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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
CONTINUING CONNECTED TRANSACTIONS WITH CCCG
(1) ENTERING INTO SUPPLEMENTAL AGREEMENTS
TO THE FRAMEWORK AGREEMENTS OF THE EXISTING
CONTINUING CONNECTED TRANSACTIONS; AND
(2) ENTERING INTO THE LEASING AND ASSET MANAGEMENT
SERVICES FRAMEWORK AGREEMENT

I. ENTERING INTO SUPPLEMENTAL AGREEMENTS TO THE FRAMEWORK AGREEMENTS OF THE EXISTING CONTINUING CONNECTED TRANSACTIONS

References are made to the announcement of the Company dated 29 August 2018 and the circular of the Company dated 28 September 2018, in relation to, among others, the Mutual Project Contracting Framework Agreement, the Financial Services Agreement and the Mutual Product Sales and Purchase Agreement entered into between the Group and CCCG, together with the continuing connected transactions contemplated thereunder.

On 31 March 2020, the Company and CCCG entered into the supplemental agreement III to the Mutual Project Contracting Framework Agreement to revise the existing annual caps for project contracting services fees to be received by the Group from CCCG Group and the labour and subcontracting services fees to be received by CCCG Group from the Group thereunder for the year ended 31 December 2020 from RMB3,500 million to RMB16,000 million and from RMB130 million to RMB4,500 million, respectively. In addition, in respect of the project contracting services provided by the Group, the scope will be adjusted from provision of construction services for real property development projects that may be undertaken by CCCG Group to provision of construction, design, consultation and management services for real property and wastewater treatment projects that may be undertaken by CCCG Group; in respect of the labour and subcontracting services provided by CCCG Group, the scope will be adjusted from provision of consultancy and management services that may be required for the development of real property projects to provision of consultancy and management services that may be required for the development of projects.

On 31 March 2020, CCCC Finance entered into the supplemental agreement II to the Financial Services Agreement with CCCG to revise the existing maximum daily loan balance (including the interests accrued thereon) thereunder for the year ended 31 December 2020 from RMB1,356 million to RMB2,431 million.

On 31 March 2020, the Company and CCCG entered into the supplemental agreement I to the Mutual Product Sales and Purchase Agreement to revise the existing annual cap for the fees to be received by the Group in respect of sales of material products to CCCG Group thereunder for the year ended 31 December 2020 from RMB360 million to RMB900 million.

II. ENTERING INTO THE LEASING AND ASSET MANAGEMENT SERVICES FRAMEWORK AGREEMENT

On 31 March 2020, the Company and CCCG entered into the Leasing and Asset Management Services Framework Agreement, pursuant to which, CCCG Group agreed to lease the Leased Assets to the Group from 31 March 2020 to 31 December 2020 for the Group's operation and office use.

As at the date of this announcement, CCCG is the controlling Shareholder of the Company holding approximately 57.96% interests in the issued ordinary shares of the Company, and is therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the transactions contemplated under the Mutual Project Contracting Framework Agreement, the Financial Services Agreement, the Mutual Product Sales and Purchase Agreement and the Leasing and Asset Management Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio of the revised annual cap for the project contracting services under the Mutual Project Contracting Framework Agreement exceeds 5%, the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap are subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratios of the revised annual caps under the Mutual Project Contracting Framework Agreement (for labour and subcontracting services), the Financial Services Agreement and the Mutual Product Sales and Purchase Agreement exceed 0.1% but are less than 5%, the transactions contemplated under such agreements and the revised annual caps are subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio of the proposed annual cap under the Leasing and Asset Management Services Framework Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the Leasing and Asset Management Services Framework Agreement and the proposed annual cap are subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

III. AGM

The AGM will be convened by the Company for, among others, the Independent Shareholders to consider and, if thought fit, to approve the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof.

For the purpose of the AGM, a circular containing, among other things,

- (i) details of the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof;
- (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders on the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof; and
- (iii) a letter of advice from the Independent Financial Adviser to the Independent Shareholders and the Independent Board Committee on the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof will be despatched to the Shareholders on or before 20 May 2020, as additional time is required for the Company to prepare the circular.

I. ENTERING INTO SUPPLEMENTAL AGREEMENTS TO THE FRAMEWORK AGREEMENTS OF THE EXISTING CONTINUING CONNECTED TRANSACTIONS

References are made to the announcement of the Company dated 29 August 2018 and the circular of the Company dated 28 September 2018, in relation to, among others, the Mutual Project Contracting Framework Agreement, the Financial Services Agreement and the Mutual Product Sales and Purchase Agreement entered into between the Group and CCCG, together with the continuing connected transactions contemplated thereunder.

1. Entering into the Supplemental Agreement III to the Mutual Project Contracting Framework Agreement

According to the business development, the Board estimates that the project contracting services fees payable to the Group by CCCG Group and the labour and subcontracting services fees payable to CCCG Group by the Group pursuant to the Mutual Project Contracting Framework Agreement will probably exceed the existing annual caps for the year ended 31 December 2020. Therefore, on 31 March 2020, the Company and CCCG entered into the supplemental agreement III to the Mutual Project Contracting Framework Agreement to revise the existing annual caps for project contracting services fees to be received by the Group from CCCG Group and the labour and subcontracting services fees to be received by CCCG Group from the Group thereunder for the year ended 31 December 2020 from RMB3,500 million to RMB16,000 million and from RMB130 million to RMB4,500 million, respectively. In addition, in respect of the project contracting services provided by the Group, the scope will be adjusted from provision of construction services for real property development projects that may be undertaken by CCCG Group to provision of construction, design, consultation and management services for real property and wastewater treatment projects that may be undertaken by CCCG Group; in respect of the labour and subcontracting services provided by CCCG Group, the scope will be adjusted from provision of consultancy and management services that may be required for the development of real property projects to provision of consultancy and management services that may be required for the development of projects.

Save as disclosed above, all the existing principal terms of the Mutual Project Contracting Framework Agreement remain unchanged.

Revision of the Existing Annual Caps

Details of the revision are set out as below:

Transaction	Actual amount for the year ended 31 December 2019	Existing annual cap for the year ended 31 December 2020	Revised annual cap for the year ended 31 December 2020
			<i>RMB million</i>
The project contracting services provided by the Group to CCCG Group	4,552	3,500	16,000
The labour and subcontracting services provided by CCCG Group to the Group	2,936	130	4,500

The revised annual cap for the project contracting services fees payable to the Group by CCCG Group under the Mutual Project Contracting Framework Agreement is determined with reference to the following factors: (i) the adjustment of services scope, which was adjusted from provision of construction services for real property development projects that may be undertaken by CCCG Group to provision of construction, design, consultation and management services for real property and wastewater treatment projects that may be undertaken by CCCG Group, and therefore exceeding the estimation when determining the existing annual cap by the Company; (ii) the actual project contracting services fees paid to the Group by CCCG Group for the year ended 31 December 2019; and (iii) the current construction capacity of the Group.

The revised annual cap for the labour and subcontracting services fees payable to CCCG Group by the Group under the Mutual Project Contracting Framework Agreement is determined with reference to the following factors: (i) the Group's demand for labour services from No. 4 Engineering Company and CCCC-AIDI. On 3 June 2019, the Group sold 67% equity interest of No. 4 Engineering Company and 100% equity interest of CCCC-AIDI to the subsidiary of CCCG, CACC. Upon completion of the disposals, No. 4 Engineering Company and CCCC-AIDI will become subsidiaries of CCCG, and are therefore the connected persons of the Company under Hong Kong Listing Rules. For details of the disposals, please refer to the announcement of the Company dated 3 June 2019; (ii) the actual labour and subcontracting services fees paid to CCCG Group by the Group for the year ended 31 December 2019, which exceed the estimation when determining the existing annual cap by the Company; (iii) the adjustment of services scope, which was adjusted from provision of consultancy and management services that may be required for the development of real property projects to provision of consultancy and management services that may be required for the development of projects; (iv) the current capacity of CCCG Group; and (v) the prevailing market price for comparable types of services in the same industry.

The Board further confirms that, as at the date of this announcement, the existing annual caps for project contracting services fees to be received by the Group from CCCG Group and the labour and subcontracting services fees to be received by CCCG Group from the Group pursuant to the Mutual Project Contracting Framework Agreement for the year ended 31 December 2020 have not yet been exceeded.

Revision of the Scope of the Project Contracting Services Provided by the Group to CCCG Group

In respect of the project contracting services provided by the Group, the scope will be adjusted from provision of construction services for real property development projects that may be undertaken by CCCG Group to provision of construction, design, consultation and management services for real property and wastewater treatment projects that may be undertaken by CCCG Group. Pursuant to the supplemental agreement III to the Mutual Project Contracting Framework Agreement, the Group agreed to provide project construction and management services to CCCG Group, which may include (i) provision of construction, design, consultation and management services for real property and wastewater treatment projects that may be undertaken by CCCG Group; and (ii) design, construction, operation, management and dismantlement of temporary supporting facilities.

Revision of the Scope of the Labour and Subcontracting Services Provided by CCCG Group to the Group

In respect of the labour and subcontracting services provided by CCCG Group, the scope will be adjusted from provision of consultancy and management services that may be required for the development of real property projects to provision of consultancy and management services that may be required for the development of projects. Pursuant to the supplemental agreement III to the Mutual Project Contracting Framework Agreement, CCCG Group agreed to provide labour and subcontracting services to the Group for its construction projects, which may include (i) provision of labour services; (ii) provision of subcontracting services for construction projects that may be undertaken by the Group; and (iii) provision of consultancy and management services that may be required for the development of projects.

Reasons for and Benefits of Entering into the Supplemental Agreement III to the Mutual Project Contracting Framework Agreement

The Group provides the project contracting services for real property and wastewater treatment projects that may be undertaken by CCCG Group. CCCG has made certain progress in exploring each of the aforesaid areas, which therefore boosts the demands for project contracting services. The Directors of the Company believe that the provision of project contracting services to CCCG Group will help the Company to accumulate more experience in relevant sectors, improve the business performance and expand the business scale, which will further strengthen the market competitiveness and facilitate the Group's business development.

As the Company is mainly engaged in the transportation infrastructure industry, it may require labour and subcontracting services from time to time in the course of its ordinary business. By selecting CCCG Group as a provider of such services, Directors of the Company are of the view that the Company can benefit from its relatively low quotations, its understanding of the Company's business and its extensive experience and expertise in providing such services, and accordingly receive professional and high-quality services at a reasonable cost, which will be conducive to the Company's business operation.

2. Entering into the Supplemental Agreement II to the Financial Services Agreement

Based on the increase in deposits of CCCG Group with CCCC Finance and its normal business needs, and subject to the condition that the daily balance of loans provided by CCCC Finance to CCCG Group (including the interests accrued thereon) shall not exceed 75% of the average daily balance of deposits of CCCG Group with CCCC Finance, the Board estimates that the maximum daily balance of loans provided by CCCC Finance to CCCG Group (including the interests accrued thereon) will probably exceed the existing maximum daily loan balance (including the interests accrued thereon) for the year ended 31 December 2020. Therefore, on 31 March 2020, CCCC Finance entered into the supplemental agreement II to the Financial Services Agreement with CCCG to revise the existing maximum daily loan balance (including the interests accrued thereon) thereunder for the year ended 31 December 2020 from RMB1,356 million to RMB2,431 million.

Save as disclosed above, all the existing principal terms of the Financial Services Agreement remain unchanged.

Revision of the Existing Annual Cap

Details of the revision are set out as below:

Transaction	Actual maximum daily loan balance (including the interests accrued thereon) for the year ended 31 December 2019	Existing maximum daily loan balance (including the interests accrued thereon) for the year ended 31 December 2020	Revised maximum daily loan balance (including the interests accrued thereon) for the year ended 31 December 2020 <i>RMB million</i>
The loan services provided by CCCC Finance to CCCG Group	1,101	1,356	2,431

The above revised maximum daily loan balance (including the interests accrued thereon) under the Financial Services Agreement is determined with reference to the following factors: (i) the actual maximum daily balance of loans provided by CCCC Finance to CCCG Group (including the interests accrued thereon) for the year ended 31 December 2019; and (ii) CCCG Group's increasing demand for the loan services provided by CCCC Finance under the Financial Services Agreement due to its normal business needs.

The Board further confirms that, as at the date of this announcement, the existing maximum daily loan balance (including the interests accrued thereon) under the Financial Services Agreement for the year ended 31 December 2020 has not yet been exceeded.

Reasons for and Benefits of Entering into the Supplemental Agreement II to the Financial Services Agreement

CCCC Finance is a non-banking financial institution, offering comprehensive financial services to enterprises. The Company expects to benefit from the gains generated by the loan services provided by CCCC Finance. Furthermore, the financial services provided by CCCC Finance to CCCG Group can help the Group to improve its capital utilization efficiency and enhance the capability of CCCC Finance in providing professional and comprehensive financial services, which is in line with the Group's business development needs.

3. Entering into the Supplemental Agreement I to the Mutual Product Sales and Purchase Agreement

According to the business development, the Board estimates that the fees to be received by the Group in respect of sales of material products to CCCG Group under the Mutual Product Sales and Purchase Agreement will probably exceed the existing annual cap for the year ended 31 December 2020. Therefore, on 31 March 2020, the Company and CCCG entered into the supplemental agreement I to the Mutual Product Sales and Purchase Agreement to revise the existing annual cap for the fees to be received by the Group in respect of sales of material products to CCCG Group thereunder for the year ended 31 December 2020 from RMB360 million to RMB900 million.

Save as disclosed above, all the existing principal terms of the Mutual Product Sales and Purchase Agreement remain unchanged.

Revision of the Existing Annual Cap

Details of the revision are set out as below:

Transaction	Actual amount for the year ended 31 December 2019	Existing annual cap for the year ended 31 December 2020	Revised annual cap for the year ended 31 December 2020
			<i>RMB million</i>

Sales of material products to CCCG Group by the Group	297	360	900
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The revised annual cap for the fees to be received by the Group in respect of sales of material products to CCCG Group under the Mutual Product Sales and Purchase Agreement is determined with reference to the following factors: (i) the development plan and increased demands for material products of CCCG Group for the year of 2020, which exceed the expectation of the Company in determining the existing annual cap; (ii) the actual amount of the fees received by the Group in respect of sales of material products to CCCG Group for the year ended 31 December 2019; (iii) the prevailing market prices of material products; and (iv) the current production capacity of the Group.

The Board further confirms that, as at the date of this announcement, the existing annual cap for the fees to be received by the Group in respect of sales of material products to CCCG Group under Mutual Product Sales and Purchase Agreement for the year ended 31 December 2020 has not yet been exceeded.

Reasons for and Benefits of Entering into the Supplemental Agreement I to the Mutual Product Sales and Purchase Agreement

The Group sells material products such as materials, equipment and components to CCCG Group for its processing and manufacturing of industrial products. As all or part of such industrial products will be sold back by CCCG Group to the Group for its use in the core business, the Directors are of the view that the Group can benefit from the sale of material products to CCCG Group. In addition, such transaction will improve the revenue of the Company and generate reasonable profit, and is therefore of great significance to the Company's development.

II. ENTERING INTO THE LEASING AND ASSET MANAGEMENT SERVICES FRAMEWORK AGREEMENT

1. Background

On 31 March 2020, the Company and CCCG entered into the Leasing and Asset Management Services Framework Agreement, pursuant to which, CCCG Group agreed to lease the Leased Assets to the Group from 31 March 2020 to 31 December 2020 for the Group's operation and office use.

2. Leasing and Asset Management Services Framework Agreement

The principal terms of the Leasing and Asset Management Services Framework Agreement are set out below:

Date

31 March 2020

Parties

- (1) the Company; and
- (2) CCCG

Term

From 31 March 2020 to 31 December 2020

Description of the Transaction

CCCG Group agreed to lease the Leased Assets to the Group for its operation and office use. The Leased Assets mainly include certain buildings and plants, auxiliary facilities and equipment for production and operation and other products owned by CCCG.

Price Determination

The fees receivable by CCCG Group for leasing the Leased Assets to the Group shall be determined at arm's length negotiation between the parties considering the factors set out below:

- (1) with reference to the prevailing market prices;
- (2) price quotations for assets similar to the Leased Assets offered by CCCG Group to independent third parties;
- (3) after taking comprehensive consideration of the relevant aspects of the properties, such as gross floor area, decoration facilities, geographical location, etc.; and
- (4) the Group will seek price quotations for assets similar to the Leased Assets from two independent third parties on an annual basis in the market or conduct market research on the rental prices of nearby properties (for buildings and plants) in order to assess and review the fairness and reasonableness of the quotations proposed by CCCG Group with reference to items (1), (2) and (3) above.

Further, fees payable for the above leasing and regular reports will be submitted to the independent non-executive Directors for their annual review on the pricing, so as to ensure their fairness and reasonableness. The Directors of the Company consider that such methods and procedures can ensure that the transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company or its Shareholders.

Separate Contracts

In respect of each lease, the Group and the relevant members of CCCG Group will enter into separate contract(s). The terms of each contract will be in line with the terms of the Leasing and Asset Management Services Framework Agreement and shall be enforceable if and only if the Leasing and Asset Management Services Framework Agreement continues to be effective.

3. Historical Amounts

Set out below is the rent received by CCCG Group for leasing of the Leased Assets to the Group for the period ended 31 December 2019:

Transaction	Actual amount for the period ended 31 December 2019 <i>RMB million</i>
Leasing of the Leased Assets by CCCG Group to the Group	171

4. Proposed Annual Cap and Basis for Determination

After taking account of the following factors, the Company estimates that the proposed annual cap for the year ended 31 December 2020 on the rent to be received by CCCG Group for leasing of the Leased Assets to the Group pursuant to the Leasing and Asset Management Services Framework Agreement will be RMB380 million: (i) the prevailing prices of the Leased Assets and the future growth of rent; (ii) the demand of the Group for leasing of the Leased Assets owned by CCCG Group; and (iii) the actual rent received by CCCG Group for leasing of the Leased Assets to the Group as at 31 December 2019.

The Company confirms that, as at the date of this announcement, the actual rent received by CCCG Group for leasing of the Leased Assets to the Group falls below the de minimis threshold for exemption as stipulated under the Hong Kong Listing Rules.

5. Reasons and Benefits

Over the years, the Company has been leasing the office building “中交大厦” owned by CCCG as its office and other properties and auxiliary facilities situated at several locations owned by CCCG for production and operation. Relocation of the Company’s current places of operation and offices to other locations will result in unnecessary costs. In addition, for the operation of principal businesses, the Company needs to lease products auxiliary to production and operation such as engineering ships and machine. The aforesaid transactions are necessary for the Group’s production and operation. Compared with independent third parties, CCCG has more understanding of the Company’s business requirement, and the Company also can benefit from CCCG’s relatively competitive offers, which facilitates the Company’s business development and therefore helps to realise the interests of the Company and its Shareholders as a whole.

III. HONG KONG LISTING RULES IMPLICATIONS

As at the date of this announcement, CCCG is the controlling Shareholder of the Company holding approximately 57.96% interests in the issued ordinary shares of the Company, and is therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the transactions contemplated under the Mutual Project Contracting Framework Agreement, the Financial Services Agreement, the Mutual Product Sales and Purchase Agreement and the Leasing and Asset Management Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio of the revised annual cap for the project contracting services under the Mutual Project Contracting Framework Agreement exceeds 5%, the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap are subject to the reporting, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratios of the revised annual caps under the Mutual Project Contracting Framework Agreement (for labour and subcontracting services), the Financial Services Agreement and the Mutual Product Sales and Purchase Agreement exceed 0.1% but are less than 5%, the transactions contemplated under such agreements and the revised annual caps are subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders’ approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio of the proposed annual cap under the Leasing and Asset Management Services Framework Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the Leasing and Asset Management Services Framework Agreement and the proposed annual cap are subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

IV. CONFIRMATION BY THE DIRECTORS

Mr. Liu Qitao, Mr. Song Hailiang and Mr. LIU Maoxun, the Directors of the Company, are also directors of CCCG, and therefore are deemed to have a material interest in the above-mentioned continuing connected transactions and have abstained from voting on the relevant Board resolutions. Save for the said Directors, none of the other Directors has or is deemed to have a material interest in the above-mentioned transactions.

The Directors, including the independent non-executive Directors, having made all reasonable and due inquiries, are of the view that each of the Mutual Project Contracting Framework Agreement (for labour and subcontracting services), the Financial Services Agreement, the Mutual Product Sales and Purchase Agreement and the Leasing and Asset Management Services Framework Agreement, and transactions contemplated thereunder are entered into on normal commercial terms in the ordinary and usual course of business of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors, including the independent non-executive Directors, are also of the view that the terms, the revised annual caps and the proposed annual cap of the transactions under such agreements are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

Having made all reasonable and due inquiries, the Directors (excluding the independent non-executive Directors, whose opinion will be set forth in the circular by reference to the advice from the Independent Financial Adviser in this regard) are of the view that the transactions of providing project contracting services under the Mutual Project Contracting Framework Agreement are entered into on normal commercial terms in the ordinary and usual course of business of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors (excluding the independent non-executive Directors, whose opinion will be set forth in the circular by reference to the advice from the Independent Financial Adviser in this regard) are also of the view that the terms and the revised annual cap of the transactions under the Mutual Project Contracting Framework Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

V. BACKGROUND AND GENERAL INFORMATION OF THE PARTIES

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 years.

CCCC Finance is a subsidiary of the Company incorporated in the PRC and a non-banking financial institution. It is primarily engaged in offering comprehensive financial services to enterprises.

CCCCG is a state-owned enterprise established under the laws of the PRC and the controlling Shareholder of the Company holding approximately 57.96% interest 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.

VI. AGM

The AGM will be convened by the Company for, among others, the Independent Shareholders to consider and, if thought fit, to approve the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof. In addition, the Independent Board Committee comprising the independent non-executive Directors will be formed to advise the Independent Shareholders on the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof. The Company has appointed Somerley Capital Limited as the Independent Financial Adviser in accordance with the Hong Kong Listing Rules to advise the Independent Board Committee and the Independent Shareholders in this regard.

CCCG, which holds approximately 57.96% interests in the issued ordinary shares of the Company as at the date of this announcement, shall abstain from voting on the resolution approving the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof at the AGM. Saved as mentioned above, to the best of the Directors' knowledge, information and belief, none of the other Shareholders has any material interest in the transactions of providing project contracting services under the Mutual Project Contracting Framework Agreement and therefore will be required to abstain from voting on the relevant resolutions at the AGM. The resolutions stated above shall be passed as ordinary resolutions and the voting shall be taken by way of poll in accordance with the Hong Kong Listing Rules.

For the purpose of the AGM, a circular containing, among other things,

- (i) details of the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof;
- (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders on the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof; and
- (iii) a letter of advice from the Independent Financial Adviser to the Independent Shareholders and the Independent Board Committee on the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof will be despatched to the Shareholders on or before 20 May 2020, as additional time is required for the Company to prepare the circular.

VII. DEFINITIONS

In this announcement, unless the content otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held to, among others, consider and, if thought fit, to approve the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof
“Board”	the board of directors of the Company
“CACC”	China Airport Construction Group Company Limited (中國民航機場建設集團有限公司), a company incorporated in the PRC with limited liability, and a non-wholly-owned subsidiary of CCCG

“CCCC-AIDI”	CCCC Airport Investigation and Design Institute Co., Ltd. (中交機場勘察設計院有限公司), a wholly-owned subsidiary of CCCG upon completion of disposal
“CCCC Finance”	CCCC Finance Company Limited (中交財務有限公司), a company incorporated in the PRC with limited liability, and a subsidiary 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
“CCCG Group”	CCCG and its subsidiaries, excluding the Group
“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
“connected person”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Directors”	the directors of the Company
“Financial Services Agreement”	the financial services agreement entered into between CCCC Finance and CCCG on 29 August 2018, as amended by the supplemental agreements entered into on 27 December 2019 and 31 March 2020, respectively
“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

“Independent Board Committee”	an independent board committee comprising independent non-executive Directors, namely Mr. Huang Long, Mr. Zheng Changhong and Mr. Ngai Wai Fung, established to advise the Independent Shareholders on the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof
“Independent Financial Adviser”	Somerley Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof
“Independent Shareholders”	shareholders (excluding CCCG) that are not required to abstain from voting on the resolution in relation to the project contracting services under the Mutual Project Contracting Framework Agreement and the revised annual cap thereof at the AGM
“Leased Assets”	assets specified in the Leasing and Asset Management Services Framework Agreement, including buildings, plants, auxiliary facilities and equipment for production and operation and other products
“Leasing and Asset Management Services Framework Agreement”	the leasing and asset management services framework agreement entered into between the Company and CCCG on 31 March 2020
“Mutual Product Sales and Purchase Agreement”	the mutual product sales and purchase agreement entered into between the Company and CCCG on 29 August 2018, as amended by the supplemental agreement entered into on 31 March 2020

“Mutual Project Contracting Framework Agreement”	the mutual project contracting framework agreement entered into between the Company and CCCG on 29 August 2018, as amended by the supplemental agreements entered into on 2 January 2019, 27 December 2019 and 31 March 2020, respectively
“No. 4 Engineering Company”	No. 4 Engineering Co., Ltd. of CCCC First Harbour Engineering Co., Ltd. (中交一航局第四工程有限公司), a non-wholly-owned subsidiary of CCCG upon completion of disposal
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes 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
“%”	percent

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

Beijing, the PRC
31 March 2020

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

[#] *Independent non-executive Director*