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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**  
**CONNECTED TRANSACTION**  
**ACQUISITION OF 16.52% EQUITY INTEREST IN CCCC TIANHE**

The Board announces that, in accordance with the resolution passed at the fifty-seventh meeting of the fourth session of the Board, on 12 November 2021, the Company entered into the Equity Transfer Agreement with ZPMC, pursuant to which, the Company agreed to acquire and ZPMC agreed to sell 16.52% equity interest in CCCC Tianhe.

As at the date of this announcement, ZPMC is a subsidiary of CCCG, the controlling Shareholder of the Company which holds approximately 58.16% interests in the issued ordinary shares of the Company. ZPMC is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the transaction contemplated under the Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio in respect of the Proposed Acquisition exceeds 0.1% but is less than 5%, the Equity Transfer Agreement and the transaction contemplated thereunder are subject to the announcement requirement but are exempted from the independent Shareholders' approval requirement under the Hong Kong Listing Rules.

## BACKGROUND

The Board announces that, in accordance with the resolution passed at the fifty-seventh meeting of the fourth session of the Board, on 12 November 2021, the Company entered into the Equity Transfer Agreement with ZPMC, pursuant to which, the Company agreed to acquire and ZPMC agreed to sell 16.52% equity interest in CCCC Tianhe at the consideration of RMB344,451,400.

## EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are set out below:

- Date:** 12 November 2021
- Parties:**
- 1) the Company; and
  - 2) ZPMC
- Subject matter:** Pursuant to the Equity Transfer Agreement, the Company agreed to acquire and ZPMC agreed to sell 16.52% equity interest in CCCC Tianhe.
- Consideration:** Pursuant to the Equity Transfer Agreement, the consideration payable by the Company for acquisition of 16.52% equity interest in CCCC Tianhe is RMB344,451,400.
- The consideration was determined after arm's length negotiation with reference to the appraised net assets value of CCCC Tianhe as at the valuation benchmark date (i.e., 31 December 2020) as set out in the assets valuation report prepared by the qualified independent PRC valuer using the asset-based approach (i.e., RMB2,047,682,700), as well as the impact of profit or loss for the nine months ended 30 September 2021.
- Payment:** The Company shall pay the consideration in one lump sum to the bank account designated by ZPMC within 30 working days after the entering into of the Equity Transfer Agreement.
- Completion:** The Proposed Acquisition will be completed on the date of payment of the consideration. ZPMC shall complete industrial and commercial registration procedures for changes of the equity transfer within 30 working days upon the date of payment of the consideration.

## INFORMATION OF CCCC TIANHE

CCCC Tianhe was incorporated in the PRC on 2 April 2010 and is primarily engaged in system integration design, research and development and manufacturing of shield machines and tunnel boring machines (TBMs), as well as design, research and development and manufacturing of engineering vessels, cranes and components. As at the date of this announcement, CCCC Tianhe is owned as to 83.48% by the Company and its subsidiaries, and 16.52% by ZPMC, respectively. The initial investment costs paid by ZPMC for the 16.52% equity interest in CCCC Tianhe amounted to RMB240 million.

According to the audited consolidated financial statements of CCCC Tianhe prepared in accordance with China Accounting Standards for Business Enterprises, as at 30 June 2021, the total assets and net assets of CCCC Tianhe amounted to approximately RMB6,355.77 million and approximately RMB2,046.92 million, respectively. The following set forth the net profit/(loss) attributable to CCCC Tianhe (before and after taxes and extraordinary items) for the two financial years ended 31 December 2019 and 2020:

	<b>For the year ended 31 December 2019 RMB million</b>	<b>For the year ended 31 December 2020 RMB million</b>
Net profit/(loss) after taxes and extraordinary items	71.81	65.37
Net profit/(loss) before taxes and extraordinary items	73.97	70.06

## REASONS FOR AND BENEFITS OF THE TRANSACTION

Upon completion of the Proposed Acquisition, the Company and its subsidiaries will hold the entire equity interest in CCCC Tianhe. CCCC Tianhe has competitive advantage in research and development, innovation and other technical fields, as well as industrial chain extension services, and is able to achieve synergy with the construction units of the Company. The increase in shareholding in CCCC Tianhe will help further increase the Company's control over it and support the high-quality development of CCCC Tianhe, thereby facilitating in realizing the overall interests of the Company and its Shareholders.

## CONFIRMATION FROM DIRECTORS

Mr. Wang Tongzhou, Mr. Wang Haihui, Mr. Liu Xiang and Mr. Liu Maoxun, the Directors of the Company, are also directors of CCGG, and therefore are deemed to have a material interest in the transaction contemplated under the Equity Transfer Agreement and have abstained from voting on the relevant Board resolution. Save for the abovementioned Directors, none of the other Directors of the Company has or is deemed to have a material interest in the abovementioned connected transaction.

The Directors (including independent non-executive Directors), having made all reasonable and due enquiries, are of the opinion that the terms of the Equity Transfer Agreement are fair and reasonable and on normal commercial terms, and the transaction contemplated thereunder is conducted in the ordinary and usual course of business of the Company and is in the interests of the Company and its Shareholders as a whole.

## **IMPLICATIONS UNDER THE HONG KONG LISTING RULES**

As at the date of this announcement, ZPMC is a subsidiary of CCCG, the controlling Shareholder of the Company which holds approximately 58.16% interests in the issued ordinary shares of the Company. ZPMC is thus a connected person of the Company under the Hong Kong Listing Rules. As such, the transaction contemplated under the Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio in respect of the Proposed Acquisition exceeds 0.1% but is less than 5%, the Equity Transfer Agreement and the transaction contemplated thereunder are subject to the announcement requirement but are exempted from the independent Shareholders' approval requirement under the Hong Kong Listing Rules.

## **GENERAL INFORMATION**

### **(1) The Company**

The Company is a leading transportation infrastructure enterprise in the PRC focusing on “big transportation” and “big city”, and its core businesses are infrastructure construction, infrastructure design and dredging. Its scope of business mainly consists of the investment, design, construction, operation and management of port, waterway, land reclamation, river basin, road and bridge, railway, urban rail transit, municipal infrastructure, construction and environmental protection at home and abroad. The Company is engaged in providing customers with integrated solutions services for each stage of the infrastructure projects leveraging on its extensive operating experience, expertise and know-how accumulated from projects undertaken in a wide range of areas over the decades.

### **(2) ZPMC**

ZPMC is a joint stock company incorporated in the PRC with limited liability and a non-wholly-owned subsidiary of CCCG as at the date of this announcement. ZPMC is principally engaged in design, manufacturing, installation and contracting of large port handling system and equipment, marine heavy equipment, engineering machinery, engineering vessel and large metal structures.

### (3) CCCG

CCCG is a state-owned enterprise established under the laws of the PRC and the controlling Shareholder of the Company holding approximately 58.16% interests in the issued ordinary shares of the Company as at the date of this announcement. CCCG is primarily engaged in real estate development and property management, shipbuilding, ship chartering and maintenance, ocean engineering, technical consultation services for ships and corollary equipment of harbours, import and export business, investment in and management of transportation industry and other businesses.

### DEFINITIONS

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

“Board”	the board of directors of the Company
“CCCC Tianhe”	CCCC Tianhe Machinery and Equipment Manufacturing Co., Ltd. (中交天和機械設備製造有限公司), a non-wholly-owned subsidiary of the Company as at the date of this announcement
“CCCG”	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
“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 Stock Exchange of Hong Kong Limited under stock code 1800 and the A shares of which are listed on the Shanghai Stock Exchange under stock code 601800
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“Equity Transfer Agreement”	the equity transfer agreement entered into between the Company and ZPMC on 12 November 2021

“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“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
“Proposed Acquisition”	the acquisition of 16.52% equity interest in CCCC Tianhe by the Company from ZPMC in accordance with the Equity Transfer Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“ZPMC”	Shanghai Zhenhua Heavy Industries Co., Ltd. (上海振華重工(集團)股份有限公司), a company incorporated in the PRC on 14 February 1992, the shares of which are listed on the Shanghai Stock Exchange under stock code 600320, and a non-wholly-owned subsidiary of CCCG as at the date of this announcement
“%”	percent

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

Beijing, the PRC  
12 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*