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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)

**AMENDMENT AGREEMENT
RELATING TO
CONNECTED TRANSACTION
FORMATION OF LIUPANSHUI JV**

Reference is made to the announcement of China State Construction International Holdings Limited (the “**Company**”) dated 9 December 2016 (the “**Announcement**”) in relation to the formation of a joint venture with 中國建築第二工程局有限公司 (China Construction Second Engineering Bureau Ltd.). Unless otherwise defined in this announcement, terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, on 9 December 2016, CSCIICL (a wholly-owned subsidiary of the Company) and CCSEB entered into the Cooperation Agreement, pursuant to which the parties agreed to form Liupanshui JV with Liupanshui Transportation and the Financial Institution for the purpose of investing into the Liupanshui Highway Project. Liupanshui JV was formed and held as to 15%, 15%, 20% and 50% by CSCIICL, CCSEB, Liupanshui Transportation and the Financial Institution, respectively.

It is expected that the Financial Institution will exit from Liupanshui JV and transfer its entire equity interest in Liupanshui JV (the “**Equity Transfer**”) by the end of March 2019 in the following manner: (i) 10% to CSCIICL; (ii) 10% to CCSEB; and (iii) 30% to a new government recognised financial institution in the PRC (the “**New Financial Institution**”). In consideration of the Equity Transfer, on 18 March 2019, CSCIICL and CCSEB entered into a restated and amended cooperation agreement (the “**Amendment Agreement**”) to amend and restate the Cooperation Agreement.

AMENDMENT AGREEMENT

Details of the major amendments in the Amendment Agreement are set out below:

- (1) CSCIICL, CCSEB, Liupanshui Transportation and the New Financial Institution shall hold 25%, 25%, 20% and 30% equity interest in Liupanshui JV, respectively.
- (2) The registered capital of Liupanshui JV remains as RMB100,000,000 (equivalent to approximately HK\$117,647,059), which shall be contributed by equity interest holders of Liupanshui JV in proportion to their respective equity interest in Liupanshui JV as follows:

CSCIICL	RMB25,000,000 (equivalent to approximately HK\$29,411,765) (Among which, RMB15,000,000 (equivalent to approximately HK\$17,647,059 has been paid up pursuant to the Cooperation Agreement prior to the Equity Transfer)
CCSEB	RMB25,000,000 (equivalent to approximately HK\$29,411,765) (Among which, RMB15,000,000 (equivalent to approximately HK\$17,647,059 has been paid up pursuant to the Cooperation Agreement prior to the Equity Transfer)
Liupanshui Transportation	RMB20,000,000 (equivalent to approximately HK\$23,529,412) (Among which, RMB20,000,000 (equivalent to approximately HK\$23,529,412 has been paid up pursuant to the Cooperation Agreement prior to the Equity Transfer)
The New Financial Institution	RMB30,000,000 (equivalent to approximately HK\$35,294,117)

The respective contribution to the registered capital of Liupanshui JV is determined after arm’s length negotiations between the parties with reference to the proposed capital requirements of the Liupanshui Highway Project and the parties’ interest in Liupanshui JV.

- (3) The total investment amount (including the registered capital) of Liupanshui JV remains as RMB1,343,090,000 (equivalent to approximately HK\$1,580,105,883), which shall be contributed by equity interest holders of Liupanshui JV in proportion to their respective equity interest in Liupanshui JV as follows:

CSCIICL	RMB335,772,500 (equivalent to approximately HK\$395,026,471) (Among which, RMB15,000,000 (equivalent to approximately HK\$17,647,059 has been paid up pursuant to the Cooperation Agreement prior to the Equity Transfer)
CCSEB	RMB335,772,500 (equivalent to approximately HK\$395,026,471) (Among which, RMB15,000,000 (equivalent to approximately HK\$17,647,059 has been paid up pursuant to the Cooperation Agreement prior to the Equity Transfer)
Liupanshui Transportation	RMB268,618,000 (equivalent to approximately HK\$316,021,176) (Among which, RMB20,000,000 (equivalent to approximately HK\$23,529,412 has been paid up pursuant to the Cooperation Agreement prior to the Equity Transfer)
The New Financial Institution	RMB402,927,000 (equivalent to approximately HK\$474,031,765)

The respective contribution to the total investment amount of Liupanshui JV is determined after arm's length negotiations between the parties with reference to the proposed capital requirements of the Liupanshui Highway Project and the parties' interest in Liupanshui JV.

- (4) Liupanshui JV will provide a performance guarantee in the sum of RMB500,000,000 (equivalent to approximately HK\$588,235,294) to Liupanshui District Transportation Department with respect to the construction work of the Liupanshui Highway Project after the signing of the Concession Agreement. Such performance guarantee shall remain effective until completion of the construction phase of the Liupanshui Highway Project.

Save for the above, all other major terms and conditions set out in the Amendment Agreement are the same as those of the Cooperation Agreement. The Amendment Agreement shall supersede the Cooperation Agreement and the Cooperation Agreement shall cease to have any effect after the Amendment Agreement takes effect.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

To the best knowledge of the Directors, since the Financial Institution is no longer able to discharge its capital contribution obligation to Liupanshui JV, the New Financial Institution has been introduced to replace it as an equity interest holder of Liupanshui JV. According to the internal policy of the New Financial Institution, the New Financial Institution is only allowed to make capital contribution up to 30% equity interest in Liupanshui JV, thus the parties to the Cooperation Agreement agree that the remaining 20% of the capital commitment previously made by the Financial Institution shall be taken up by CSCIICL and CCSEB in equal share. The New Financial Institution possesses strong financial resources and extensive experience in fund investment on Public-Private-Partnership (PPP) projects, thereby with a backup from the New Financial Institution as one of the equity interest holders facilitating the financing and the implementation of the Liupanshui Highway Project.

The Directors (including the independent non-executive Directors) consider that the Amendment Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business, on normal commercial terms after arm's length negotiations between the parties, and the terms of the Amendment Agreement and the transactions contemplated thereunder are fair and reasonable and in the interest of the Company and the Shareholders as a whole. None of the Directors has a material interest in the Amendment Agreement.

GENERAL

The New Financial Institution is a government recognised financial institution in the PRC. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, as at the date of this announcement, the New Financial Institution and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Since the applicable percentage ratios as defined under the Listing Rules calculated with reference to the Group's entire capital commitment contemplated under the Amendment Agreement remain to be more than 0.1% but are less than 5%, the entering into of the Amendment Agreement and the transactions contemplated thereunder are still subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Unless otherwise specified in this announcement, amounts denominated in Renminbi have been converted, for the purpose of illustration only, into Hong Kong dollars at the rate of RMB0.85 = HK\$1.00. The exchange rate does not constitute a representation that any amount has been, could have been or may be converted at the above rate or any other rates.

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

Hong Kong, 18 March 2019

As at the date of this announcement, the Board comprises Mr. Zhou Yong (Chairman), Mr. Zhang Haipeng (Chief Executive Officer), Mr. Tian Shuchen, Mr. Zhou Hancheng and Mr. Hung Cheung Shew as Executive Directors; 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.