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中國建築國際集團有限公司

CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3311)

CONNECTED TRANSACTION

On 9 April 2014, CCSSC and CSHK entered into the JV Agreement, pursuant to which the parties agreed to establish the Macau JV on a 70:30 basis to undertake the Structural Steel Works.

CCSSC is a subsidiary of CSCECL, an intermediate holding company of the Company. Accordingly, CCSSC is a connected person of the Company and the Transaction constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

Since the applicable percentage ratios as defined in Rule 14A.10 of the Listing Rules calculated with reference to the Transaction exceeds 0.1% but is less than 5%, the Transaction is subject to the reporting and announcement requirements and exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

On 9 April 2014, CCSSC and CSHK entered into the JV Agreement, pursuant to which the parties agreed to establish the Macau JV on a 70:30 basis to undertake the Structural Steel Works as a subcontractor to the Main Contractor.

THE TRANSACTION

Date

9 April 2014

Parties

- (1) CCSSC, a subsidiary of CSCECL, which is an intermediate holding company of the Company; and
- (2) CSHK, a wholly owned subsidiary of the Company

Subject

CCSSC and CSHK shall form the Macau JV to undertake the Structural Steel Works. CCSSC and CSHK shall hold 70% and 30% interests in the Macau JV respectively.

Contract value and profit / loss sharing

The total contract value in relation to the Structural Steel Works is approximately MOP376,898,000 (approximately HK\$365,921,000). CCSSC and CSHK shall share 70% and 30% the profits and loss in relation to the Structural Steel Works respectively. Any future funding requirements will be borne by the parties in proportion to their respective interests in the Macau JV.

Management

The Macau JV shall be managed by a committee (the “**Committee**”) to be set up by the parties. The Committee shall comprise three members appointed by CCSSC and two members appointed by CSHK. A member appointed by CCSSC and a member appointed by CSHK present at a meeting of the Committee shall form quorum. Any resolutions passed in any meeting of the Committee shall require unanimous consent.

REASONS FOR THE TRANSACTION

CCSSC has substantial experience in structural steel works. The Transaction provides the Company with the opportunity to participate in structural steel works in Macau with CCSSC as joint venture partner. The Directors believe that such arrangement will benefit the Group by leveraging the substantial experience of CCSSC.

The Directors (including the independent non-executive Directors) consider that the Transaction is in the ordinary course of business and on normal commercial terms after arm’s length negotiations between the parties, and the terms of the Transaction is fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the Transaction.

“CSCECL Sub-construction Engagement Agreement”	the engagement agreement entered into between the Company and CSCECL on 20 September 2011;
“CSHK”	CSHK工程有限公司 (CSHK Engineering Limited), a company incorporated in Macau with limited liability and a wholly owned subsidiary of the Company;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“JV Agreement”	the joint venture formation cooperation agreement between CCSSC and CSHK dated 9 April 2014 involving, among other things, the formation of the Macau JV;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Macau”	the Macao Special Administrative Region of the PRC;
“Macau JV”	the joint venture between CCSSC and CSHK to be formed pursuant to the JV Agreement;
“Main Contractor”	a joint venture between China State Construction Engineering (Hong Kong) Limited and China Construction Engineering (Macau) Company Limited, both of which are wholly-owned subsidiaries of the Company, which has been appointed as main contractor in relation to the Project;
“MOP”	Macao Patacas, the lawful currency of Macau;
“PRC”	the People’s Republic of China, and for the purposes of this announcement, excluding Hong Kong, Macau and Taiwan;
“Project”	a construction project in Macau in which the Main Contractor has been appointed as main contractor;

“Shareholders”	the shareholders of the Company from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Structural Steel Works”	the structural steel works for the Project;
“Transaction”	the entering into of the JV Agreement and the transaction contemplated thereunder (including but not limited to the formation of the Macau JV); and
“%”	per cent..

For illustration purposes in this announcement, the amount of MOP is translated to HK\$ at the rate of MOP1.03=HK\$1. No representation is made that any amount in MOP has been or could be converted at the above rate or at any other rates or at all.

The English names of the PRC entities referred to in this announcement are translations from their Chinese names and are for identification purposes only. If there is any inconsistency, the Chinese name shall prevail.

By Order of the Board
China State Construction International Holdings Limited
Zhou Yong
Chairman and Chief Executive Officer

Hong Kong, 9 April 2014

As at the date of this announcement, the board of directors of the Company comprises Mr. Zhou Yong (Chairman and Chief Executive Officer), Mr. Tian Shuchen, Mr. Zhou Hancheng, Mr. Pan Shujie and Mr. Hung Cheung Shew as Executive Directors; Mr. Li Jian as Non-executive Director; and Dr. Raymond Ho Chung Tai, Mr. Adrian David Li Man Kiu, Dr. Raymond Leung Hai Ming and Mr. Lee Shing See as Independent Non-executive Directors.