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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**

### **DISCLOSEABLE TRANSACTION SUBSCRIPTION TO INVESTMENT FUND**

The Board is pleased to announce that, on 25 November 2015, CCCC Fund, the Company and NCSSF entered into the Partnership Agreement in respect of the subscription to the share in the partnership of the Investment Fund. Pursuant to the Partnership Agreement, total capital commitment to the Investment Fund is RMB15,000 million, among which, RMB15 million is to be contributed by CCCC Fund as the General Partner; and RMB8,985 million and RMB6,000 million are to be contributed by the Company and NCSSF respectively as Limited Partners.

As at the date of this announcement, the applicable percentage ratios under Chapter 14 of the Listing Rules regarding this Transaction exceed 5% but are lower than 25%. The Transaction therefore constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, which is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **BACKGROUND**

On 2 February 2015, CCCC Fund (a subsidiary of the Company) and the Company formed the Investment Fund.

The Board is pleased to announce that, for the purpose of introducing long-term equity investment funds to expand the capital sourcing channels of the Company, on 25 November 2015, CCCC Fund, the Company and NCSSF entered into the Partnership Agreement in respect of the subscription to the share in the partnership of the Investment Fund. Pursuant to the Partnership Agreement, total capital commitment to the Investment Fund is RMB15,000 million, among which, RMB15 million is to be contributed by CCCC Fund as the General Partner; and RMB8,985 million and RMB6,000 million are to be contributed by the Company and NCSSF respectively as Limited Partners.

## PARTNERSHIP AGREEMENT

Date: 25 November 2015

Parties: (i) CCCC Fund, as the General Partner  
(ii) the Company, as a Limited Partner at ordinary level  
(iii) NCSSF, as a Limited Partner at priority level

Term of the partnership: The initial expected operating period of the Investment Fund is 10 years commencing from the date of signing the Partnership Agreement, upon expiry of which, it would be determined by the partners' meeting as to whether to liquidate the Investment Fund or not.

Committed capital contributions:

	<b>Committed capital contributions</b> <i>(in RMB million)</i>	<b>Percentage</b> %
CCCC Fund	15	0.1
The Company	8,985	59.9
NCSSF	6,000	40.0
Total	<u>15,000</u>	<u>100.0</u>

The size of the Investment Fund and committed capital contributions of each partner are determined after arm's length negotiations by reference to the projected working capital requirements of the Investment Fund.

Payment of the capital contributions: During the investment term of the Investment Fund, the General Partner is entitled to determine the detailed timing for capital contributions and the amount of contributions in every instalment for each partner in accordance with the capital requirements of the investment projects under the Investment Fund. The General Partner shall issue a written notice to each partner at least ten days in advance, and the partners shall synchronously pay the relevant contribution amount to the Investment Fund in accordance with the requirements set out in the written notice.

All of the contributors' capital contributions shall be made in cash. The Company will finance its capital contributions with internal resources.

Annual management fee:	The Investment Fund shall pay an annual management fee of 0.15% of the total capital commitment or its actual management size to the General Partner.
Management and operation of the Investment Fund:	The General Partner shall have an exclusive power to the operation, investment decision, implementation of investment business and management and control over other matters of the Investment Fund, and shall bear unlimited joint liability for the liabilities of the Investment Fund. The Limited Partners do not participate in the operation of the Investment Fund or externally represent the Investment Fund, and their liability for the liabilities of the Investment Fund shall be limited to their respective committed amounts of capital contributions.
Objectives and methods of investment:	Investment Fund mainly invests in quality projects selected according to its investment decision making scheme, including, but not limited to BOT/BT projects, general development projects of urban complex and other assets capable of turning into positive cash flows. Investment methods include, but not limited to, equity investment involving equity interests, income right and etc., convertible bonds and debt investment in other legal forms, mezzanine investment combining equity and debts, and investment combinations of multi abovementioned investment methods.
Distribution of return:	Subject to the terms of the Partnership Agreement, the investment return shall be used firstly to satisfy the interests of NCSSF entitled under the Partnership Agreement, and then to satisfy the interests of other partners entitled under the Partnership Agreement. Upon retreating from a project, if the internal yield of the project exceeds 10%, such surplus balance will be distributed between NCSSF and other partners (being CCCC Fund and the Company) as to 10%:90%, while the distribution among other partners will be conducted according to the ratio of their paid-up capital contribution.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE PARTNERSHIP AGREEMENT**

As an equity investment fund investing in large infrastructure construction projects, the Investment Fund, deeply integrated with the development plans of the Company, will take part in the quality and key infrastructure construction projects and projects for people's livelihood recommended by the Company. The Investment Fund will conduct project planning, design, investment, construction and operation by taking advantage of the superior industry chains and the branding, professional and integrated management means of the Company to achieve good returns from such projects, thus to realize the goal of safe, long-term and sustainable development, which, in turn, will contribute to increasing the interests of the shareholders of the Company.

To the best of the Directors' knowledge, information and belief, having made all reasonably enquiry, NCSSF and its ultimate beneficial owner are third parties independent of the Company and its connected persons. The terms of this Transaction are fair and reasonable and in the interests of the shareholders of the Company as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, the applicable percentage ratios under Chapter 14 of the Listing Rules regarding this Transaction exceed 5% but are lower than 25%. The Transaction therefore constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, which is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **GENERAL INFORMATION**

### **CCCC Fund**

CCCC Fund is a subsidiary of the Company, primarily engaged in non-securities business investment, investment management and consultancy services.

### **The Company**

The Company is a leading transportation infrastructure group in the PRC, primarily engaged in the infrastructure construction, infrastructure design, dredging and heavy machinery manufacturing businesses.

### **NCSSF**

NCSSF is in charge of the management and operation of the national social security fund. As the reserve fund for the national social security, the national social security fund is comprised of financial budget allocation from the central government, transference of state-owned capital, fund income and capital raised through other methods as approved by the State Council, and is designated for supplementing and regulating the expenditure on social security (including pension insurance) during the peak phase of population aging.

## **DEFINITION**

“Board”	the board of directors of the Company
“CCCC Fund”	CCCC Fund Management Co., Ltd.* (中交投資基金管理(北京)有限公司), a subsidiary 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 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 as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“General Partner”	the general partner of the Investment Fund, being CCCC Fund

“Investment Fund”	CCCC (Beijing) First Phase Equity Investment Fund LLP. * (北京中交建壹期股權投資基金合夥企業(有限合夥))，which was established by CCCC Fund (a subsidiary of the Company) and the Company on 2 February 2015
“Limited Partner(s)”	the limited partners of the Investment Fund, being the Company and NCSSF
“Listing Rules”	the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NCSSF”	National Council for Social Security Fund of the People’s Republic of China
“Partnership Agreement”	the partnership agreement entered into by CCCC Fund, the Company and NCSSF on 25 November 2015 in respect of the subscription to the share in the partnership of the Investment Fund
“percentage ratios”	as defined in the Listing Rules
“PRC”	the People’s Republic of China, for the purposes of this announcement, excludes the Hong Kong Special Administrative Regions, the Macau Special Administrative Regions and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Transaction”	the transaction of subscribing to the share in the partnership of the Investment Fund under the Partnership Agreement
“%”	per cent.

By Order of the Board  
**China Communications Construction Company Limited**  
**LIU Wensheng**  
*Company Secretary*

Beijing, the PRC  
25 November 2015

*As at the date of this announcement, the Directors are LIU Qitao, CHEN Fenjian, FU Junyuan, LIU Maoxun, LIU Zhangmin<sup>#</sup>, LEUNG Chong Shun<sup>#</sup> and HUANG Long<sup>#</sup>.*

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

\* *For identification purpose only*