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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  
DISPOSAL OF EQUITY INTEREST AND DEBT OF  
INTELLIGENCE TRANSPORTATION PROPERTIES**

The Board announces that on 18 November 2021, Tianjin Intelligence Investment, a subsidiary of the Company, entered into the Equity and Debt Transfer Agreement with CCCC Intelligence Transportation, pursuant to which, Tianjin Intelligence Investment has conditionally agreed to sell and CCCC Intelligence Transportation has conditionally agreed to acquire the Subject Equity and the Subject Debt at a total cash consideration of RMB315,265,600.

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, CCGG (the controlling Shareholder of the Company holding approximately 58.19% 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 Proposed Disposal 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 Proposed Disposal exceeds 0.1% but is less than 5%, the Proposed Disposal 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 18 November 2021, Tianjin Intelligence Investment, a subsidiary of the Company, entered into the Equity and Debt Transfer Agreement with CCCC Intelligence Transportation, pursuant to which, Tianjin Intelligence Investment has conditionally agreed to sell and CCCC Intelligence Transportation has conditionally agreed to acquire the Subject Equity and the Subject Debt at a total cash consideration of RMB315,265,600.

### **Equity and Debt Transfer Agreement**

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

**Date:** 18 November 2021

**Parties:**

- 1) The transferor: Tianjin Intelligence Investment; and
- 2) The transferee: CCCC Intelligence Transportation

**Assets to be disposed of:** Pursuant to the terms and conditions of the Equity and Debt Transfer Agreement, Tianjin Intelligence Investment has conditionally agreed to sell and CCCC Intelligence Transportation has conditionally agreed to acquire the Subject Equity and the Subject Debt.

**Consideration:** Pursuant to the Equity and Debt Transfer Agreement, the total consideration for the Proposed Disposal is RMB315,265,600.

Among others, the consideration for disposal of the Subject Equity is RMB18,265,600, which was determined after arm's length negotiation with reference to the appraised net assets value of Intelligence Transportation Properties as at the valuation benchmark date (i.e., 31 August 2021) as set out in the assets valuation report prepared by the qualified independent PRC valuer using the asset-based approach (i.e., RMB18,450,100); while the consideration for disposal of the Subject Debt is RMB297,000,000, which was determined after arm's length negotiation with reference to the principal amount of the Subject Debt (i.e. RMB297,000,000).

**Profit and loss during the transitional period:** Profit and loss of Intelligence Transportation Properties accrued for the period from the valuation benchmark date to the completion date shall be shared or borne by CCCC Intelligence Transportation.

**Payment:**

The total consideration for the Proposed Disposal is payable in two separate installments as follows:

- (1) CCCC Intelligence Transportation shall pay RMB250,000,000 to Tianjin Intelligence Investment within 5 working days after the Equity and Debt Transfer Agreement becomes effective; and
- (2) CCCC Intelligence Transportation shall pay RMB65,265,600 to Tianjin Intelligence Investment by the end of December 2021.

**Completion:**

The Proposed Disposal will be completed on the date when the revised new business license of Intelligence Transportation Properties is issued by the authority responsible for industrial and commercial registration changes. Tianjin Intelligence Investment shall complete industrial and commercial registration procedures for changes arising from the Proposed Disposal within 20 working days upon completion of payment of the total consideration by CCCC Intelligence Transportation.

**INFORMATION OF INTELLIGENCE TRANSPORTATION PROPERTIES**

Intelligence Transportation Properties was established in the PRC in July 2021 and is primarily engaged in development and operation of real estates, construction activities for various projects, lease of non-residential properties, lease of residential properties, lease of counters and booths, and conference and exhibition service. As at the date of this announcement, Intelligence Transportation Properties is wholly owned by the Company through Tianjin Intelligence Investment. Upon completion of the Proposed Disposal, Intelligence Transportation Properties will be a subsidiary of CCCC Intelligence Transportation and therefore a connected subsidiary of the Company.

According to the assets valuation report, the book value of the total assets and net assets of Intelligence Transportation Properties was RMB317,581,900 and RMB18,450,100, respectively, as of the valuation benchmark date. As at the date of this announcement, as Intelligence Transportation Properties has not commenced formal operation, no revenue or profit has been generated yet.

Intelligence Transportation Properties was held by the Company for less than 12 months before the date of entering into the Equity and Debt Transfer Agreement. The original cost of the Subject Equity and the Subject Debt was RMB315,265,600.

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

CCCC Investment Co., Ltd., a subsidiary of the Company, and CCCC Intelligence Transportation has jointly established Tianjin Intelligence Investment for the joint investment in the construction project of CCCC intelligence transportation big data industrial cluster in Tianjin. Upon establishment, Tianjin Intelligence Investment has been owned by the Company and CCCC Intelligence Transportation as to 91% and 9%, respectively. For the development and construction of different project land parcels, Tianjin Intelligence Investment set up two wholly-owned project companies, one of which is Intelligence Transportation Properties, which is responsible for development of a commercial office land parcel. Since the land parcel will be used for the headquarters office of CCCC Intelligence Transportation upon completion, the Proposed Disposal will help avoid losses caused by management difference in the cooperation between the two parties in projects of different types and different functions, straighten out the management line, and clarify the interests of the two parties. Tianjin Intelligence Investment can also concentrate funds and resources on the development of the other land plot, and therefore is helpful to the realisation of the interests of the Company and its Shareholders as a whole.

The Company expects that the total gains from the Proposed Disposal (after deducting the tax and other expenses which the Company must pay as a result of the Proposed Disposal) is approximately RMB0, which is calculated based on factors such as the consideration for disposal of the Subject Equity, the book value of net assets of the Subject Equity as at 31 August 2021, and the proportion of shareholdings in Intelligence Transportation Properties held by the Company.

The Company expects that the gains from the Proposed Disposal are unaudited, subject to the final information to be disclosed in the annual report of the Company. Taking into account the specific circumstances of the Company, the gains from the Proposed Disposal are intended to be used for the subsequent development and construction of the project.

## **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, the Directors of the Company, were also directors of CCCG, and therefore were deemed to have a material interest in the Proposed Disposal 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 abovementioned transaction.

The Directors (including independent non-executive Directors), having made all reasonable and due enquiries, are of the opinion that the terms of the Equity and Debt Transfer Agreement are fair and reasonable and on normal commercial terms, and the Proposed Disposal 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 UNDER THE 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, CCGG (the controlling Shareholder of the Company holding approximately 58.19% 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 Proposed Disposal 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 Proposed Disposal exceeds 0.1% but is less than 5%, the Proposed Disposal 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) Tianjin Intelligence Investment**

Tianjin Intelligence Investment was incorporated in the PRC and is a subsidiary of the Company. Tianjin Intelligence Investment is primarily engaged in development and operation of real estates, and lease of non-residential properties.

### **(3) CCCC Intelligence Transportation**

CCCC Intelligence Transportation was incorporated in the PRC and is a connected subsidiary of the Company. CCCC Intelligence Transportation 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 58.19% 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
“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
“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 stock code 1800 and the A shares of which are listed on the Shanghai Stock Exchange under stock code 601800
“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
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“Equity and Debt Transfer Agreement”	the equity and debt transfer agreement entered into between Tianjin Intelligence Investment and CCCC Intelligence Transportation on 18 November 2021
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Intelligence Transportation Properties”	Tianjin CCCC Intelligence Transportation Properties Co., Ltd.* (天津中交智運置業有限公司), a subsidiary of the Company as at the date of this announcement
“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
“Proposed Disposal”	Tianjin Intelligence Investment agreed to dispose of and CCCC Intelligence Transportation agreed to acquire the Subject Equity and the Subject Debt in accordance with the Equity and Debt Transfer Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Subject Equity”	the 99% equity interests in Intelligence Transportation Properties held by Tianjin Intelligence Investment
“Subject Debt”	the shareholder loan provided by Tianjin Intelligence Investment to Intelligence Transportation Properties amounting to RMB297,000,000 as of 31 August 2021
“Tianjin Intelligence Investment”	Tianjin Intelligence Investment Urban Development Co., Ltd.* (天津智投城市發展有限公司), a subsidiary of the Company as at the date of this announcement
“%”	percent

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

Beijing, the PRC  
18 November 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*

<sup>\*</sup> *For identification purpose only*