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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**  
**UPDATE ON THE PROPOSED ASSETS REORGANIZATION**  
**AND THE PROPOSED SPIN-OFF**

This announcement is made by China Communications Construction Company Limited (the “**Company**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Hong Kong Laws) and Rule 13.09 of the Hong Kong Listing Rules.

References are made to the announcements of the Company dated 11 May 2022, 28 December 2022 and 28 February 2023 (the “**Announcements**”) and the circular of the Company dated 21 February 2023 (the “**Circular**”) in relation to the Proposed Assets Reorganization and the Proposed Spin-off. Unless the content otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Circular.

**PROPOSED SPIN-OFF**

The Company had submitted an application for the Proposed Spin-off under the Practice Note 15 of the Hong Kong Listing Rules (the “**PN15**”) to the Hong Kong Stock Exchange. The Hong Kong Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off.

**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, A shares listed on the Shanghai Stock Exchange can only be traded through securities accounts which can be opened by (i) qualified PRC citizens, foreigners with PRC permanent resident status, or foreigners working in the PRC who are citizens from countries (regions) in regulatory cooperation with CSRC; (ii) residents of Hong Kong, Taiwan and Macao working and residing in the PRC; (iii) qualified PRC institutional investors, such as securities companies, insurance companies, securities investment funds, social security funds, etc.; (iv) qualified foreign institutional investors and Renminbi qualified foreign institutional investors approved by CSRC; (v) foreign strategic investors approved by the Ministry of Commerce of the PRC; and (vi) foreign strategic investors who are participants under Administrative Measures for Equity Incentives of Listed Companies (《上市公司股權激勵管理辦法》) ((i) to (vi) are collectively referred to as “**Qualified Investors**”). As at 30 June 2023, CCCG, the controlling Shareholder of the Company, held approximately 59.32% of the ordinary shares of the Company, and among the remaining ordinary shares of the Company (excluding those held by CCCG), approximately 26.91% 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 of the Company will be entitled to hold shares of Qilianshan following the Proposed Spin-off, and thus compliance with paragraph 3(f) of PN15 in relation to the Proposed Spin-off will not be feasible.

The PRC legal counsel also advised that according to the requirements of the Administrative Measures on Major Asset Reorganization of Listed Companies (《上市公司重大資產重組管理辦法》), the shares, which are proposed to be issued by a listed company to a specified subscriber that will obtain the actual control of such company through the subscription, shall not be transferred within 36 months from the date of issuance of such shares (the “**Lock-up Period**”). Pursuant to the Agreement on Assets Swap and Acquisition of Assets by Issuance of Shares and the Supplemental Agreement, the parties agreed that (i) the Company shall dispose of its 100% equity interest in the Three Highway Institutes to Qilianshan, (ii) China Urban-Rural shall dispose of its 100% equity interest in the Three Municipal Institutes to Qilianshan, and (iii) Qilianshan shall transfer its 100% equity interest in Qilianshan Ltd. to the Company and China Urban-Rural, and settle the shortfall between the consideration for such equity interest in the Three Highway Institutes, the Three Municipal Institutes and Qilianshan Ltd. by issuing the Consideration Shares to the Company and China Urban-Rural. The Company and China Urban-Rural shall hold such Consideration Shares during the Lock-up Period (i.e. at least 36 months from the issuance date of the Consideration Shares). Therefore, pursuant to the prevailing PRC laws and regulations, it is impractical for the Company to distribute the Consideration Shares to the Shareholders in the Lock-up Period.

In addition, the PRC legal counsel further advised that according to the Administrative Measures for the Registration of Securities Issuance of Listed Companies (《上市公司證券發行註冊管理辦法》), the Subscribers under the non-public issuance shall not be more than 35 Qualified Investors, and the Subscribers and the issue price shall be determined through bidding by the investors. Upon completion of the Proposed Assets Reorganization, Qilianshan proposes to conduct a placement of shares, which shall not exceed 30% of the total share capital of Qilianshan before such placement, to not more than 35 investors. The Subscribers shall be Qualified Investors, and the Subscribers and the issue price shall be determined by way of bidding. Therefore, pursuant to the prevailing PRC laws and regulations, it is impractical for the Company to preferentially allocate the new shares of Qilianshan under the placement 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 in connection with the Proposed Spin-off. Therefore, due to the legal restrictions on the allocation of Qilianshan's shares to the existing Shareholders, the Board has resolved not to provide the assured entitlement under the Proposed Spin-off to the Shareholders, and considers that the Proposed Spin-off and non-provision of the assured entitlement in connection with the Proposed Spin-off are fair and reasonable, and in the interest of the Company and the Shareholders as a whole. The Company has also submitted an application for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements under Paragraph 3(f) of PN15 of the Hong Kong Listing Rules.

**The Proposed Assets Reorganization and the Proposed Spin-off are still subject to, among other things, the approval, endorsement or consent for registration of the relevant domestic and overseas regulatory authorities, including the SSE, the CSRC and the State Administration for Market Regulation. Accordingly, the Proposed Assets Reorganization and the Proposed Spin-off may or may not proceed. The Company will fulfill further disclosure obligations in accordance with the requirements under the Hong Kong Listing Rules in due course. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

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

Beijing, the PRC  
4 August 2023

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

<sup>#</sup> *Independent non-executive Director*