

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



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

(1) GENERAL MANDATE TO ISSUE NEW SHARES; AND
(2) PROPOSED ISSUANCE OF PREFERENCE SHARES IN THE PRC

At the meeting of the Board held on 12 January 2023, the Board considered and passed, among others, (i) the general mandate to issue new Shares; and (ii) the proposed issuance of Preference Shares in the PRC and relevant resolutions, and resolved to submit the above resolutions to the EGM for the Shareholders' consideration and approval. A circular containing, among other things, details of the above-mentioned resolutions will be despatched to the Shareholders in due course in accordance with the Hong Kong Listing Rules.

Investors are cautioned that the Proposed Issuance is subject to (i) approval from Shareholders by way of a special resolution at the EGM; and (ii) approvals from the CSRC and other relevant authorities. Since the Proposed Issuance is still subject to the satisfaction of various conditions stated therein, the Proposed Issuance may or may not proceed or become unconditional or effective. Investors and potential investors in Shares of the Company should exercise care, and they should only rely on information published by the Company, when they deal, or contemplate dealing, in the Shares or other securities of the Company.

I. INTRODUCTION

At the meeting of the Board held on 12 January 2023, the Board considered and passed, among others, (i) the general mandate to issue new Shares; and (ii) the proposed issuance of Preference Shares in the PRC and relevant resolutions.

II. GENERAL MANDATE TO ISSUE NEW SHARES

The Board has, pursuant to the Hong Kong Listing Rules, resolved to seek a general mandate from the Shareholders:

- (i) the Board will be authorized during the Relevant Period (as defined below), unconditionally, either separately or concurrently, to allot, issue and/or deal with new A Shares and/or H Shares and/or Preference Shares and to make, grant or enter into offers, agreements and/or options in respect thereof, subject to the following conditions:
 - 1. such mandate shall not extend beyond the Relevant Period save that the Board may, during the Relevant Period, make, enter into or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
 - 2. the number of (a) A Shares and/or H Shares; and/or (b) Preference Shares (based on the equivalent number of A Shares and/or H Shares which would result from the simulated conversion of the restored voting rights of Preference Shares at the initial simulated conversion price) to be separately or concurrently allotted, issued and/or dealt with by the Board, shall not exceed 20% of each of the existing A Shares and/or H Shares of the Company in issue as at the date of the passing of this resolution; and
 - 3. the Board will only exercise its power under such mandate in accordance with the Company Law and the Hong Kong Listing Rules and only if all necessary approvals from relevant PRC government authorities are obtained.

- (ii) the Board (or the authorized persons of the Board) will be authorized to make proper amendments to the Articles of Association as it thinks fit so as to increase the registered share capital and reflect the new share capital structure of the Company upon completion of such allotment, issuance of and dealing with new Shares; to take any necessary actions and to go through any necessary procedures (including but not limited to obtaining approvals from relevant regulatory authorities and completing registration with relevant industrial and commercial administration) in order to give effect to the issuance of Shares under this resolution; and to approve, execute and deal with or procure to execute and deal with, all such documents, deeds and matters as it may consider necessary, including but not limited to determining the issuance size, the issuance price or coupon rate of the issue, the use of proceeds from the issue, the target investors of the issue, the place and time of the issue, issuance arrangement in tranches, making all necessary applications to relevant authorities, entering into an underwriting agreement or any other agreements, and completing all necessary filings and registrations with relevant regulatory authorities in the PRC and Hong Kong.

- (iii) For the purpose of enhancing efficiency in the decision-making process and ensuring the success of issuance, it is proposed to the EGM to authorize the Board to delegate such authorization to the chairman of the Board and/or the president and/or the chief financial officer of the Company, to take charge of all matters related to the issuance of new Shares.

- (iv) For the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until the earliest of:
 - 1. the conclusion of the next annual general meeting of the Company following the passing of this resolution;
 - 2. the expiration of the 12-month period following the passing of this resolution;
or
 - 3. the date on which the mandate set out in this resolution is revoked or varied by a special resolution of the Shareholders at a general meeting.

The general mandate to issue new Shares is subject to Shareholders’ approval by way of a special resolution at the EGM. If approved at the EGM, the resolution in relation to the general mandate shall remain valid during the Relevant Period.

When the Relevant Period of the general mandate expires during the 24-month validity period for the Proposed Issuance, the Company may seek Shareholders’ approval to renew the general mandate (if necessary).

III. PROPOSED ISSUANCE OF PREFERENCE SHARES IN THE PRC

(i) Introduction

On 12 January 2023, the Board approved to issue Preference Shares in the PRC under general mandate in accordance with the relevant requirements of the Company Law, the Securities Law, the State Council’s Guiding Opinions on the Launching of the Pilot Scheme of Preference Shares (《國務院關於開展優先股試點的指導意見》) (the “**Guiding Opinions**”), the Administrative Measures on the Pilot Scheme of Preference Shares (2021 Revision) (《優先股試點管理辦法(2021修正)》) (the “**Administrative Measures**”), as well as other relevant laws, regulations and normative documents.

The Proposed Issuance is subject to review by the State-owned Assets Supervision and Administration Commission of the State Council and approvals from the Shareholders at the EGM by way of a special resolution and the CSRC.

(ii) Issuance plan for Preference Shares to be issued in the PRC

1. *Type and number of the Preference Shares to be issued*

The Preference Shares under the Proposed Issuance will carry fixed dividend rate with single step-up in dividend rate arrangement, which are cumulative and non-convertible Preference Shares without any clause on the right to sell back.

The total number of the Preference Shares under the Proposed Issuance shall not exceed 300 million Shares with the total proceeds not more than RMB30 billion, the specific amount of which shall be determined by the Board (or the authorized persons of the Board) within the limit set out above in accordance with the authorization of the general meeting and subject to the regulatory requirements and market condition as well as other conditions.

2. *Method of issuance, target investors or scope of target investors and placing plan to existing Shareholders, and whether or not to issue in multiple tranches*

The Preference Shares under the Proposed Issuance will be issued by non-public issuance to not more than 200 qualified investors who meet the requirements of the Administrative Measures as well as other laws and regulations.

No preferential placing will be made for existing Shareholders under the Proposed Issuance. The controlling Shareholder, the actual controller of the Company or any related parties controlled by it will not subscribe for the Preference Shares under the Proposed Issuance, nor indirectly participate in the subscription of Preference Shares under the Proposed Issuance through assets management plan or other means. All target investors shall subscribe for the Preference Shares under the Proposed Issuance in cash.

The first tranche, being no less than 50% of the total number of Preference Shares to be issued, will be issued by the Company within 6 months from the date upon approval by the CSRC, and the rest will be issued within 24 months. The specific method of issuance shall be determined by the Board (or the authorized persons of the Board) prior to the issuance according to the authorization granted by the general meeting.

3. *Par value, issuance price or pricing principles*

The Preference Shares under the Proposed Issuance will have a par value of RMB100 per Share and will be issued at par. The Preference Shares under the Proposed Issuance have no maturity date.

4. *Dividend rate and the principles for determination thereof*

(1) Whether the dividend rate is fixed or not

The Preference Shares under the Proposed Issuance will carry fixed dividend rate with single step-up in dividend rate arrangement.

(2) Method of adjustment

The dividend rate of the Preference Shares for the first five dividend accruing years from issuance, shall be determined by the Board (or the authorized persons of the Board) according to the authorization obtained from the general meeting, through inquiry methods or other methods approved by the regulatory authorities, with negotiation between the Company and the sponsor(s) (lead underwriter(s)) under the relevant requirements, and with reference to the factors such as state policies, market condition, the situation of the Company and investors' demand at the time of issuance, and shall remain the same during such period.

If the Company does not exercise its redemption rights entirely, from the sixth anniversary of the Dividend Accruing Date, the dividend rate per Share shall be increased by 2 percentage points from the dividend rate carried for the first five dividend accruing years, and remain unchanged after adjustments to dividend rate for the sixth anniversary of the Dividend Accruing Date.

(3) *Dividend rate cap*

The dividend rate of the Preference Shares under the Proposed Issuance at the time of its each tranche shall not be higher than the Company's average ratio of the annual weighted average return on net assets for the two most recent accounting years prior to the issuance¹. The dividend rate upon step-up adjustment shall not be higher than the annual weighted average return on net assets for the two accounting years prior to the adjustment. If the dividend rate at the time of such adjustment was higher than the annual weighted average return on net assets for the two accounting years prior to the adjustment, the dividend rate shall remain unchanged. If the dividend rate upon the increase of 2 percentage points shall be higher than the annual weighted average return on net assets for the two accounting years prior to the adjustment, the dividend rate upon such adjustment shall be the annual weighted average return on net assets for the two accounting years prior to the adjustment.

5. *Method of participation in profit distribution for the Preference Shareholders*

(1) *Arrangement of fixed dividend distribution*

1) *Conditions for fixed dividend distribution*

Pursuant to the Articles of Association, the Company may distribute fixed dividends to the Preference Shareholders under the Proposed Issuance calculated at the corresponding dividend rate if there are distributable profit left after recovering losses and making allocations to its reserve fund according to relevant laws. The Board (or the authorized persons of the Board), subject to the authorization of the general meeting, shall declare and pay all dividends on the Preference Shares under the framework and principles considered and approved by the general meeting in relation to the Preference Shares under the Proposed Issuance and in accordance with the agreements set out in the issuance documents. In case of the cancellation of payment of part of or full current dividend on the Preference Shares, such matter shall also be considered and approved at the general meeting and shall be informed to the Preference Shareholders by the Company at least 10 working days prior to the dividend payment date in accordance with the requirements by relevant regulatory departments.

Note 1: Calculated in accordance with the Rules for the Preparation and Reporting of Information Disclosure by Companies with Public Offering No. 9 – the Calculation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision) (《公開發行證券公司信息披露編報規則第9號－淨資產收益率和每股收益的計算及披露(2010年修訂)》).

The Preference Shares issued in different tranches will have equal priority to dividend distribution. The Preference Shareholders shall take precedence over Ordinary Shareholders in distribution of dividends. The Company will not distribute any profit to Ordinary Shareholders unless the agreed current dividend on Preference Shares has been fully paid.

Unless the occurrence of any trigger events for compulsory payment, the general meeting shall be entitled to determine to cancel the payment of part of or full current dividend on the Preference Shares, which shall not constitute a default by the Company. Trigger events for compulsory payment mean the occurrence of any of the following events within 12 months prior to the dividend payment date: (a) the payment of dividend to the Ordinary Shareholders by the Company (including cash, Shares, a combination of both cash and Shares and other methods in compliance with the laws and regulations); (b) the reduction of registered share capital (except for the redemption and cancellation of Shares due to share incentive plan or the redemption and cancellation of Ordinary Shares as a result of issuing Preference Shares).

2) Method of dividend payment

Dividends on the Preference Shares will be paid by the Company in cash.

Dividends on the Preference Shares under the Proposed Issuance shall be paid annually. The dividends will be accrued from the last day for receiving investors' subscription payments for the Proposed Issuance of the Company (the "**Dividend Accruing Date**").

The dividend distribution date (the "**Dividend Distribution Date**") shall be the anniversary date of the last day for receiving investors' subscription payments for the Proposed Issuance. If any Dividend Distribution Date falls on a statutory holiday or weekend, it shall be deferred to the next working day and no interest will be accrued on the payable dividends during such deferring period.

Any tax payable for the dividend on the Preference Shares received by Preference Shareholders shall be borne by Preference Shareholders in accordance with relevant laws and regulations.

3) Fixed dividend accumulation

Dividends on Preference Shares under the Proposed Issuance will be cumulative, which means that the shortfall arising from any dividends not paid in full to the Preference Shareholders for the previous year will be accumulated to the following year, and shall not constitute a default by the Company.

(2) *Participation in distribution of remaining profit*

Once the Preference Shareholders have received dividends at the agreed dividend rate, they shall not be entitled to the distribution of the remaining profit together with Ordinary Shareholders.

6. *Redemption clauses*

(1) *The holder of redemption right*

The redemption right of the Preference Shares under the Proposed Issuance rests on the Company, i.e., the Company is entitled to redeem and cancel the Preference Shares in accordance with its operation situation and in compliance with relevant laws, regulations and normative documents. No resale clauses for investors are provided for the Preference Shares under the Proposed Issuance, namely, Preference Shareholders do not have the right to sell back their Preference Shares to the Company.

(2) *Conditions and period of the redemption*

The redemption period of the Preference Shares under the Proposed Issuance is from the fifth anniversary of the first Dividend Accruing Date (in the event of issuing by tranches, on the first Dividend Accruing Date of each tranche respectively) up to the date of full redemption.

Following the fifth anniversary of the first Dividend Accruing Date (in the event of issuing by tranches, on the first Dividend Accruing Date of each tranche respectively), the Company is entitled to redeem and cancel all or part of the Preference Shares under the Proposed Issuance on every Dividend Distribution Date. Where a partial redemption was decided to be carried out by the Company, the Company shall redeem the Preference Shares from all Preference Shareholders of the same tranche by the corresponding proportion.

Save for the requirements of the laws and regulations, the redemption of the Preference Shares under the Proposed Issuance is not subject to other conditions.

(3) *Redemption price and the pricing principle*

The redemption price of the Preference Shares under the Proposed Issuance shall be the par value plus resolved payment of but unpaid dividends on the Preference Shares.

(4) *The authorization of conditional redemption*

The general meeting authorizes the Board (or persons authorized by the Board), under the framework and principles considered and approved by the general meeting, to deal with, at its sole discretion, all matters in relation to the redemption in accordance with the relevant laws and regulations, approvals and market conditions.

7. *Voting right restriction and restoration*

(1) *Voting right restriction*

The Preference Shareholders have no right to make a request to, convene, preside over, attend, or attend by proxy any general meeting, nor do they have voting rights, save as the matters to be voted by the Preference Shareholders in accordance with the laws and regulations or the Articles of Association.

In any of the following events, the notice of the general meeting shall be delivered to the Preference Shareholders prior to convention of such meeting by the Company. The Company shall also comply with the required notice procedure for Ordinary Shareholders set forth in the Company Law and the Articles of Association. The Preference Shareholders are entitled to attend the general meetings and vote on the following matters separately from the Ordinary Shareholders. Each Preference Share shall have one vote, but the Preference Shares held by the Company shall have no voting right:

- 1) any amendment to the provisions of the Articles of Association regarding the Preference Shares;

- 2) any reduction of the registered share capital of the Company by more than 10%, whether on an individual or cumulative basis;
- 3) any merger, division, dissolution or change of organizational form of the Company;
- 4) any issuance of Preference Shares;
- 5) any other circumstances prescribed by laws, administrative regulations, departmental rules or the Articles of Association.

Resolutions on the matters above shall be approved by at least two thirds of the votes represented by the Preference Shareholders present at the meeting (excluding the Preference Shareholders with voting rights restored), in addition to the approval by at least two thirds of the votes represented by the Ordinary Shareholders present at the meeting (including the Preference Shareholders with voting rights restored).

(2) *Voting right restoration*

- 1) Voting rights restoration clause

If the Company fails to pay dividends to the Preference Shareholders as agreed for three accounting years in aggregate or two consecutive accounting years, the Preference Shareholders shall have the same right to attend and vote at the general meetings with Ordinary Shareholders from the date immediately following the day when the general meeting has approved the cancellation of payment of current dividend on the Preference Shares or the date immediately following the day when the current dividend has not been paid as agreed.

The number of voting rights of Ordinary Shares entitled to each Preference Share shall be calculated using the following formula:

$$N=V/P_n$$

Wherein, V is the total par value of Preference Shares held by the Preference Shareholders; the stimulated conversion price; P_n is the net asset value per Share attributable to owners of the parent as disclosed in the Company's audited consolidated financial statements as at 31 December 2021, namely RMB14.01 per Share. The number of voting rights restored shall be rounded down to the nearest integer.

- 2) The adjustment in stimulated conversion price upon voting rights restoration

From the day on which the Proposed Issuance plan was passed by the Board, in the event of any bonus issue, capitalization issue, new issuance (excluding any increase of registered share capital due to conversion of financing instruments with provisions enabling them to be converted into Ordinary Shares issued by the Company) or rights issue resulting in the change in the number of Ordinary Shares, the Company will make an adjustment to the stimulated conversion price upon voting rights restoration. The adjustment method is set out below:

In the event of any bonus issue or capitalization issue: $P_1 = P_0 / (1+n)$

In the event of any new issuance of Shares or rights issue:
 $P_1 = P_0 \times (N+Q \times (A/M)) / (N+Q)$

Wherein, P_1 means the stimulated conversion price effective immediately after such adjustment; P_0 means the stimulated conversion price effective immediately preceding such adjustment; n means the percentage of bonus issue or capitalization issue; Q means the number of Shares issued as new Shares or subject to a rights issue; N means the total number of Ordinary Shares before such new issuance or rights issue; A means the price of the new Shares issued under such new issuance or rights issue; M means the closing price of the Ordinary A Shares on the trading day prior to the listing of such new issuance or rights issue.

In the event that any of the above-mentioned changes in the Ordinary Shares happened, the Company will make corresponding adjustment to the stimulated conversion price upon voting rights restoration, and will make corresponding disclosure in accordance with relevant rules. If the Company repurchase its Ordinary Shares, or is subject to a merger, division or any other circumstances that may lead to changes in the Company's Shares and Shareholders' interest and thereby affect the rights and interests of the Preference Shareholders under the Proposed Issuance, the Company is entitled to adjust the stimulated conversion price upon voting rights restoration in a fair, just and equitable manner in order to fully protect and keep balance of the rights and interests of the Preference Shareholders under the Proposed Issuance and the Ordinary Shareholders. The contents and the mechanism relating to the adjustment of the stimulated conversion price upon voting rights restoration applicable to such circumstances will be formulated in accordance with applicable PRC laws and regulations.

The stimulated conversion price upon voting rights restoration of the Preference Shares under the Proposed Issuance will not be adjusted for the distribution of cash dividend on the Ordinary Shares by the Company.

3) The expiry of restoration term

After the voting rights of the Preference Shares are restored, the voting rights of the Preference Shareholders shall be exercisable until the date when the Company has fully paid the owed and payable dividends, unless the laws, regulations and the Articles of Association stipulate otherwise. The voting rights of Preference Shareholders will be restored again if subsequent event retriggers the voting rights restoration term.

8. *Sequence of settlement and method of liquidation*

If the Company is subject to liquidation as a result of dissolution, bankruptcy or other reasons, the residual property of the Company after settlement in accordance with the relevant requirements of the Company Law and the Bankruptcy Law, shall be distributed to the Shareholders in the following sequences and method:

- (1) pay the sum of par value of the Preference Shares plus the current declared but unpaid dividends to the Preference Shareholders. If the residual property is not sufficient, then such distribution shall be made on a pro rata basis in accordance with the shareholding percentages of the Preference Shareholders in the total Preference Shares;
- (2) distribute to the Ordinary Shareholders on a pro rata basis in accordance with the shareholding percentages of the Ordinary Shareholders in the total Ordinary Shares.

9. *Credit rating and follow-up rating arrangement*

The specific rating arrangement of the Preference Shares under the Proposed Issuance will be determined in accordance with relevant laws and regulations and market conditions in the PRC.

10. *Method and target of guarantee*

There is no guarantee arrangement in relation to the Preference Shares under the Proposed Issuance.

11. *Listing or transfer arrangement upon issuance of the Preference Shares*

No lock-up period is attached to the Preference Shares under the Proposed Issuance.

The Preference Shares will be traded and transferred on the SSE in accordance with the relevant provisions upon the Proposed Issuance, but will only be transferred among the qualified investors prescribed by the Administrative Measures. The investor suitability standards adopted for the transfer stage of the Preference Shares shall be consistent with those adopted for the issuance stage. After the transfer of the Preference Shares under the same terms, the number of investors shall be no more than 200.

12. *Use of proceeds*

The proceeds to be raised from the Proposed Issuance shall not exceed RMB30 billion, and the net proceeds after deducting issuance expenses are all planned to be used for replenishing working capital.

13. *Validity period of the resolution in relation to the Proposed Issuance*

The resolution in relation to the Proposed Issuance shall remain valid for 24 months starting from the date of approval at the general meeting.

The above-mentioned 13 provisions shall be considered and approved item by item at the EGM by way of a special resolution. Any provision not been approved by voting shall be regarded as if the whole resolution not been approved.

Under the issuance plan to be passed at the EGM, the issuance of the Preference Shares by tranches under the Proposed Issuance will not be subject to approval at the class meeting of the then Preference Shareholders or Ordinary Shareholders or the general meeting.

IV. OTHER RESOLUTIONS IN RELATION TO THE PROPOSED ISSUANCE

(i) The Company satisfies the conditions for the non-public issuance of Preference Shares

In accordance with the requirements of the Company Law, the Securities Law, the Guiding Opinions, the Administrative Measures and other relevant laws, regulations and normative documents on the relevant qualifications and conditions for the non-public issuance of domestic preference shares by listed companies, the Company confirms that it meets the requirements of the existing laws, regulations and normative documents on the non-public issuance of domestic preference shares by listed companies after reviewing the actual operation of the Company and relevant matters item by item and it has met all conditions of and is qualified for the non-public issuance of domestic Preference Shares.

The Board has resolved to submit the resolution in relation to the Company's satisfaction of the conditions for the non-public issuance of Preference Shares to the EGM for Shareholder's consideration and approval by way of an ordinary resolution.

(ii) Preliminary plan for the non-public issuance of Preference Shares

In accordance with the relevant provisions of the Company Law, the Securities Law, the Guiding Opinions, the Administrative Measures and other laws, regulations and normative documents, the Company has formulated the preliminary plan for the non-public issuance of Preference Shares in relation to the Proposed Issuance. The full text of the preliminary plan for the non-public issuance of Preference Shares will be included in the circular to be dispatched to the Shareholders.

The Board has resolved to submit the resolution in relation to the preliminary plan for the non-public issuance of Preference Shares to the EGM for Shareholder's consideration and approval by way of a special resolution.

(iii) Feasibility analysis report of the use of proceeds

In order to promote the sustainable and stable development of the Company, the Company intends to raise proceeds by way of non-public issuance of domestic Preference Shares. In order to ensure the reasonable, safe and efficient use of the proceeds to be raised by the Proposed Issuance, the Company has formulated a feasibility analysis report of the use of proceeds on the use of the proceeds of the Proposed Issuance, the full text of which will be included in the circular to be dispatched to the Shareholders.

The Board has resolved to submit the resolution in relation to the feasibility analysis report on the use of proceeds to the EGM for Shareholder's consideration and approval by way of a special resolution.

(iv) The dilution of current return, remedial measures and commitments of the relevant parties of the non-public issuance of Preference Shares

In accordance with the requirements under the Opinions of the State Council on Further Strengthening the Healthy Development of the Capital Market (Guo Fa [2014] No. 17) (《國務院關於進一步促進資本市場健康發展的若干意見》(國發[2014]17號)), the Opinions of the General Office of the State Council on Further Strengthening the Protection of Legitimate Rights of Minority Investors in the Capital Market (Guo Ban Fa [2013] No. 110) (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》(國辦發[2013]110號)) and the Guiding Opinions on Matters Concerning the Dilution of Current Return by IPO, Refinancing and Material Asset Reorganization (China Securities Regulatory Commission Announcement [2015] No. 31) (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》(中國證券監督管理委員會公告[2015]31號)) and other laws, regulations and normative documents, in order to protect the interests of minority investors, the Company has formulated the dilution of current return and remedial measures for the non-public issuance of Preference Shares, and the controlling Shareholders, Directors and senior management of the Company have made commitments on the dilution of current return and the adoption of remedial measures respectively. The full text of the dilution of current return, remedial measures and commitments of the relevant parties of the non-public issuance of Preference Shares will be included in the circular to be dispatched to the Shareholders.

The Board has resolved to submit the resolution in relation to the dilution of current return, remedial measures and commitments of the relevant parties of the non-public issuance of Preference Shares to the EGM for Shareholder's consideration and approval by way of a special resolution.

(v) Statement on the exemption from the preparation of a report on the use of the previous proceeds

Approved by the CSRC with the Approval of Non-public Issuance of Preference Shares by China Communications Construction Company Limited (Zheng Jian Xu Ke [2015] No. 1348) (《關於核准中國交通建設股份有限公司非公開發行優先股的批覆》(證監許可[2015]1348號)), the Company issued preference shares by the non-public issuance in 2015.

In view of the fact that receipt of the Company's previous proceeds has exceeded five accounting years and the Company has not raised proceeds through rights issue, issuance of Shares or convertible corporate bonds in the last five accounting years, the Company is exempted from the preparation of a report on the use of the previous proceeds in respect of the Proposed Issuance.

The Board has resolved to submit the resolution in relation to the statement on the exemption from the preparation of a report on the use of the previous proceeds to the EGM for Shareholder's consideration and approval by way of an ordinary resolution.

(vi) Shareholders' return plan for the next three years (2023–2025)

In accordance with the relevant provisions of the Notice on Further Implementation of Cash Dividends Distribution of Listed Companies (Zheng Jian Fa [2012] No. 37) (《關於進一步落實上市公司現金分紅有關事項的通知》(證監發[2012]37號)), Regulatory Guidance for Listed Companies No. 3 – Cash Dividends Distribution of Listed Companies (2022 Revision) (《上市公司監管指引第3號—上市公司現金分紅(2022年修訂)》) (Notice of China Securities Regulatory Commission [2022] No.3) issued by the CSRC and the Articles of Association, the Company has formulated the Shareholders' return plan for the next three years (2023–2025). The full text of the Shareholders' return plan for the next three years (2023–2025) will be included in the circular to be despatched to the Shareholders.

The Board has resolved to submit the resolution in relation to the Shareholders' return plan for the next three years (2023–2025) to the EGM for Shareholder's consideration and approval by way of an ordinary resolution.

(vii) Proposed amendments to the Articles of Association

In accordance with the relevant provisions of the Company Law, the Securities Law, the Guiding Opinions, the Administrative Measures, the Guidelines on the Bylaws of Listed Companies (2022 Revision) (《上市公司章程指引(2022年修訂)》), the rules governing the listing of securities or stocks on the stock exchange where the Company's Shares are listed, Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 – Standardized Operation (《上海證券交易所上市公司自律監管指引第1號—規範運作》) and other laws, regulations and normative documents, and taking into account the actual conditions of the Company, the Company proposed to amend the Articles of Association. Details of the proposed amendments will be included in the circular to be despatched to the Shareholders.

The Board has resolved to submit the resolution in relation to the proposed amendments to the Articles of Association to the EGM for Shareholder's consideration and approval by way of a special resolution.

(viii) Proposed authorization to the Board and its authorized persons to exercise full powers to deal with matters relating to non-public issuance of Preference Shares

To facilitate the Proposed Issuance, the Company proposed to submit to the EGM to authorize the Board and its authorized persons to exercise full powers to deal with matters relating to Proposed Issuance. Details of the proposed authorization will be included in the circular to be despatched to the Shareholders.

The Board has resolved to submit the resolution in relation to the proposed authorization to the Board and its authorized persons to exercise full powers to deal with matters relating to non-public issuance of Preference Shares to the EGM for Shareholder's consideration and approval by way of a special resolution.

V. GENERAL

A circular containing, among other things, details of (i) the general mandate to issue new Shares, and (ii) the proposed issuance of Preference Shares in the PRC and relevant resolutions will be despatched to the Shareholders in due course in accordance with the Hong Kong Listing Rules.

Investors are cautioned that the Proposed Issuance is subject to (i) approval from Shareholders by way of a special resolution at the EGM; and (ii) approvals from the CSRC and other relevant authorities. Since the Proposed Issuance is still subject to the satisfaction of various conditions stated therein, the Proposed Issuance may or may not proceed or become unconditional or effective. Investors and potential investors in Shares of the Company should exercise care, and they should only rely on information published by the Company, when they deal, or contemplate dealing, in the Shares or other securities of the Company.

VI. DEFINITIONS

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

“A Share(s)”	domestic Share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the SSE under the stock code 601800 and traded in Renminbi
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“Company”	China Communications Construction Company Limited, a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the Hong Kong Stock Exchange under the stock code 1800 and the A Shares of which are listed on the SSE under the stock code 601800
“Company Law”	the Company Law of the People’s Republic of China
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, to approve, among others, (1) the general mandate to issue new Shares; and (2) the proposed issuance of Preference Shares in the PRC and relevant resolutions
“H Share(s)”	overseas-listed foreign invested Share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“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

“Ordinary Share(s)”	the A Share(s) and the H Share(s) (or either of them, as the case may be)
“Ordinary Shareholder(s)”	holder(s) of the Ordinary Share(s)
“PRC”	the People’s Republic of China and for the purpose of this announcement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Preference Share(s)”	preference share(s) to be issued by the Company
“Preference Shareholder(s)”	holder(s) of the Preference Share(s)
“Proposed Issuance”	the proposed non-public issuance of the Preference Shares in the PRC by the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Law of the People’s Republic of China
“Share(s)”	share(s) in the capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“SSE”	the Shanghai Stock Exchange
“%”	per cent

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

Beijing, the PRC
12 January 2023

As at the date of this announcement, the Directors of the Company are WANG Tongzhou, WANG Haihuai, LIU Xiang, SUN Ziyu, MI Shuhua, LIU Hui[#], CHAN Wing Tak Kevin[#], WU Guangqi[#] and ZHOU Xiaowen[#].

[#] *Independent non-executive Director*