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If you have sold or transferred all your shares in China Infrastructure Investment Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank manager, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



中國基建投資有限公司 China Infrastructure Investment Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 600)

PROPOSED CAPITAL REORGANIZATION AND CHANGE IN BOARD LOT SIZE

A notice convening an extraordinary general meeting of China Infrastructure Investment Limited to be held at 10:30 a.m. on Monday, 24 January 2022 at Room 301, Huijinqilin Building, No. 6 Shengtai Road, Moling Jiedao, Jiangning District, Nanjing City, Jiangsu Province, the PRC is set out on pages 18 to 20 of this circular. A form of proxy for use at the extraordinary general meeting is also enclosed. Whether or not you are able to attend the extraordinary general meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish.

PRECAUTIONARY MEASURES FOR THE EGM

Practical measures will be taken to try to avoid the spread of COVID-19 at the EGM, including:

- Compulsory temperature checks and health declarations for all attendees, including Directors and Shareholders.
- Prohibition from attendance at the EGM if the attendee has a fever.
- Persons exhibiting flu-like symptoms may also be refused admittance to the venue of the EGM.
- Compulsory wearing of surgical face masks throughout the EGM.
- Maintaining proper distance between seats. No refreshments will be served at the EGM.

Any person who does not comply with the precautionary measures may be denied entry into the venue of the EGM. The Company reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise:

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| “Accumulated Losses” | the accumulated losses of the Company as at the effective date of the Capital Reduction; |
| “Adjusted Shares” | ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company immediately following the Capital Reorganization becoming effective; |
| “Announcement” | the announcement of the Company dated 16 December 2021 in relation to the proposed Capital Reorganization and Change in Board Lot Size |
| “associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “Board” | the board of Directors |
| “Business Day(s)” | any day(s) on which the Stock Exchange generally is/are open for business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of this circular be counted as a business day; |
| “Capital Reduction” | the reduction of the issued share capital of the Company by reducing the par value of each issued Consolidated Share from HK\$0.50 to HK\$0.01 by cancelling the paid up share capital to the extent of HK\$0.49 per issued Consolidated Share; |
| “Capital Reorganization” | the proposed share capital reorganization, including the Share Consolidation, the Capital Reduction, the Share Premium Reduction and the Share Subdivision; |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC; |
| “CCASS Operational Procedures” | the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time; |

DEFINITIONS

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|----------------------------|---|
| “Change in Board Lot Size” | the proposed change in board lot size of the Shares for trading on the Stock Exchange from 2,000 Shares to 6,000 Consolidated Shares, conditional upon the Share Consolidation becoming effective; |
| “Companies Act” | the Companies Act (2021 Revision) of the Cayman Islands, as consolidated and revised; |
| “Company” | China Infrastructure Investment Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange (stock code: 600); |
| “Consolidated Share(s)” | ordinary share(s) of HK\$0.50 each in the share capital of the Company after the Share Consolidation becoming effective; |
| “Court” | the Grand Court of the Cayman Islands; |
| “Directors” | directors of the Company; |
| “EGM” | the extraordinary general meeting of the Company to be convened and held for approving the Capital Reorganization; |
| “General Rules of CCASS” | the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures; |
| “Group” | the Company and its subsidiaries; |
| “HKSCC” | the Hong Kong Securities Clearing Company Limited; |
| “Hong Kong” | the Hong Kong Special Administrative Region of The People’s Republic of China; |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong; |
| “Latest Practicable Date” | 24 December 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein; |
| “Listing Committee” | has the same meaning ascribed thereto under the Listing Rules; |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange; |

DEFINITIONS

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|---------------------------|---|
| “Share(s)” | the share(s) of HK\$0.05 each in the share capital of the Company as at the Latest Practicable Date and prior to the Share Consolidation becoming effective; |
| “Share Consolidation” | the proposed consolidation of every ten (10) Shares of HK\$0.05 each into one (1) Consolidated Share of HK\$0.50 each; |
| “Share Premium Account” | the share premium account of the Company; |
| “Share Premium Reduction” | the proposed reduction of the amount standing to the credit of the Share Premium Account; |
| “Share Subdivision” | the proposed subdivision of one authorized but unissued Consolidated Share into 50 Adjusted Shares; |
| “Shareholder(s)” | holder(s) of the Share(s) or the Consolidated Share(s) or the Adjusted Share(s); |
| “Share Registrar” | the Company’s branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “substantial shareholder” | has the meaning ascribed to it in the Listing Rules; |
| “%” | per cent. |

EXPECTED TIMETABLE

The expected timetable for the Capital Reorganization is set out below. The expected timetable is subject to the results of the EGM and satisfaction of the conditions to the Share Consolidation, the Capital Reduction and the Share Subdivision and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this timetable refer to Hong Kong local times and dates.

| Event | Date |
|--|--|
| Latest date and time for lodging transfer documents in order to qualify for attending and voting at EGM | 4:30 p.m. on Tuesday, 18 January 2022 |
| Closure of register of members for determining the entitlement to attend and vote at the EGM (both days inclusive)..... | Wednesday, 19 January 2022 to Monday, 24 January 2022 |
| Latest date and time for lodging the proxy form for the EGM | 10:30 a.m. on Saturday, 22 January 2022 |
| Date and time of the EGM | 10:30 a.m. on Monday, 24 January 2022 |
| Announcement of results of the EGM..... | Monday, 24 January 2022 |
| <i>The following events are conditional upon the results of the EGM and therefore the dates are tentative only.</i> | |
| Effective date of the Share Consolidation and Change in Board Lot Size | Wednesday, 26 January 2022 |
| First day for free exchange of existing share certificates into new share certificates for Consolidated Shares | Wednesday, 26 January 2022 |
| Dealings in Consolidated Shares commence..... | 9:00 a.m. on Wednesday, 26 January 2022 |
| Original counter for trading in Shares in board lot of 2,000 Shares (in the form of existing share certificates) temporarily closes | 9:00 a.m. on Wednesday, 26 January 2022 |
| Temporary counter for trading in Consolidated Shares in temporary board lot of 200 Consolidated Shares (in the form of existing share certificates) opens..... | 9:00 a.m. on Wednesday, 26 January 2022 |
| Original counter for trading in Consolidated Shares in board lot of 6,000 Consolidated Shares (in the form of new share certificates for Consolidated Shares) re-opens | 9:00 a.m. on Monday, 14 February 2022 |

EXPECTED TIMETABLE

Parallel trading in the Consolidated Shares (in the form of existing share certificates and new share certificates) commences9:00 a.m. on
Monday, 14 February 2022

Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of Consolidated Shares.....9:00 a.m. on
Monday, 14 February 2022

Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of Consolidated Shares..... 4:00 p.m. on
Friday, 4 March 2022

Temporary counter for trading in Consolidated Shares in temporary board lot of 200 Consolidated Shares (in the form of existing share certificates) closes 4:10 p.m. on
Friday, 4 March 2022

Parallel trading in the Consolidated Shares (in the form of existing share certificates and new share certificates) ends..... 4:10 p.m. on
Friday, 4 March 2022

Last day for free exchange of existing share certificates into new share certificates for Consolidated Shares 4:30 p.m. on
Tuesday, 8 March 2022

The following events are conditional upon the results of the EGM and the confirmation of the Court on the Capital Reduction and therefore the dates are tentative only.

Effective time of the Capital Reduction and the Share Subdivision..... Before 9:00 a.m. on
Friday, 8 April 2022

Commencement of dealing in the Adjusted Shares.....9:00 a.m. on
Friday, 8 April 2022

First day for free exchange of existing share certificates for the Consolidated Shares into new share certificates for the Adjusted Shares9:00 a.m. on
Friday, 8 April 2022

Last day for free exchange of existing share certificates for the Consolidated Shares into new share certificates for the Adjusted Shares 4:30 p.m. on
Tuesday, 10 May 2022

LETTER FROM THE BOARD



中國基建投資有限公司 China Infrastructure Investment Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 600)

Executive Directors:

Mr. Xu Xiao Jun

Mr. Ye De Chao

Mr. Lu Yi

Registered office:

The R&H Trust Co. Ltd.

Windward 1, Regatta Office Park

Grand Cayman

Cayman Islands

Independent Non-executive Directors:

Mr. He Jin Geng

Mr. Yu Hong Gao

Ms. Chen Yang

Head office and principal place of business

in Hong Kong:

Suite 607, 6/F., Ocean Centre

5 Canton Road, Tsim Sha Tsui

Kowloon, Hong Kong

31 December 2021

To the Shareholders,

Dear Sirs,

PROPOSED CAPITAL REORGANIZATION AND CHANGE IN BOARD LOT SIZE

INTRODUCTION

The Company announced on 16 December 2021 that the Board proposed to implement the Capital Reorganization and Change in Board Lot Size. The purpose of this circular is to provide you with information regarding the proposed Capital Reorganization and Change in Board Lot Size and the notice of EGM for the purpose of considering and, if thought fit, approving the Capital Reorganization.

LETTER FROM THE BOARD

PROPOSED CAPITAL REORGANIZATION

The Board proposes to implement the Capital Reorganization, which will involve the following:

- (i) the Share Consolidation whereby every ten (10) issued and unissued Shares of par value of HK\$0.05 each will be consolidated into one (1) Consolidated Share of par value of HK\$0.50 each;
- (ii) the Capital Reduction whereby the par value of each issued Consolidated Share will be reduced from HK\$0.50 to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.49 on each issued Consolidated Share;
- (iii) the Share Subdivision whereby immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares with par value of HK\$0.50 each be subdivided into 50 Adjusted Shares with par value of HK\$0.01 each;
- (iv) the Share Premium Reduction whereby the entire amount standing to the credit of the Share Premium Account will be reduced and the credits arising from such reduction will be transferred to the contributed surplus account of the Company, which shall be effective when the Capital Reduction becomes effective; and
- (v) the credit arising from the Capital Reduction and the Share Premium Reduction will be applied towards offsetting the Accumulated Losses in a manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the Board considers appropriate. The balance of the credit (if any) of the Share Premium Account after offsetting the Accumulated Losses will be applied by the Company in any manner as permitted by all applicable laws and the memorandum and articles of association of the Company.

(a) Proposed Share Consolidation

The Board proposes that (i) every ten (10) issued and unissued Shares of par value of HK\$0.05 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.5 each in the share capital of the Company.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$500,000,000.00 divided into 10,000,000,000 Shares of par value of HK\$0.05 each, of which 4,269,910,510 Shares had been issued and were fully paid or credited as fully paid.

LETTER FROM THE BOARD

Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Subdivision becoming effective, and assuming no further Shares will be issued or repurchased from the Latest Practicable Date up to and including the effective date of the Share Consolidation, the issued share capital of the Company will be HK\$213,495,525.50 divided into 426,991,051 Consolidated Shares of par value of HK\$0.50 each.

Upon the Share Consolidation becoming effective, all the Consolidated Shares will rank pari passu in all respects with each other in accordance with the memorandum and articles of association of the Company.

The implementation of the Share Consolidation will not alter the underlying assets, business operation, management or financial position of the Company and the interests and rights of the Shareholders.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;
- (ii) the Listing Committee of the Stock Exchange granting an approval for the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Wednesday, 26 January 2022, being the second Business Day immediately after the date of the EGM. As at the Latest Practicable Date, none of the above conditions had been fulfilled.

Reasons of the Share Consolidation

Under Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. Further, pursuant to the requirements set out in “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited, market price of the Shares at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules.

LETTER FROM THE BOARD

In view of the fact that the Shares had been traded below HK\$0.10 during the past 12 months (based on the closing price per Share as quoted on the Stock Exchange), the Board proposes to implement the Share Consolidation in order to comply with the trading requirements of the Listing Rules. The Share Consolidation will reduce the total number of Shares currently in issue. As such, it is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading price of the Shares. The Board considers that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company had no intention to carry out other corporate actions in the next 12 months which might have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company did not have any concrete plan to conduct any fundraising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fundraising exercises in the next 12 months when suitable fundraising opportunities arise. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

Application for listing of the Consolidated Shares

An application will be made by the Company to the Listing Committee for the granting of the listing of, and permission to deal in, the Consolidated Shares arising from the Share Consolidation.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealing in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

The Shares are not listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

LETTER FROM THE BOARD

Fractional Shares

The fractional Consolidated Shares in the issued share capital of the Company arising from the Share Consolidation, if any, will be cancelled. Any fractional Consolidated Shares to which the Shareholders are entitled shall be aggregated and sold in the market for the benefit of the Company, if a premium (net of expenses) can be obtained.

Free exchange of share certificates for the Consolidated Shares

Subject to the Share Consolidation becoming effective, the Shareholders may, on or after Wednesday, 26 January 2022 until Tuesday, 8 March 2022 (both days inclusive), submit share certificates for the Shares (in red colour) to the Share Registrar at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, to exchange, at the expense of the Company, for new share certificates for the Consolidated Shares (in yellow colour) (on the basis of ten Shares for one Consolidated Share).

Shareholders should note that after the prescribed time for free exchange of share certificates, a fee of HK\$2.50 each (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the Share Registrar for each share certificate for the Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of share certificates involved is higher.

After 4:10 p.m. on Friday, 4 March 2022, trading will only be in Consolidated Shares, the share certificates of which will be issued in yellow colour. Existing share certificates in red colour for the Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

Arrangement on odd lot trading

In order to alleviate the difficulties arising from the existence of odd lots of the Consolidated Shares arising from the Share Consolidation and Change in Board Lot Size, the Company has appointed Monmonkey Group Securities Limited as an agent to provide matching services, on a best-effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares.

Shareholders who wish to take advantage of this facility should contact Mr. Richard Lam or Mr. Joe Lee of Monmonkey Group Securities Limited at Unit 2418, 24/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong (telephone number: (852) 2110 6419 or (852) 2110 6435) from 9:00 a.m. on Monday, 14 February 2022 to 4:00 p.m. on Friday, 4 March 2022.

LETTER FROM THE BOARD

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

(b) Proposed Capital Reduction, Share Subdivision and Share Premium Reduction

Subject to the Share Consolidation becoming effective, the Board intends to put forward a proposal to the Shareholders to implement, the Capital Reduction, Share Subdivision and Share Premium Reduction in the following manner:

- (i) the par value of each issued Consolidated Share will be reduced from HK\$0.50 to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.49 on each issued Consolidated Share;
- (ii) immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares with par value of HK\$0.50 each be sub-divided into 50 Adjusted Shares with par value of HK\$0.01 each;
- (iii) reduce the entire amount standing to the credit of the Share Premium Account to nil, which shall be effective when the Capital Reduction becomes effective; and
- (iv) the credit arising from the Capital Reduction and the Share Premium Reduction will be applied towards offsetting the Accumulated Losses in a manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the Board considers appropriate. The balance of the credit (if any) of the Share Premium Account after offsetting the Accumulated Losses will be applied by the Company in any manner as permitted by all applicable laws and the memorandum and articles of association of the Company

Effects of the Capital Reduction, Share Subdivision and Share Premium Reduction

Immediately upon the Share Consolidation, the Capital Reduction and the Share Subdivision becoming effective and assuming no further Shares or (as the case may be) Consolidated Shares will be issued or repurchased from the Latest Practicable Date up to and including the date of the Capital Reduction and Share Subdivision becoming effective, the authorised share capital of the Company shall be HK\$500,000,000.00 divided into 50,000,000,000 Adjusted Shares of par value of HK\$0.01 each, of which 426,991,051 Adjusted Shares would have been issued as fully paid or credited as fully paid.

Based on 4,269,910,510 Shares in issue as at the Latest Practicable Date or (as the case may be) 426,991,051 Consolidated Shares in issue as at the date on which the Share Consolidation becomes effective, and assuming no further Shares or (as the case may be) Consolidated Shares will be issued or repurchased prior to the Capital Reduction becoming effective, a credit amounting to approximately HK\$209,225,615 will arise as a result of the Capital Reduction.

LETTER FROM THE BOARD

It is proposed that the credit arising from the Capital Reduction and the Share Premium Reduction will be applied towards offsetting the Accumulated Losses in a manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the Board considers appropriate. The balance of the credit (if any) of the Share Premium Account after offsetting the Accumulated Losses will be applied by the Company in any manner as permitted by all applicable laws and the memorandum and articles of association of the Company.

The Adjusted Shares will rank *pari passu* in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company.

Other than the relevant expenses incurred and to be incurred, the implementation of the Capital Reduction, Share Subdivision and the Share Premium Reduction will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company.

The Capital Reduction, Share Subdivision and the Share Premium Reduction will not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any unpaid capital of the Company nor will it result in any change in the relative rights of the Shareholders.

The following table sets out the effects of the Capital Reorganisation on the share capital of the Company before and after the implementation of the Capital Reorganisation, assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date until the effective date of the Capital Reorganisation.

| | As at the Latest Practicable Date | Immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and Share Subdivision becoming effective | Immediately after the Capital Reorganization becoming effective |
|--------------------------|---|---|--|
| Par value | HK\$0.05 per Share | HK\$0.50 per Consolidated Share | HK\$0.01 per Adjusted Share |
| Authorized share capital | HK\$500,000,000.00 divided into 10,000,000,000 Shares of par value of HK\$0.05 each | HK\$500,000,000.00 divided into 1,000,000,000 Consolidated Shares of par value of HK\$0.50 each | HK\$500,000,000.00 divided into 50,000,000,000 Adjusted Shares of par value of HK\$0.01 each |

LETTER FROM THE BOARD

| | As at the Latest Practicable Date | Immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and Share Subdivision becoming effective | Immediately after the Capital Reorganization becoming effective |
|---|--|--|--|
| Issued and fully paid up or credited as fully paid up share capital | HK\$213,495,525.50 divided into 4,269,910,510 Shares of par value of HK\$0.05 each | HK\$213,495,525.50 divided into 426,991,051 Consolidated Shares of par value of HK\$0.50 each | HK\$4,269,910.51 divided into 426,991,051 Adjusted Shares of par value of HK\$0.01 each |
| Unissued share capital | HK\$286,504,474.50 divided into 5,730,089,490 Shares of par value of HK\$0.05 each | HK\$286,504,474.50 divided into 573,008,949 Consolidated Shares of par value of HK\$0.50 each | HK\$495,730,089.49 divided into 49,573,008,949 Adjusted Shares of par value of HK\$0.01 each |

Conditions of the Capital Reduction and the Share Subdivision

The Capital Reduction and the Share subdivision are conditional upon:

- (i) the Share Consolidation has become effective;
- (ii) the passing of a special resolution to approve the Capital Reduction and the Share Subdivision by the Shareholders at the EGM;
- (iii) an order being made by the Court confirming the Capital Reduction;
- (iv) compliance with any condition which the Court may impose in relation to the Capital Reduction;
- (v) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and
- (vi) the Listing Committee granting an approval for the listing of, and permission to deal in, the Adjusted Shares arising from the Capital Reduction and the Share Subdivision.

LETTER FROM THE BOARD

The Capital Reduction and the Share Subdivision will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reorganization at the EGM, the legal advisors to the Company (as to the Cayman Islands law) will apply to the Court for hearing date(s) to confirm the Capital Reduction and a further announcement will be made by the Company as soon as practicable after the Court hearing date(s) is confirmed.

As at the Latest Practicable Date, none of the above conditions had been fulfilled.

Reasons for the Capital Reduction, Share Subdivision and Share Premium Reduction

Under the Companies Act, a company may not issue shares at a discount to the nominal value of such shares. Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction and the Share Subdivision, the nominal value of the Consolidated Shares will be HK\$0.50 per Consolidated Share. The Capital Reduction and the Share Subdivision will keep the nominal value of the Adjusted Shares at a lower level of HK\$0.01 per Adjusted Share, which allows greater flexibility in the pricing for any issue of new Shares in the future.

The credit arising from the Capital Reduction and the Share Premium Reduction will enable the Company to set off its accumulated loss and may be applied in future for distribution to the Shareholders or in any manner permitted by applicable laws, the memorandum and articles of association of the Company. It will give greater flexibility to the Company to declare dividends and/or to undertake any corporate exercise which requires the use of distributable reserves in the future, subject to the Company's performance and when the Board considers that it is appropriate to do so in the future.

The Board considers that the Capital Reduction, the Share Subdivision and the Share Premium Reduction are beneficial to and in the interests of the Company and the Shareholders as a whole.

Application for the listing of the Adjusted Shares

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Adjusted Shares.

LETTER FROM THE BOARD

Subject to the granting of the listing of, and permission to deal in, the Adjusted Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Adjusted Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealing in the Adjusted Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Adjusted Shares to be admitted into CCASS established and operated by HKSCC.

Exchange of share certificates for the Adjusted Shares

As the Court hearing dates have yet to be fixed, the effective date of the Capital Reduction and the Share Subdivision is not ascertainable at present. Should the Capital Reduction and the Share Subdivision becoming effective, Shareholders may submit share certificates for the Consolidated Shares (in yellow colour) to the Share Registrar at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong to exchange for new share certificates for the Adjusted Shares (in blue colour) at the expense of the Company within the relevant free exchange period from the effective date of the Capital Reduction and the Share Subdivision. Details of such free exchange of share certificates will be announced as soon as the effective date of the Capital Reduction and the Share Subdivision is ascertained.

The Company will publish announcement(s) to update the Shareholders when the Court hearing dates, the effective date of the Capital Reduction and the Share Subdivision, and the period when the Shareholders can submit share certificates for the Consolidated Shares to exchange for new share certificates for the Adjusted Shares is/are ascertained and/or updated.

All existing certificates of the Consolidated Shares or (as the case may be) the Shares will continue to be evidence of title to such shares but all existing certificate of Shares will cease to be valid for trading and settlement purpose.

Adjustments in relation to other securities of the Company

As at the Latest Practicable Date, the Company had no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Shares, Consolidated Shares or Adjusted Shares, as the case may be.

LETTER FROM THE BOARD

PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the board lot size for trading of the Shares was 2,000 Shares. Based on the closing price of HK\$0.041 per Share on the Latest Practicable Date, the board lot value of 2,000 Shares was approximately HK\$82. Upon the Share Consolidation becoming effective, based on the theoretical closing price of HK\$0.41 per Consolidated Share, the board lot value of 2,000 Consolidated Shares shall be approximately HK\$820.

Pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020, the expected board lot value should be greater than HK\$2,000 after taking into account the minimum transaction costs for a securities trade.

Given that the Shares or (as the case may be) the Consolidated Shares were traded significantly below HK\$2,000 per board lot, the Board proposes to change the board lot size for trading in Shares on the Stock Exchange from 2,000 Shares to 6,000 Consolidated Shares conditional upon the Share Consolidation becoming effective. Upon the Share Consolidation and the Change in Board Lot Size becoming effective, based on the theoretical closing price of HK\$0.41 per Consolidated Share as at the Latest Practicable Date, the board lot value of 6,000 Consolidated Shares shall be approximately HK\$2,460.

The Board expects that the Change in Board Lot Size will increase the value of each board lot and reduce transaction and handling costs of dealing in the Consolidated Shares, including those fees which are charged with reference to the number of board lots.

The Board considers that the Change in Board Lot Size is in the interest of the Company and its Shareholders as a whole

ACTIONS TO BE TAKEN

Set out on pages 18 to 20 of this circular is a notice convening the EGM at which resolutions will be proposed to approve the proposed Capital Reorganization.

Whether or not you are able to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Share Registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM (i.e. by 10:30 a. m. on Saturday, 22 January 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

VOTING AT THE EGM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all proposed resolutions as set out in the notice of EGM will be voted by poll.

An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATIONS

The Board considers that the resolutions in respect of the proposed Capital Reorganization to be proposed at the EGM are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the EGM.

Yours faithfully,
For and on behalf of the Board
China Infrastructure Investment Limited
YE De Chao
Executive Director

NOTICE OF EGM



中國基建投資有限公司 China Infrastructure Investment Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 600)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of China Infrastructure Investment Limited (the “Company”) will be held at 10:30 a.m. on Monday, 24 January 2022 at Room 301, Huijinqilin Building, No. 6 Shengtai Road, Moling Jiedao, Jiangning District, Nanjing City, Jiangsu Province, the PRC for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

ORDINARY RESOLUTION

1. “**THAT**, subject to and conditional upon (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) upon the Share Consolidation (as defined below) becoming effective; and (ii) the compliance with the relevant procedures and requirements under the Rules Governing the Listing of Securities on the Stock Exchange to effect the Share Consolidation, with effect from the second business day (as defined in the articles of association of the Company) immediately following the date on which this resolution is passed or these conditions are fulfilled (whichever is the later):
 - (a) every ten (10) issued and unissued shares with a par value of HK\$0.05 each (the “Shares”) in the share capital of the Company be consolidated into one (1) share with a par value of HK\$0.50 (the “Consolidated Share(s)”) in the share capital of the Company (the “Share Consolidation”); and
 - (b) the directors of the Company (the “Directors”) be and are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Share Consolidation on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to, implement and complete the Share Consolidation.”

NOTICE OF EGM

SPECIAL RESOLUTION

2. “**THAT**, subject to and conditional upon (i) the Share Consolidation becoming effective; (ii) an order being made by the Grand Court of the Cayman Islands (“Court”) confirming the Capital Reduction (as defined below); (iii) compliance with any condition which the Court may impose in relation to the Capital Reduction; (iv) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minute approved by the Court containing the particulars required under the Companies Act (2021 Revision) of the Cayman Islands in respect of the Capital Reduction; and (v) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Adjusted Shares (as defined below), with effect from the date on which these conditions are fulfilled (the “Effective Date”):
- (a) the par value of each issued Consolidated Share be reduced from HK\$0.50 to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.49 on each issued Consolidated Share (the “Capital Reduction”);
 - (b) immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares with par value of HK\$0.50 each be sub-divided into fifty (50) ordinary shares with par value of HK\$0.01 each in the share capital of the Company (the “Adjusted Shares”) (the “Share Subdivision”);
 - (c) the entire amount standing to the credit of the share premium account of the Company as at the date of the Capital Reduction becomes effective be reduced to nil with effect from the date of the Capital Reduction becoming effective (the “Share Premium Reduction”);
 - (d) the credit arising from the Capital Reduction and the Share Premium Reduction be transferred to a distributable reserve account of the Company which may be utilized by the Directors in accordance with the memorandum and articles of association of the Company and all applicable laws, including, without limitation, eliminating or setting off any accumulated losses of the Company from time to time; and
 - (e) the Directors be and are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Capital Reduction and the Share Subdivision, on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to, implement and complete the Capital Reduction and the Share Subdivision.”

By order of the Board
China Infrastructure Investment Limited
YE De Chao
Executive Director

Hong Kong, 31 December 2021

NOTICE OF EGM

Registered Office:

The R&H Trust Co. Ltd.
Windward 1, Regatta Office Park
Grand Cayman
Cayman Islands

Notes:

1. Any member of the Company entitled to attend and vote at the EGM is entitled to appoint one or, if he is the holder of two or more shares (“Shares”) of the Company, more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the EGM, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or person authorised, and must be deposited with the Company’s branch share registrar and transfer office in Hong Kong (“Share Registrar”), Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the EGM (i.e. by 10:30 a.m. on Saturday, 22 January 2022) or any adjournment thereof.
4. For the purpose of determining members who are qualified for attending the EGM, the register of members of the Company will be closed from Wednesday, 19 January 2022 to Monday, 24 January 2022, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for attending the EGM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Share Registrar at the address stated in note 3 above not later than 4:30 p.m. on Tuesday, 18 January 2022 for registration.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above EGM or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, voting on all proposed resolutions set out in this notice will be taken by a poll.
7. If a tropical cyclone warning signal No. 8 or above is hoisted or remains hoisted at 9:00 a.m. on Monday, 24 January 2022, the EGM will be proposed to be adjourned to a date to be determined. The Company will make a separate announcement on this.
8. All times and dates specified herein refer to Hong Kong local times and dates.
9. As at the date of this notice, the executive Directors are Mr. Xu Xiao Jun, Mr. Ye De Chao and Mr. Lu Yi, and the independent non-executive Directors are Mr. He Jin Geng, Mr. Yu Hong Gao and Ms. Chen Yang.