	Harbin Metro Real Estate Development Co., Ltd.* (哈爾濱市地鐵置業開發有限公司), an independent third party of the Company as at the date of this announcement
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
“Project Company”	Harbin Young City Real Estate Co., Ltd.* (哈爾濱楊柳郡置業有限公司), a company incorporated in the PRC with limited liability pursuant to the Cooperation Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Supplemental Agreement”	the supplemental agreement to the Cooperation Agreement entered into among CCCC Northeast, Harbin Greentown Real Estate, Harbin Metro RED and the Project Company on 5 February 2021 in relation to the provision of loans to the Project Company
“%”	percent

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

Beijing, the PRC

5 February 2021

As at the date of this announcement, the Directors of the Company are WANG Tongzhou, LIU Maoxun, HUANG Long[#], ZHENG Changhong[#] and NGAI Wai Fung[#].

[#] *Independent non-executive Director*

^{*} *For identification purpose only*