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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
FORMATION OF A PROJECT COMPANY**

The Board announces that, in accordance with the resolution passed at the 23rd meeting of the fifth session of the Board, on 28 August 2023, for the purpose of developing and operating the Guogailing Project, CFHEC, CHECC, CCCC Industrial Investment and Yangjiang Transportation Investment entered into the Joint Venture Agreement to jointly invest in and establish the Project Company. Pursuant to the Joint Venture Agreement, the registered capital of the Project Company is RMB409.66 million, of which RMB208.93 million, RMB61.45 million, RMB36.87 million and RMB102.41 million will be contributed by CFHEC, CHECC, CCCC Industrial Investment and Yangjiang Transportation Investment, accounting for 51%, 15%, 9% and 25% of the total registered capital of the Project Company, respectively.

As at the date of this announcement, CCCC Industrial Investment is a subsidiary of CCCG, the controlling shareholder of the Company which holds approximately 59.37% interests in the issued ordinary shares of the Company. Therefore, CCCC Industrial Investment is a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company under the Joint Venture 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 formation of the Project Company under the Joint Venture Agreement exceeds 0.1% but is less than 5%, the transaction contemplated under the Joint Venture Agreement is subject to the announcement requirement but is 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 23rd meeting of the fifth session of the Board, on 28 August 2023, for the purpose of developing and operating the mine project of Guogailing mining area, Hongwuyue 10th Team, Yangdong District, Yangjiang City, Guangdong Province (the “**Guogailing Project**”), CFHEC, CHECC, CCCC Industrial Investment and Yangjiang Transportation Investment entered into the Joint Venture Agreement to jointly invest in and establish the Project Company. Pursuant to the Joint Venture Agreement, the registered capital of the Project Company is RMB409.66 million, of which RMB208.93 million, RMB61.45 million, RMB36.87 million and RMB102.41 million will be contributed by CFHEC, CHECC, CCCC Industrial Investment and Yangjiang Transportation Investment, accounting for 51%, 15%, 9% and 25% of the total registered capital of the Project Company, respectively.

JOINT VENTURE AGREEMENT

The principal terms of the Joint Venture Agreement are set out below:

- Date:** 28 August 2023
- Parties:**
- (1) CFHEC;
 - (2) CHECC;
 - (3) CCCC Industrial Investment; and
 - (4) Yangjiang Transportation Investment.

Registered capital:	Shareholder	Amount of capital contribution <i>RMB' million</i>	Percentage <i>%</i>
	CFHEC	208.93	51
	CHECC	61.45	15
	CCCC Industrial Investment	36.87	9
	Yangjiang Transportation Investment	<u>102.41</u>	<u>25</u>
	Total	<u><u>409.66</u></u>	<u><u>100</u></u>

The amount of capital contributions under the Joint Venture Agreement was determined after arm's length negotiations among the parties after taking into account various factors, including the nature of business, the demand for working capital and future development plans of the Project Company.

**Payment
of capital
contributions:**

The parties shall complete the registration of the Project Company within 30 working days after the Joint Venture Agreement is executed and becomes effective. Upon issuance of the business license of the Project Company, the parties shall pay their respective capital contributions by 31 December 2030 in proportion to their respective shareholdings in the Project Company.

**Board of
directors:**

The board of directors of the Project Company comprises seven directors. CFHEC is entitled to nominate three directors and recommend one employee representative director; each of CHECC, CCCC Industrial Investment and Yangjiang Transportation Investment is entitled to nominate one director. The employee representative director shall be elected by the employees' meeting of the Project Company. The chairman shall be appointed by CFHEC and elected by the board of directors of the Project Company.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The establishment of the Project Company to develop and operate the Guogailing Project by capital contributions under the Joint Venture Agreement entered into by CFHEC, CHECC, CCCC Industrial Investment and Yangjiang Transportation Investment is in line with the direction of the Company's industrial development, facilitates the Company to seize quality resources and stabilise the price of materials for regional projects due to its advantageous location, enhances the advantages of the entire industrial chain, and thus contributing to realizing the interests of the Company and its Shareholders as a whole.

CONFIRMATION FROM DIRECTORS

As Mr. WANG Tongzhou, Mr. WANG Haihuai, Mr. LIU Xiang and Mr. MI Shuhu, Directors of the Company, also act as the directors or senior management of CCCG, they are deemed to have a material interest in the transaction contemplated under the Joint Venture 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 aforesaid connected transaction.

The Directors (including independent non-executive Directors), having made all reasonable and due enquiries, are of the view that the terms of the Joint Venture 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 OF HONG KONG LISTING RULES

As at the date of this announcement, CCCC Industrial Investment is a subsidiary of CCCG, the controlling shareholder of the Company which holds approximately 59.37% interests in the issued ordinary shares of the Company. Therefore, CCCC Industrial Investment is a connected person of the Company under the Hong Kong Listing Rules. As such, the formation of the Project Company under the Joint Venture 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 formation of the Project Company under the Joint Venture Agreement exceeds 0.1% but is less than 5%, the transaction contemplated under the Joint Venture Agreement is subject to the announcement requirement but is 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) CFHEC

CFHEC is a subsidiary of the Company incorporated in the PRC, which is ultimately owned as to approximately 76.97% by the Company without any other shareholder holding 10% or more of the equity interests. It is primarily engaged in the engineering design, consultation, construction and general contracting business in the field of transportation infrastructure construction.

(3) CHECC

CHECC is a company incorporated in the PRC with limited liability, and is a wholly-owned subsidiary of the Company as at the date of this announcement. It is primarily engaged in domestic and overseas roads, traffic engineering, railways, bridges, tunnels, municipal engineering, road maintenance, survey and design, planning and consultation, engineering construction, supervision, scientific research, general contracting, construction management and technical services of water transportation.

(4) CCCC Industrial Investment

CCCC Industrial Investment is a company incorporated in the PRC with limited liability, and is a wholly-owned subsidiary of CCCG as at the date of this announcement. It is primarily engaged in assets management, corporate management, investment management, real estate development and operation, etc.

(5) CCCG

CCCG is a state-owned enterprise established under the laws of the PRC and the controlling Shareholder of the Company holding approximately 59.37% 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.

(6) Yangjiang Transportation Investment

Yangjiang Transportation Investment is a company incorporated in the PRC with limited liability, which is owned as to approximately 90.05% by the State-owned Assets Supervision and Administration Commission of People's Government of Yangjiang Municipality and as to approximately 9.95% by the Department of Finance of Guangdong Province, respectively. It is primarily engaged in investment in transportation industry; operation of railways, roads, airports and ports, warehousing, logistics; investment, construction, operation and management of transportation infrastructure and industrial park projects. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Yangjiang Transportation Investment and its ultimate beneficial owners are third parties that are independent of the Company and its connected persons.

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 Industrial Investment”	CCCC Industrial Investment Holding Limited * (中交產業投資控股有限公司), a wholly-owned subsidiary of CCCG 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
“CFHEC”	CCCC First Highway Engineering Group Co., Ltd.* (中交一公局集團有限公司), a subsidiary of the Company as at the date of this announcement
“CHECC”	China Highway Engineering Consultants Co., Ltd. * (中國公路工程諮詢集團有限公司), a wholly-owned subsidiary of the Company as at the date of this announcement
“Company”	China Communications Construction Company Limited, a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the Hong Kong Stock Exchange under the stock code 1800 and the A Shares of which are listed on the Shanghai Stock Exchange under the stock code 601800
“connected person”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“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

“Joint Venture Agreement”	the joint venture agreement entered into by CFHEC, CHECC, CCCC Industrial Investment and Yangjiang Transportation Investment on 28 August 2023 in respect of the formation of the Project Company
“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
“Project Company”	Yangjiang Shitong Green Construction Material Co., Ltd. * (陽江市世通綠色建材有限責任公司), a company to be incorporated in the PRC with limited liability, the name of which is subject to the approval by authorities of the administration for market regulation
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Yangjiang Transportation Investment”	Yangjiang Transportation Investment Group Co., Ltd.* (陽江市交通投資集團有限公司), a company incorporated in the PRC with limited liability
“%”	percent

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

Beijing, the PRC
28 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[#], CHAN Wing Tak Kevin[#], WU Guangqi[#] and ZHOU Xiaowen[#].

* *For identification purpose only*

Independent non-executive Director