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中国铁建
中國鐵建股份有限公司
China Railway Construction Corporation Limited

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1186)

ANNOUNCEMENT

**DISCLOSEABLE TRANSACTION
ENTERING INTO THE PARTNERSHIP AGREEMENT**

The Board announces that on 10 December 2021, ICBC Asia Investment Fund Co., ICBC Wealth Management, ICBC International Investment, TFI SP, CRCC Investment and CRCC Southern Investment entered into the Partnership Agreement for the formation of the partnership enterprise.

Pursuant to the Partnership Agreement, the size of partnership enterprise shall be RMB14,001 million, of which ICBC Asia Investment Fund Co., as a general partner, proposed to make capital contribution of RMB1 million, and ICBC Wealth Management, ICBC International Investment, TFI SP, CRCC Investment and CRCC Southern Investment, as limited partners, proposed to make capital contributions of RMB3,541.67 million, RMB3,541.67 million, RMB1,416.66 million, RMB2,750 million and RMB2,750 million, respectively. Subject to the applicable accounting standards, upon the establishment of the partnership enterprise, the financial results of the partnership enterprise will not be consolidated into the accounts of the Company.

The establishment of the partnership enterprise constitutes a transaction under Chapter 14 of the Hong Kong Listing Rules. As the highest applicable percentage ratio for the size test of such transaction is more than 5% but less than 25%, the establishment of the partnership enterprise constitutes a discloseable transaction of the Company, and shall be subject to reporting and announcement requirements but is exempt from the shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

INTRODUCTION

The Board announces that on 10 December 2021, ICBC Asia Investment Fund Co., ICBC Wealth Management, ICBC International Investment, TFI SP, CRCC Investment and CRCC Southern Investment entered into the Partnership Agreement for the formation of the partnership enterprise.

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PARTNERSHIP AGREEMENT

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

Date:	10 December 2021
Name of the partnership enterprise:	Zhuhai CRCC Asia Investment Equity Investment Partnership (Limited Partnership) (珠海市鐵建亞投股權投資合夥企業(有限合夥))
Parties:	ICBC Asia Investment Fund Co. (as a general partner/ executive partner/fund manager) ICBC Wealth Management (as a limited partner) ICBC International Investment (as a limited partner) TFI SP (as a limited partner) CRCC Investment (as a limited partner) CRCC Southern Investment (as a limited partner)

Scope of business

The scope of business of the partnership enterprise includes investment management, investment consultation and assets management.

Purpose of the partnership and investment model

The purpose of the partnership enterprise is to protect the partnership rights and interests of the partners as a whole, and obtain corresponding profits by investing in project companies. All partners unanimously agreed that the partnership enterprise shall carry out investments in compliance with laws and regulations, mainly investing in the equity in relation to infrastructure projects established and managed by CRCC. As of the date of this announcement, the partnership enterprise has not determined any investment targets or carried out any investments. Should the partnership enterprise enter into any investment orders or make any specific investments in the future, the Company will make necessary announcement(s) on the specific nature and details of the underlying investment in accordance with the applicable Listing Rules.

Duration of the partnership enterprise

The term shall be 50 years, and may be dissolved in advance upon the resolution approved by the partners.

Contribution

The total capital contribution for all partners shall be RMB14,001 million, all of which shall be made in currency. The capital contribution to be made by each of the partners is set out as follows:

Partners	Type	Method of capital contribution	Subscription of capital contribution (RMB00'million)	Percentage
ICBC Asia Investment Fund Co.	General partner/ Executive partner/Fund manager	Currency	0.01	0.0071%
ICBC Wealth Management	Limited partner	Currency	35.4167	25.2958%
ICBC International Investment	Limited partner	Currency	35.4167	25.2958%
TFI SP	Limited partner	Currency	14.1666	10.1183%
CRCC Investment	Limited partner	Currency	27.5	19.6415%
CRCC Southern Investment	Limited partner	Currency	27.5	19.6415%
Total			140.01	100%

The size of the partnership enterprise and the capital contribution of each partner were determined after arm's length negotiations among the partners with reference to the expected capital needs of the fund. Subject to the applicable accounting standards, upon the establishment of the partnership enterprise, the financial results of the partnership enterprise will not be consolidated into the accounts of the Company.

Each partner shall pay the amount of contribution specified in the payment contribution notice to the fund raising account of the partnership enterprise notified by the executive partner in writing in accordance with the payment contribution notice issued by the executive partner.

Management of the partnership enterprise

ICBC Asia Investment Fund Co., a general partner, as the executive partner and fund manager, will be responsible for the execution of all daily management affairs and other duties as agreed under the Partnership Agreement, be entitled to the right of obtaining, owning, managing, maintaining and disposing of the properties of the partnership enterprise on behalf of the partnership enterprise, and the right to take all other actions necessary to achieve the purpose of the partnership and maintain or strive for the legitimate rights and interests of the partnership enterprise. The calculation basis of the management fee is the total amount of paid-in contributions of each of the partners. The management fee rate is 0.1%/year. A limited partner will not be engaged in partnership affairs and shall not represent the partnership enterprise in external affairs.

All partners unanimously agreed to entrust the Zhuhai Hengqin branch of Industrial and Commercial Bank of China Limited as the custodian to hold all the proceeds in the partnership enterprise account. Upon completion of the fundraising, the executive partner shall transfer the funds raised from the account to the escrow account of partnership enterprise for external transfer. Any capital expenditures incurred by the partnership enterprise shall be executed in accordance with the procedures stipulated in the relevant agreement with the custodian. The annual custodial fee rate of custodian shall be negotiated and determined by the executive partner and the custodian, which is tentatively set at 0.01% of the paid-in contributions of the partnership enterprise, and the specific content shall be subject to the agreement in the custody contract separately signed by the custodian and the partnership enterprise.

Investment Decision Committee

The partnership enterprise shall establish the Investment Decision Committee, which shall be responsible for external investments and investment withdrawal of the assets of the partnership enterprise, and shall be accountable to the meeting of partners. The Investment Decision Committee consists of a total of six members. Four members are nominated by ICBC Asia Investment Fund Co., the general partner, one member is nominated by CRCC Investment, a limited partner, and one member is nominated by CRCC Southern Investment, a limited partner. The members nominated by ICBC Asia Investment Fund Co. are entitled to the power of one-vote veto. The Investment Decision Committee shall have one chairman, who shall be a member nominated by ICBC Asia Investment Fund Co. The meeting of the Investment Decision Committee shall be held subject to the attendance of four and above members, and the matters to be decided at the meeting shall be considered and approved by more than four members (inclusive).

Transfer of partnership interest

In principle, the general partner shall not transfer its partnership interests, except for those approved at the meeting of partners.

Unless all partners unanimously agree or the parties otherwise agree, a limited partner shall not, directly or indirectly, pledge, mortgage, or create any other forms of guarantee or otherwise dispose of the interests of such partnership to any third parties. However, unanimous consent of all partners is not required if the limited partners transfer all or part of their shares in the partnership enterprise among themselves.

Prior to the expiry of the partnership, with the approval of the Investment Decision Committee, the executive partner may transfer or dispose of all or part of the equity of a project company held by the partnership enterprise. CRCC Investment, a limited partner, (and its connected parties) has pre-emptive rights under the same conditions.

Income distribution

The distributable cash obtained by partnership enterprise as agreed under the Partnership Agreement shall be distributed among all partners pursuant to the Partnership Agreement.

The executive partners shall formulate the distribution plan on the basis of the total distributable income of the partnership enterprise at the time, and submit to the Investment Decision Committee for consideration. Upon consideration and approval by the Investment Decision Committee, the executive partners shall distribute the investment income to partners in accordance with the fund income distribution plan on the fund distribution date. All partners unanimously agree that if the Partnership Agreement or the resolution of the partners provides the plan for distributable income

obtained by the partnership enterprise, the executive partners can directly distribute pursuant thereto, without consideration by the Investment Decision Committee. Distributions shall be made in cash by the partnership enterprise unless all partners unanimously agree to make non-cash distributions.

Responsibilities of partners to the debts of the partnership enterprise

The general partner shall assume unlimited liability for the debts of the partnership enterprise. The limited partners shall be liable for the debts of the partnership enterprise to the extent of their capital contributions.

Dissolution

The partnership enterprise shall be dissolved and liquidated in any of the following circumstances:

- (1) Dissolution of the partnership enterprise in advance by the decision of the meeting of partners;
- (2) The duration of the partnership enterprise has expired;
- (3) The general partner is removed or retired in accordance with the Partnership Agreement and the partnership enterprise does not accept the new general partner;
- (4) The business license of the partnership enterprise has been revoked;
- (5) One or several partners commit(s) serious breach of contract, causing the the purpose of the partnership according to the Partnership Agreement or the agreement between partners cannot be fulfilled;
- (6) Other circumstances of dissolution specified in the Partnership Enterprise Law of the People's Republic of China.

REASONS FOR AND BENEFITS OF ENTERING INTO PARTNERSHIP AGREEMENT

The partnership enterprise mainly invests in infrastructure projects including expressways, and has synergies with the main business of the Company, which is conducive to promoting industrial development, improving asset structure, broadening profit channels, and improving operating performance and brand awareness. Meanwhile, it is in line with the Company's strategies and conducive to protecting the interests of the Company and shareholders as a whole.

The Board of the Company (including all independent non-executive Directors) are of the view that the transaction contemplated under the Partnership Agreement is conducted on normal commercial terms, and the terms and conditions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE COMPANY AND THE PARTIES

As one of the largest integrated construction groups in the world, the Company is ultimately controlled by the State-owned Assets and Supervision Administration Commission of the State Council, and is principally engaged in construction contracting, survey, design and consultancy operations, industrial manufacturing, property development, logistics and goods and materials trade, as well as other businesses.

ICBC Asia Investment Fund Co. is a limited liability company incorporated in the PRC and is principally engaged in the initiation for establishment of equity investment enterprises, entrusted management of investment business and related services of equity investment enterprises, and equity investment consultation business. As at the date of this announcement, ICBC Asia Investment Fund Co. is indirectly wholly-owned by Industrial and Commercial Bank of China Limited (a company listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange (Hong Kong Stock Exchange stock code: 1398, Shanghai Stock Exchange stock code: 601398)). ICBC Asia Investment Fund Co. is a private equity and venture capital fund manager registered with China Securities Investment Fund Association (registration code: P1062432), with QFLP and QDIE business qualifications issued by Shenzhen Finance Office. Currently, the size of funds under management of ICBC Asia Investment Fund Co. (including advisory business) amounts to approximately RMB35 billion.

ICBC Wealth Management is a limited liability company incorporated in the PRC and wholly-owned by Industrial and Commercial Bank of China Limited. It is principally engaged in the issuance of wealth management products, investment and management of entrusted investors' properties, financial advisory and consultation, and other businesses approved by the China Banking and Insurance Regulatory Commission.

ICBC International Investment is a limited liability company established in British Virgin Islands and is indirectly wholly-owned by Industrial and Commercial Bank of China Limited. It is principally engaged in investment business.

TFI SP is an independent investment portfolio issued by TFI Investment Fund SPC in the Cayman Islands. Its manager is TFI Asset Management Limited, which is wholly owned by Tianfeng Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 601162)). TFI Investment Fund SPC is an independent investment portfolio company established in the Cayman Islands and is indirectly wholly-owned by Tianfeng Securities Co., Ltd.

CRCC Investment is a limited liability company incorporated in the PRC and a non-wholly-owned subsidiary of the Company. As at the date of this announcement, CRCC Investment is directly held as to 87.34% equity interests by the Company, 7.47% equity interests by Taiping Life Insurance Co., Ltd., and the remaining 5.19% equity interests by seven companies (all of which being independent third parties of the Company), respectively. Taiping Life Insurance Company Limited is held as to 75.10% equity interests by China Taiping Insurance Holdings Company Limited (a company listed on the Hong Kong Stock Exchange (stock code: 0966)), 12.45% equity interests by each of Ageas Insurance International NV and Goldpark International Investments BVBA (both of which being independent third parties of the Company), respectively. The principal business of CRCC Investment is project investment, investment management, property development, equity investment and general construction contract. The scope of investment mainly include highways, railways, municipal engineering, rail transportation, comprehensive urban development, land development, mineral resources and other projects, as well as other equity investment projects such as finance and tourism development.

CRCC Southern Investment is a limited liability company incorporated in the PRC and wholly owned by CRCC Investment. Its main business is project investment, supply chain management, consultation business, new materials, new energy, surveying and mapping and other professional technology services, engineering project quality certification and testing, business flow outsourcing service, property development and operation, and property management.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, except for those disclosed in this announcement, the respective ultimate beneficial owners of ICBC Asia Investment Fund Co., ICBC Wealth Management, ICBC International Investment and TFI SP are all independent third parties of the Company and connected persons thereof.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

The establishment of the partnership enterprise constitutes a transaction under Chapter 14 of the Hong Kong Listing Rules. As the highest applicable percentage ratio for the size test of such transaction is more than 5% but less than 25%, the establishment of the partnership enterprise constitutes a discloseable transaction of the Company, and shall be subject to reporting and announcement requirements but is exempt from the shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

DEFINITIONS

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

“Board”	the board of directors of the Company
“Company”	China Railway Construction Corporation Limited (中國鐵建股份有限公司), a joint stock company incorporated in the PRC and the H shares and A shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
“connected person(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules
“CRCC Investment”	China Railway Construction Investment Group Co., Ltd. (中國鐵建投資集團有限公司), a limited liability company incorporated in the PRC and a non-wholly-owned subsidiary of the Company as at the date of this announcement
“CRCC Southern Investment”	CRCC Southern Investment Co., Ltd. (中鐵建南方投資有限公司), a limited liability company incorporated in the PRC, and a non-wholly-owned subsidiary of the Company as at the date of this announcement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“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

“ICBC Asia Investment Fund Co.”	ICBC Asia Investment Equity Management (Shenzhen) Co., Ltd. (工銀亞投股權投資管理(深圳)有限公司), a limited liability company incorporated in the PRC, and wholly owned by Industrial and Commercial Bank of China Limited
“ICBC International Investment”	ICBC International Investment Management Co., Ltd. (工銀國際投資管理有限公司), a limited liability company incorporated in British Virgin Islands, and wholly owned by Industrial and Commercial Bank of China Limited
“ICBC Wealth Management”	ICBC Wealth Management Co., Ltd. (工銀理財有限公司), a limited liability company incorporated in the PRC, and wholly owned by Industrial and Commercial Bank of China Limited
“Partnership Agreement”	the partnership agreement of Zhuhai CRCC Asia Investment Equity Investment Partnership (Limited Partnership), entered into by ICBC Asia Investment Fund Co., ICBC Wealth Management, ICBC International Investment, TFI SP, CRCC Investment and CRCC Southern Investment on 10 December 2021
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region and Taiwan for the purpose of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“subsidiary(ies)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules
“TFI SP”	TFI Bright Road SP, an independent investment portfolio issued by TFI Investment Fund SPC in the Cayman Islands

“%”

per cent

By order of the Board
China Railway Construction Corporation Limited
WANG Jianping
Chairman

Beijing, the PRC
10 December 2021

As at the date of this announcement, the board of directors comprises Mr. WANG Jianping (Chairman and Executive Director), Mr. ZHUANG Shangbiao (President and Executive Director), Mr. CHEN Dayang (Executive Director), Mr. LIU Ruchen (Executive Director), Mr. WANG Huacheng (Independent Non-executive Director), Mr. Patrick SUN (Independent Non-executive Director), Mr. CHENG Wen (Independent Non-executive Director) and Ms. Amanda Xiao Qiang LU (Independent Non-executive Director).