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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 JOINT VENTURE**

The Board announces that, on 23 July 2021, CCCC Investment and CCCC Intelligence Transportation entered into the Shareholders' Agreement for the joint investment in the construction project of CCCC intelligence transportation big data industrial cluster in Tianjin. Pursuant to the Shareholders' Agreement, the registered capital of the Joint Venture is RMB205.00 million, of which RMB186.55 million and RMB18.45 million will be contributed by CCCC Investment and CCCC Intelligence Transportation, respectively, accounting for 91% and 9% of the total registered capital of the Joint Venture, respectively. Upon formation, the Joint Venture will become a subsidiary of the Company, and its financial results will be consolidated into that of the Group.

The Company has effective control over CCCC Intelligence Transportation and the financial results of which are consolidated into that of the Group, and therefore CCCC Intelligence Transportation is a subsidiary of the Company. As at the date of this announcement, CCCG (the controlling Shareholder of the Company holding approximately 57.99% equity interests in the issued ordinary shares of the Company) holds more than 10% equity interests in CCCC Intelligence Transportation. Therefore, CCCC Intelligence Transportation is a connected subsidiary of the Company pursuant to Rule 14A.16 of the Hong Kong Listing Rules. As such, the formation of the Joint Venture 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 Joint Venture 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 23 July 2021, CCCC Investment and CCCC Intelligence Transportation entered into the Shareholders' Agreement for the joint investment in the construction project of CCCC intelligence transportation big data industrial cluster in Tianjin. Pursuant to the Shareholders' Agreement, the registered capital of the Joint Venture is RMB205.00 million, of which RMB186.55 million and RMB18.45 million will be contributed by CCCC Investment and CCCC Intelligence Transportation, respectively, accounting for 91% and 9% of the total registered capital of the Joint Venture, respectively. Upon formation, the Joint Venture 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:** 23 July 2021
- Parties:**
- (1) CCCC Investment; and
 - (2) CCCC Intelligence Transportation

Registered capital:	Shareholder	Amount of capital contribution RMB' million	Percentage %
	CCCC Investment	186.55	91
	CCCC Intelligence Transportation	<u>18.45</u>	<u>9</u>
	Total	<u>205.00</u>	<u>100</u>

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 Joint Venture.

Payment of the capital contribution:	The parties shall pay their respective capital contributions in cash in proportion to their respective shareholdings in the Joint Venture prior to 31 December 2021.
Scope of business:	The scope of business of the Joint Venture is expected to include real estates development and operation, non-residential real estates leasing and etc (subject to registration with the industrial and commercial authorities).
Board of directors:	The board of directors of the Joint Venture comprises five directors. CCCC Investment and CCCC Intelligence Transportation are entitled to nominate three directors and one director, respectively, and the Joint Venture will elect one director through the employee representative meeting. The chairman of the board of directors will be a director nominated by CCCC Investment and elected by the board of directors.
Other arrangements :	For the purpose of the project development, the Joint Venture will establish two wholly-owned project companies to take charge of the development and construction of different project land parcels respectively. In order to facilitate the operation and management, the Joint Venture will transfer its equity interests in one project company to CCCC Intelligence Transportation in due course. The Company will perform further disclosure obligations, if required, in due time according to the requirements of the Hong Kong Listing Rules.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The formation of the Joint Venture aims to jointly develop the project land parcels located in the Chentang Area in Hexi District, Tianjin, through which land will be acquired for the construction of office buildings, ancillary residential units and schools for the headquarters of CCCC Intelligence Transportation, thereby accelerating the implementation of the intelligence transportation big data industrial cluster. The project land parcels have obvious advantages in terms of land premium and is expected to yield good returns. In addition, investment in the project will be beneficial to the Group in negotiating for preferential policies in Tianjin, expanding the Group's influence in Tianjin and securing subsequent quality projects, as a result, contributing to realizing the 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

The Company has effective control over CCCC Intelligence Transportation and the financial results of which are consolidated into that of the Group, and therefore CCCC Intelligence Transportation is a subsidiary of the Company. As at the date of this announcement, CCCG (the controlling Shareholder of the Company holding approximately 57.99% equity interests in the issued ordinary shares of the Company) holds more than 10% equity interests in CCCC Intelligence Transportation. Therefore, CCCC Intelligence Transportation is a connected subsidiary of the Company pursuant to Rule 14A.16 of the Hong Kong Listing Rules. As such, the formation of the Joint Venture 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

(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 Investment

CCCC Investment is a wholly-owned subsidiary of the Company incorporated in the PRC and is primarily engaged in investing in infrastructure including foreign and domestic traffic, environmental protection and reclamation projects, and areas such as logistics, real estate and finance, as well as leasing office and commercial buildings.

(3) CCCC Intelligence Transportation

CCCC Intelligence Transportation is a connected subsidiary of the Company incorporated in the PRC, the 100% equity interests in which is ultimately jointly held by the Company and CCCG, and is primarily engaged in construction, transportation, storage and postal services, information transmission, software and information technology services, science research and technology services.

(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.

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 Intelligence Transportation”	CCCC Intelligence Transportation Company Limited* (中交智運有限公司), a connected subsidiary of the Company as at the date of this announcement
“CCCC Investment”	CCCC Investment Co., Ltd.* (中交投資有限公司), 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
“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
“Joint Venture”	Tianjin Intelligence Investment Urban Development Co., Ltd.* (天津智投城市發展有限公司), 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

“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
“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 Investment and CCCC Intelligence Transportation on 23 July 2021 in respect of the formation of the Joint Venture
“%”	percent

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

Beijing, the PRC

23 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[#], ZHENG Changhong[#] and NGAI Wai Fung[#].

[#] *Independent non-executive Director*

^{*} *For identification purpose only*