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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

RESULTS OF THE FIRST GRANT OF THE 2022 INCENTIVE SCHEME

Reference is made to the announcement dated 4 May 2023 (the “**Announcement**”) of the Company in relation to the first grant of Restricted Shares to the Participants under the 2022 Incentive Scheme. Unless the context otherwise requires, the terms used herein shall have the same meanings as those defined in the Announcement.

The Company had, pursuant to the provisions of Administrative Measures on Share Incentives of Listed Companies (《上市公司股權激勵管理辦法》) and in accordance with the relevant requirements of the Shanghai Stock Exchange and Shanghai Branch of the China Securities Depository and Clearing Corporation Limited, completed the registration of the first grant of the Incentive Scheme with Shanghai Branch of the China Securities Depository and Clearing Corporation Limited on 5 June 2023. The relevant matters are hereby presented as follows:

I. THE GRANT OF THE RESTRICTED SHARES

(1) The First Grant of the Restricted Shares

The Company held the eighteenth meeting of the fifth session of the Board and the sixteenth meeting of the fifth session of the Supervisory Committee respectively on 28 April 2023, and considered and approved the Resolution Regarding the Adjustments on the List of Participants and the Number of Restricted Shares Granted under the First Grant of the 2022 Restricted Share Incentive Scheme and the Resolution Regarding the First Grant of Restricted Shares to the Participants under the 2022 Restricted Share Incentive Scheme, respectively, agreed to grant 98.55 million Restricted Shares to 662 Participants on 4 May 2023 (as the First Grant date), at a price of RMB5.33 per Share. The independent Directors and the Supervisory Committee of the Company had expressed their independent opinions and verification opinions on such matters respectively. The actual and detailed information of the first grant are as follows:

1. The Grant Date: 4 May 2023
2. Number of Shares granted: 97.95 million Shares
3. Number of Participants: 658
4. Grant Price: RMB5.33 per Share
5. Source of Shares: The ordinary A Shares of the Company issued by the Company to the Participants.
6. Explanation on the difference between the number of Restricted Shares actually granted and the number of Restricted Shares to be granted: Given that, upon the determination of the grant date of the Incentive Scheme by the Board and, in the process of capital payment and registration of Shares, 4 Participants, due to personal reasons, voluntarily waived their subscription for all the Restricted Shares (0.6 million Shares in total) to be granted by the Company to them, therefore, the number of Restricted Shares actually applied for registration under the first grant of the Incentive Scheme amounted to 97.95 million Shares with 658 Participants (the “**First Grant**”). The number of Restricted Shares under the reserved grant remained unchanged.

(2) List of Participants and Details of the First Grant

Name	Position	Number of Restricted Shares granted (0'000 shares)	Percentage of the total Restricted Shares granted	Percentage of the total ordinary A Shares of the Company
ZHU Hongbiao	Chief financial officer	35	0.30%	0.003%
YANG Zhichao	Vice president	35	0.30%	0.003%
ZHOU Changjiang	Secretary to the Board	30	0.26%	0.003%
Middle management personnel and core personnel (no more than 655)		9,695	83.90%	0.825%
Total of the First Grant (no more than 658)		9,795	84.77%	0.834%
Reserved grant		1,760	15.23%	0.150%
Total		11,555	100.00%	0.984%

Notes: (1) The total number of the Company's Shares granted under all effective share incentive schemes to any of the aforesaid Participants does not exceed 1% of the total share capital of the Company. The total number of underlying Shares involved in all effective share incentive schemes of the Company does not exceed 10% of the total share capital of the Company.

(2) Any difference in the total amount and the sum of the breakdowns in the above table is due to rounding.

(3) Please refer to the Announcement for details of number of the Shares subscribed by the connected persons under the First Grant.

II. TERM, LOCK-UP PERIOD AND UNLOCKING ARRANGEMENTS OF RESTRICTED SHARES

The term of the Incentive Scheme shall commence from the completion date of registration of the Restricted Shares under the First Grant and end on the date of all the Restricted Shares granted to the Participants having been unlocked or repurchased, the maximum period of which shall not exceed 72 months.

The Restricted Shares granted under the Incentive Scheme shall be unlocked in three batches, and the Lock-up Period of each batch is 24 months, 36 months and 48 months respectively from the completion date of registration of the corresponding grant. Before unlocking, the Restricted Shares granted to the Participants under the Incentive Scheme shall be restricted for sale and shall not be transferred, used as security or for repayment of debts. The shares entitled by the Participants as a result of the capitalisation issue, bonus issue and sub-division of shares, etc. in connection with the granted Restricted Shares that have not yet been unlocked are simultaneously locked in accordance with the Incentive Scheme.

Upon unlocking, the Company will handle the unlocking matters for the Participants who meet the unlocking conditions, and the Restricted Shares held by the Participants who do not meet the unlocking conditions will be repurchased by the Company.

The unlocking schedule for the Restricted Shares of the Incentive Scheme under the first grant and the reserved grant are set out below:

Unlocking period	Unlocking schedule	Percentage of the number of Restricted Shares to be unlocked
The first unlocking period for the First Grant and the reserved grant	Commencing from the first trading day after expiry of the 24-month period from the date of completion of registration of the corresponding grant and ending on the last trading day of the 36-month period from the date of completion of registration of such grant;	34%
The second unlocking period for the First Grant and the reserved grant	Commencing from the first trading day after expiry of the 36-month period from the date of completion of registration of the corresponding grant and ending on the last trading day of the 48-month period from the date of completion of registration of such grant;	33%
The third unlocking period for the First Grant and the reserved grant	Commencing from the first trading day after expiry of the 48-month period from the date of completion of registration of the corresponding grant and ending on the last trading day of the 60-month period from the date of completion of registration of such grant.	33%

III. CAPITAL VERIFICATION OF THE SUBSCRIPTION PROCEEDS OF RESTRICTED SHARES

On 16 May 2023, Zhongshen Zhonghuan Certified Public Accountants (Special General Partnership) issued the Capital Verification Report of China Communications Construction Company Limited (Zhong Huan Yan Zi (2023) No. 0200018). According to the capital verification report, as at 16 May 2023, the Company has received a total of RMB522.0735 million from 658 Participants including ZHU Hongbiao for subscription for the Restricted Shares, of which RMB97.95 million was included in the share capital, and RMB424.1235 million was included in the capital reserve.

As at 16 May 2023, the cumulative registered capital of the Company after the change was RMB16,263.6614 million, and the share capital was RMB16,263.6614 million.

IV. REGISTRATION OF RESTRICTED SHARES

A total of 97.95 million Restricted Shares under the First Grant were registered with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, which was completed on 5 June 2023, and the Securities Transfer Registration Certificate issued by the Shanghai Branch of China Securities Depository and Clearing Corporation Limited was received.

V. IMPACT ON THE CONTROLLING SHAREHOLDER OF THE COMPANY BEFORE AND AFTER THE GRANT

Upon completion of the First Grant, the total share capital of the Company increased to 16,263,661,425 shares from 16,165,711,425 shares. Before the First Grant, the controlling shareholder of the Company was China Communications Construction Group (Limited)* (中國交通建設集團有限公司), with a shareholding of 57.99% in the Company; upon completion of the First Grant, the controlling shareholder of the Company remained China Communications Construction Group (Limited), with a shareholding of 57.64% in the Company. The First Grant will not lead to any change in control by the controlling shareholder of the Company.

VI. CHANGES IN SHAREHOLDING STRUCTURE

Category	Before the change		Change (shares)	After the change	
	Number (shares)	Percentage		Number (shares)	Percentage
Shares subject to trading moratorium	0	0	97,950,000	97,950,000	0.60%
Listed shares not subject to trading moratorium	16,165,711,425	100%	0	16,165,711,425	99.40%
Total	16,165,711,425	100%	97,950,000	16,263,661,425	100%

VII. PLAN FOR USE OF PROCEEDS

All the proceeds raised from the First Grant will be used to replenish the Company's working capital.

VIII. IMPACT OF THE GRANT OF THE RESTRICTED SHARES ON THE COMPANY'S FINANCIAL POSITION

In accordance with the requirements of the Accounting Standards for Business Enterprise No.11 – Share-based Payments (《企業會計準則第11號-股份支付》), at each balance sheet date within the Lock-up Period, the Company shall revise the number of the Restricted Shares which are expected to be unlocked according to the change in the latest available number of persons eligible to unlock the Restricted Shares, completion status of the performance targets and other subsequent information, and recognise the services acquired during such period in relevant costs or expenses and capital reserve at the fair value of the Restricted Shares on the grant date.

The Company took the difference between the market price of A Shares on the grant date and the grant price as the share-based payment expenses per Restricted Share, and the share-based payment expenses under the Scheme shall be determined eventually. The incentive costs incurred from the Incentive Scheme will be charged to the recurring gain or loss.

The Board has determined that the First Grant Date shall be 4 May 2023. Taking the difference between the market price of A Shares on the Grant Date and the Grant Price as the share-based payment expenses per Restricted Share, details of the potential impacts of the Restricted Shares under the First Grant on the accounting cost for each period are shown in the table below:

Number of Restricted Shares to be granted (0'000 shares)	Total cost (RMB0'000)	2023 (RMB0'000)	2024 (RMB0'000)	2025 (RMB0'000)	2026 (RMB0'000)	2027 (RMB0'000)
9,795	72,580.95	17,540.40	26,310.59	18,084.75	8,649.23	1,995.98

Note: The above figures do not constitute the final accounting cost. Other than the Grant Date, Grant Price and number of Restricted Shares to be granted, accounting cost also relates to the actual number of effective and lapsed entitlements. The final result of the above impact on the operating performance of the Company shall be subject to the annual auditor's report to be issued by the auditors.

As estimated by the Company based on the current condition, without considering the stimulus effects of the Incentive Scheme on the performance of the Company, the amortization of the costs of the Incentive Scheme will have an impact on the net profit of each year during its term but the impact won't be significant. Taking into consideration the positive impact of the Incentive Scheme on the development of the Company, it will stimulate the enthusiasm of the management team, improve the operating efficiency, and reduce agency costs. It is expected that the performance improvement of the Company brought by the Incentive Scheme shall far exceed the increase in costs incurred by the Incentive Scheme.

By order of the Board
China Communications Construction Company Limited
Zhou Changjiang
Company Secretary

Beijing, the PRC
7 June 2023

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

[#] *Independent non-executive Director*

^{*} *For identification purpose only*