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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 TO DEVELOP
THE PROJECT LAND PARCEL

The Board announces that, on 24 May 2021, CCCC Fourth Highway Engineering (being a subsidiary of the Company) and CCCG Real Estate (being a subsidiary of CCCG) entered into the Cooperative Agreement for the formation of the Project Company and joint development of the project land parcel. Pursuant to the Cooperative Agreement, the registered capital of the Project Company is RMB1,100 million, of which RMB330 million and RMB770 million will be contributed by CCCC Fourth Highway Engineering and CCCG Real Estate, respectively, accounting for 30% and 70% of the total registered capital of the Project Company, respectively.

As at the date of this announcement, CCCG Real Estate 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. CCCG Real Estate is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company under the Cooperative 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 Cooperative Agreement exceeds 0.1% but is less than 5%, the Cooperative 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, on 24 May 2021, in accordance with the resolution passed at the forty-eighth meeting of the fourth session of the Board, CCCC Fourth Highway Engineering (being a subsidiary of the Company) and CCCG Real Estate (being a subsidiary of CCCG) entered into the Cooperative Agreement for the formation of the Project Company and joint development of the project land parcel. Pursuant to the Cooperative Agreement, the registered capital of the Project Company is RMB1,100 million, of which RMB330 million and RMB770 million will be contributed by CCCC Fourth Highway Engineering and CCCG Real Estate, respectively, accounting for 30% and 70% of the total registered capital of the Project Company, respectively.

COOPERATIVE AGREEMENT

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

- Date:** 24 May 2021
- Parties:**
- (1) CCCC Fourth Highway Engineering; and
 - (2) CCCG Real Estate;

Registered capital:	Shareholder	Amount of Capital Contribution RMB' million	Percentage %
	CCCC Fourth Highway Engineering	330	30
	CCCG Real Estate	<u>770</u>	<u>70</u>
	Total	<u><u>1,100</u></u>	<u><u>100</u></u>

The amount of capital contributions under the Cooperative Agreement was determined after arm's length negotiations between 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 pay their respective amount of capital contribution in proportion to their respective shareholding in the Project Company within 10 days from the date of formation of the Project Company.

Scope of business: The scope of business of the Project Company is expected to include real estate development and operation; urban complexes development, construction and operation; park area management services; property management; real estate leasing and operations; municipal facilities management; residential housing construction; municipal road works construction; supply chain management services; standardization services; business management consulting services; hotel management; catering management services; import and export of goods or technology; and domestic trade agent services (subject to registration with the industrial and commercial authorities).

Board of directors: The board of directors of the Project Company comprises three directors. CCCC Fourth Highway Engineering and CCCG Real Estate are entitled to nominate one director and two directors, respectively. The chairman of the board of directors will be a director nominated by CCCG Real Estate.

PROFILE OF THE PROJECT LAND PARCEL AND STATUS OF THE PROJECT

The project land parcel, located in the northwestern residential area of the start-up area of Xiong'an New Area, is for urban residential use with a total site area of 223 mu and a floor area ratio of 1.93. The Project Company will be responsible for the development of the project land parcel.

The consideration for the project land parcel is RMB917.37 million according to the public tender result published by Xiong'an New Area Centre for Public Resource Transaction. The parties shall pay the consideration in cash by instalments in proportion to their respective shareholding percentage in the Project Company and the consideration for the project land parcel paid by parties in proportion to their shareholding percentage before the incorporation of the Project Company will be transferred to the amount of capital contributions to the registered capital of the Project Company after the formation of the Project Company.

Stage payment	Amount
Already paid as of 9 April 2021	RMB183.50 million (as bidding deposit)
Payable by 25 May 2021	RMB733.87 million

REASONS FOR AND BENEFITS OF THE TRANSACTION

The purpose of formation of the Project Company is for joint investment in the project land parcel located in Xiong'an New Area. The project has obvious location advantages, rich planning and supporting facilities and great market prospects, and is in line with relevant national laws and regulations and industrial policies as well as the development direction and investment area layout of the Company's investment business, which is conducive to the Group's further consolidation of relevant business advantages. The cooperation with CCCG Real Estate will help the parties make full use of resources to achieve complementary advantages and give full play to CCCG's advantages in the entire industry chain while reducing project risks, and will help realize 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 Cooperative 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 Cooperative 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, CCCG Real Estate 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. CCCG Real Estate is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company under the Cooperative 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 Cooperative Agreement exceeds 0.1% but is less than 5%, the Cooperative 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 Fourth Highway Engineering

CCCC Fourth Highway Engineering is a subsidiary of the Company incorporated in the PRC, which is ultimately owned by the Company, China Construction Bank Corporation (the H shares of which are listed on the Hong Kong Stock Exchange under stock code 939 and the A shares of which are listed on the Shanghai Stock Exchange under stock code 601939) and Bank of Communications Co., Ltd. (the H shares of which are listed on the Hong Kong Stock Exchange under stock code 3328 and the A shares of which are listed on the Shanghai Stock Exchange under stock code 601328) as to approximately 79.92%, 10.04% and 10.04%, respectively, and is primarily engaged in engineering design, construction project management, construction general contracting, professional contracting, construction engineering installation, road maintenance, garden landscape design, etc.

(3) CCCG Real Estate

CCCG Real Estate is a joint stock company incorporated in the PRC with limited liability and a subsidiary of CCCG. Its A shares are listed on the Shenzhen Stock Exchange under stock code 000736 and is primarily engaged in real estate development and operation business and property management.

(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 Fourth Highway Engineering”	CCCC Fourth Highway Engineering Co., Ltd.* (中交第四公路工程局有限公司), 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
“CCCCG Real Estate”	CCCCG Real Estate Corporation Limited* (中交地產股份有限公司), a subsidiary of CCCC as at the date of this announcement
“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
“Cooperative Agreement”	the cooperative agreement entered into between CCCC Fourth Highway Engineering and CCCC Real Estate on 24 May 2021
“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

“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”	Hebei Xiong’an Qichen Real Estate Co., Ltd.* (河北雄安啟晨置業有限公司), 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
“%”	percent

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

Beijing, the PRC

24 May 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*