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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 announces that, on 9 July 2021, CCCC Third Harbour, Greentown Real Estate Construction and Fuyang Development Zone Group entered into the Shareholders' Agreement for the joint investment in the Yinhu resettlement housing construction project in Fuyang District. Pursuant to the Shareholders' Agreement, the registered capital of the Project Company is RMB50,000,000, of which approximately RMB44,995,000, RMB5,000 and RMB5,000,000 will be contributed by CCCC Third Harbour, Greentown Real Estate Construction and Fuyang Development Zone Group, respectively, accounting for 89.99%, 0.01% and 10.00% of the total registered capital of the Project Company, respectively.

Upon formation of the Project Company, the Company will hold 89.99% equity interests in the Project Company. Accordingly, the Project Company will become a subsidiary of the Company, and its financial results will be consolidated into that of the Group.

As at the date of this announcement, Greentown Real Estate Construction is a subsidiary of CCCG, the controlling Shareholder of the Company which holds approximately 57.99% interests in the issued ordinary shares of the Company. Greentown Real Estate Construction is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company under the Shareholders' 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 formation of the Project Company 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.

## **BACKGROUND**

The Board announces that, in accordance with the resolution passed at the thirty-eighth meeting of the fourth session of the Board, on 9 July 2021, CCCC Third Harbour, Greentown Real Estate Construction and Fuyang Development Zone Group entered into the Shareholders' Agreement for the joint investment in the Yinhu resettlement housing construction project in Fuyang District. Pursuant to the Shareholders' Agreement, the registered capital of the Project Company is RMB50,000,000, of which approximately RMB44,995,000, RMB5,000 and RMB5,000,000 will be contributed by CCCC Third Harbour, Greentown Real Estate Construction and Fuyang Development Zone Group, respectively, accounting for 89.99%, 0.01% and 10.00% of the total registered capital of the Project Company, respectively.

Upon formation of the Project Company, the Company will hold 89.99% equity interests in the Project Company. Accordingly, the Project Company will become a subsidiary of the Company, and its financial results will be consolidated into that of the Group.

## **SHAREHOLDERS' AGREEMENT**

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

**Date:** 9 July 2021

**Parties:**

- (1) CCCC Third Harbour;
- (2) Greentown Real Estate Construction; and
- (3) Fuyang Development Zone Group

<b>Registered capital:</b>	<b>Shareholder</b>	<b>Amount of capital contribution RMB</b>	<b>Percentage %</b>
	CCCC Third Harbour	44,995,000	89.99
	Fuyang Development Zone Group	5,000,000	10.00
	Greentown Real Estate Construction	5,000	0.01
	<b>Total</b>	<b><u>50,000,000</u></b>	<b><u>100</u></b>

Upon formation of the Project Company, the parties will make additional capital contributions to the Project Company in proportion to their respective shareholdings in the Project Company in accordance with the actual situation (the subsequent capital contributions will be included in the capital reserves). The aggregate capital contribution amount by CCCC Third Harbour will be approximately RMB695,622,700.

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

**Payment of the capital contribution:**

The parties shall, within one month following the formation of the Project Company, pay 40% of the capital contributions (i.e. RMB309,200,000) in proportion to their respective shareholdings in the Project Company, and the remaining 60% of the capital contributions (i.e. RMB463,800,000) shall be paid by the parties proportionally in accordance with the progress of the project before September 2027.

**Scope of business:** The scope of business of the Project Company is expected to include the investment, construction as well as operation and maintenance of urban infrastructure, municipal public facilities, water conservancy facilities and housing construction facilities; land consolidation; property services; operation and management of industrial park (subject to registration with the industrial and commercial authorities).

**Board of directors:** The board of directors of the Project Company comprises five directors. CCCC Third Harbour and Fuyang Development Zone Group are entitled to nominate four directors and one director, respectively. The chairman of the board of directors will be a director nominated by CCCC Third Harbour and elected by the board of directors.

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

The purpose of formation of the Project Company is for joint investment in the Yinhu resettlement housing construction project in Fuyang District. As Greentown Real Estate Construction enjoys excellent “Greentown” brand value and mature project experience, the joint cooperation with it will help promote the implementation and enhance the quality of the project, as well as expand the Group’s influence and popularity in the Fuyang area, and is therefore conducive to the realization of the overall interests of the Company and its Shareholders as a whole.

## **CONFIRMATION FROM DIRECTORS**

As at the date of the thirty-eighth meeting of the fourth session of the Board, Mr. LIU Qitao, Mr. SONG Hailiang 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 Shareholders’ 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 Shareholders’ 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, Greentown Real Estate Construction is a subsidiary of CCCG, the controlling Shareholder of the Company which holds approximately 57.99% interests in the issued ordinary shares of the Company. Greentown Real Estate Construction is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company under the Shareholders' 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 formation of the Project Company 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.

## **GENERAL INFORMATION**

### **(1) The Company**

The Company is a leading transportation infrastructure enterprise in the PRC focusing on “big transportation” and “big city” 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, land reclamation, river basin, road and bridge, railway, urban rail transit, municipal infrastructure, construction and environmental protection at home and abroad. The Company is 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 decades.

### **(2) CCCC Third Harbour**

CCCC Third Harbour is a non-wholly-owned subsidiary of the Company incorporated in the PRC, which is ultimately owned as to approximately 89.31% by the Company without any other shareholder holding 10% or more of the equity interests. It is primarily engaged in the design and construction of domestic and overseas ports and waterways, the construction of roads, bridges, railways, tunnels, and municipal and civil engineering projects, the leasing of marine equipment and shipping, etc.

**(3) Greentown Real Estate Construction**

Greentown Real Estate Construction is a company incorporated in the PRC with limited liability and is primarily engaged in real estate investment management, investment consulting, construction project management, engineering consulting, real estate marketing and planning, real estate sales agency, self-owned house leasing, real estate development, property management, design and construction of construction projects. Greentown Real Estate Construction is 100% held by Greentown Management Holdings Company Limited (the shares of which are listed on the Hong Kong Stock Exchange under stock code 9979), which in turn is a subsidiary of CCCG.

**(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) Fuyang Development Zone Group**

Fuyang Development Zone Group is a company incorporated in the PRC with limited liability and is primarily engaged in enterprise management; unit logistics management services; park management services; equity investment; urban greening management; municipal facilities management, property management, and various engineering construction activities after legal approval. Fuyang Development Zone Group is 100% held by Fuyang Economic & Technological Development Zone Management Committee \* (富陽經濟技術開發區管理委員會). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Fuyang Development Zone Group and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

## 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 Third Harbour”	CCCC Third Harbour Engineering Co., Ltd.* (中交第三航務工程局有限公司), a 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”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“Fuyang Development Zone Group”	Hangzhou Fuyang Development Zone Construction Investment Group Co., Ltd. * (杭州富陽開發區建設投資集團有限公司), a company incorporated in the PRC with limited liability and an independent third party
“Greentown Real Estate Construction”	Greentown Real Estate Construction Management Group Co., Ltd. * (綠城房地產建設管理集團有限公司), a subsidiary of CCCG as at the date of this announcement
“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
“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”	Hangzhou Sanhang Yinhu Construction Development Co., Ltd. * (杭州三航銀湖建設發展有限公司), a company to be incorporated in the PRC with limited liability, the name of which is subject to the approval by the industrial and commercial authorities
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Shareholders’ Agreement”	the shareholders’ agreement entered into among CCCC Third Harbour, Greentown Real Estate Construction and Fuyang Development Zone Group on 9 July 2021 in respect of the formation of the Project Company
“%”	percent

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

Beijing, the PRC  
9 July 2021

*As at the date of this announcement, the Directors of the Company are WANG Tongzhou, WANG Haihuai, LIU Xiang, LIU Maoxun, HUANG Long<sup>#</sup>, ZHENG Changhong<sup>#</sup> and NGAI Wai Fung<sup>#</sup>.*

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

\* *For identification purpose only*