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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)**

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF  
A PUBLICLY TRADED INFRASTRUCTURE SECURITIES  
INVESTMENT FUND ON SHANGHAI STOCK EXCHANGE**

The Board announces that on 9 November 2021, CAMC and CITIC submitted, among others, the application materials on the registration and listing of CAMC-CCCC Expressway Closed-end Infrastructure Securities Investment Fund and the transfer of the asset-backed securities of CITIC Securities-CCCC Investment Company Highway No. 1 Asset-backed Special Scheme by way of public tender to the CSRC and the Shanghai Stock Exchange, respectively.

The Company has submitted the PN15 Application to the Hong Kong Stock Exchange in relation to the Proposed Spin-off. The Hong Kong Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off. Further, the Company has also made an application and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirement of paragraph 3(f) of PN15 of the Hong Kong Listing Rules.

As the Company plans to (1) dispose of 100% equity interest of the Project Company to the Infrastructure REITs, and (2) subscribe for the units of the Infrastructure REITs upon the Proposed Listing, the Proposed Spin-off shall constitute a transaction of the Company under Chapter 14 of the Hong Kong Listing Rules. It is currently expected that the highest applicable percentage ratio in respect of the Proposed Spin-off will be less than 5%. Accordingly, the Proposed Spin-off will not be subject to the reporting, announcement or Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

**Shareholders and potential investors of the Company should note that the Proposed Spin-off and the Proposed Listing are subject to, among other things, the prevailing market conditions and the review and/or approval of the CSRC and the Shanghai Stock Exchange. Accordingly, Shareholders and potential investors of the Company should be aware that the Proposed Spin-off and the Proposed Listing may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

The Board announces that on 9 November 2021, CAMC and CITIC submitted, among others, the application materials on the registration and listing of CAMC-CCCC Expressway Closed-end Infrastructure Securities Investment Fund and the transfer of the asset-backed securities of CITIC Securities-CCCC Investment Company Highway No. 1 Asset-backed Special Scheme by way of public tender to the CSRC and the Shanghai Stock Exchange, respectively.

The underlying asset of the Infrastructure REITs is the Jiatong Section of Wuhan-Shenzhen Expressway\* (武深高速嘉通段), which is held by the Project Company. As at the date of this announcement, the Project Company is owned as to 100% by the subsidiaries of the Company. The Directors are of the view that the Project is geographically separated and distinct from, and will not compete with the other expressway projects of the Group.

The Company has submitted the PN15 Application to the Hong Kong Stock Exchange in relation to the Proposed Spin-off. The Hong Kong Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off.

## **PROPOSED SPIN-OFF**

The Company expects that the Proposed Listing only involves the issuance and listing of the Units of Public Fund of the Infrastructure REITs on the Shanghai Stock Exchange.

The Proposed Spin-off is subject to, among other things, the approval of the CSRC and the Shanghai Stock Exchange to the Proposed Listing and completion of the offering of the Units. The terms of the offering, including the size and price range of the offering, and the timetable of the Proposed Listing have not yet been determined as at the date of this announcement.

Further announcements in connection with the Proposed Spin-off will be made by the Company as and when appropriate.

## **REASONS AND BENEFITS OF THE PROPOSED SPIN-OFF**

The Directors consider the Proposed Spin-off will: (i) market the value of the Project; (ii) enable the Company to revitalize the stock assets, improve the liquidity and reduce the gearing ratio; and (iii) promote the reputation and goodwill of the Company. As such, the Board is of the view that the Proposed Spin-off will bring significant commercial benefits to the Group.

## **LISTING RULES IMPLICATIONS**

As the Company plans to (1) dispose of 100% equity interest of the Project Company to the Infrastructure REITs, and (2) subscribe for the units of the Infrastructure REITs upon the Proposed Listing, the Proposed Spin-off shall constitute a transaction of the Company under Chapter 14 of the Hong Kong Listing Rules. It is currently expected that the highest applicable percentage ratio in respect of the Proposed Spin-off will be less than 5%. Accordingly, the Proposed Spin-off will not be subject to the reporting, announcement or Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

## **WAIVER FROM STRICT COMPLIANCE WITH PARAGRAPH 3(f) OF PN15**

Paragraph 3(f) of PN15 requires a listed company contemplating a spin-off to have due regard to the interests of its existing shareholders by providing them with an assured entitlement to shares in the spun-off entity, either by way of a distribution in specie of existing shares in the spun-off entity or by way of preferred application in any offering of existing or new shares in the spun-off entity.

As advised by the PRC legal counsel of the Proposed Spin-off, according to relevant laws and regulations of the PRC, units of public funds listed on the Shanghai Stock Exchange can be traded through a securities account or off-exchange account which can only be opened by (i) qualified PRC citizens, general domestic institutional investors and foreigners with PRC permanent resident status, etc.; (ii) residents of Hong Kong, Taiwan and Macao working and residing in the PRC; (iii) qualified PRC institutional investors and products, such as securities companies and its asset management scheme, fund management companies and its asset management scheme, banks and its wealth management products, social security funds, etc.; (iv) qualified foreign institutional investors and Renminbi qualified foreign institutional investors approved by CSRC; and (v) foreign strategic investors approved by the competent authorities ((i) to (v) are collectively referred to as “**Qualified Investors**”). As at 30 September 2021, CCCG, the controlling Shareholder of the Company, held approximately 58.07% of the ordinary shares of the Company, and among the remaining ordinary shares of the Company (excluding those held by CCCG), approximately 27.06% were held by its investors through HKSCC Nominees Limited according to the register of members of the Company. The Company is unable to ascertain the identifications of the Shareholders or further assess whether such Shareholders are Qualified Investors. Accordingly, not all, if any, of the existing Shareholders will be entitled to hold the Units following the Proposed Listing, and thus compliance with paragraph 3(f) of PN15 in relation to the Proposed Listing will not be feasible.

Further, the PRC legal counsel also advised that according to the requirements of relevant laws and regulations, unless otherwise prescribed by law, the investors of Infrastructure REITs are prohibited from being provided with a preferential allocation of the units on the ground that all investors shall be treated equally. Preferential allocation may be allowed under certain exceptional circumstances: (i) strategic placing to the original owners of the underlying infrastructure project or its related parties under common control (the “**Original Owners**”, in the presence case, the Company and its related parties under common control are entitled to participate in the strategic placing); and (ii) offline placing to professional investors, such as securities companies, fund management companies, trust companies, insurance companies, social security funds, etc.. Therefore, pursuant to the existing PRC laws and regulations, it is impractical to preferentially allocate the Units to the Shareholders.

In addition, the PRC legal counsel advised that according to the Guidance, the Original Owners shall subscribe for not less than 20% of the total number of the units issued in the public offering, among which, the proportion of 20% of the units must be held by the Original Owners for at least 60 months from the listing date, and the proportion in excess of the 20% threshold must be held by the Original Owners for at least 36 months from the listing date. The Company, as the Original Owner of the Project, will be required to hold such Units during abovementioned lock-up period. Therefore, pursuant to the existing PRC laws and regulations, it is impractical for the Company to distribute the Units to the Shareholders.

After due and careful consideration of the Proposed Spin-off and having taken into account the advice from the PRC legal counsel on the legal impediments in fulfilling such requirement, the Board considers that it is not feasible for the Company to comply with paragraph 3(f) of PN15 of the Hong Kong Listing Rules in connection with the Proposed Spin-off. Accordingly, the Board has resolved not to provide assured entitlement to the Shareholders under the Proposed Listing due to the legal restriction in offering PRC listed Units to foreign investors (including the proposed offering of the Units to the Shareholders), and considers that the Proposed Spin-off and the non-provision of the assured entitlement in relation to the Proposed Spin-off are fair and reasonable, and in the interest of the Company and its Shareholders as a whole. The Company has also made an application and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirement of paragraph 3(f) of PN15 of the Hong Kong Listing Rules.

**Shareholders and potential investors of the Company should note that the Proposed Spin-off and the Proposed Listing are subject to, among other things, the prevailing market conditions and the review and/or approval of the CSRC and the Shanghai Stock Exchange. Accordingly, Shareholders and potential investors of the Company should be aware that the Proposed Spin-off and the Proposed Listing may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

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

“Board”	the board of directors of the Company
“CAMC”	China Asset Management Co., Ltd* (華夏基金管理有限公司)
“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
“CITIC”	CITIC Securities Co., Ltd* (中信証券股份有限公司)
“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

“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guidance”	the Guidance on Public Offering of Infrastructure Securities Investment Fund (Trial) (公開募集基礎設施證券投資基金指引(試行)) promulgated by CSRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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
“Infrastructure REITs”	the publicly traded infrastructure securities investment fund set up by the Company in accordance with Guidance
“PN15”	Practice Note 15 to the Hong Kong Listing Rules
“PN15 Application”	the application made by the Company to the Hong Kong Stock Exchange pursuant to PN15 on the Proposed Spin-off
“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”	Jiatong Section of Wuhan-Shenzhen Expressway* (武深高速嘉通段項目)
“Project Company”	Hubei CCCC Jiatong Expressway Development Co., Ltd.* (湖北中交嘉通高速公路發展有限公司), a subsidiary of the Company which owns the Project
“Proposed Spin-off”	the proposed spin-off and separate listing of the Project
“Proposed Listing”	the proposed listing of the Units on the Shanghai Stock Exchange

“Public Fund”	CAMC-CCCC Expressway Closed-end Infrastructure Securities Investment Fund* (華夏中國交建高速公路封閉式基礎設施證券投資基金), a publicly offered infrastructure securities investment fund established within the structure of the Infrastructure REITs
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Shanghai Stock Exchange”	the Shanghai Stock Exchange
“Units”	the units of the Public Fund
“%”	percent

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

Beijing, the PRC  
9 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*