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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 TRANSACTIONS FACTORING ARRANGEMENT

FACTORING ARRANGEMENT

The Board hereby announces that on 23 June 2023, CSC International Investments (an indirect wholly-owned subsidiary of the Company) entered into the Factoring Arrangement, pursuant to which, on the same date, CSC International Investments (1) entered into Account Receivables Transfer Contracts with ZHCCL; and (2) entered into Factoring Contracts with CCCF, in respect of transfer of the Account Receivables to CCCF for granting of (a) account receivable factoring service in an aggregate principal sum of RMB175 million (equivalent to approximately HK\$192 million) at a discount rate of 94.6% to CSC International Investments for a term of not exceeding one year from the drawdown date under the Factoring Contracts 1, and (b) account receivable factoring service in an aggregate principal sum of RMB175 million (equivalent to approximately HK\$192 million) at a discount rate of 89.2% to CSC International Investments for a term of not exceeding two years from the drawdown date under the Factoring Contracts 2.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, CSCECL is the intermediate holding company of the Company. Accordingly, CCCF (an indirect wholly-owned subsidiary of CSCECL) is a connected person of the Company under Chapter 14A of the Listing Rules and the Transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

Reference is made to the connected transactions as stipulated in an announcement of the Company dated 29 November 2022 and an announcement of the Company dated 27 December 2022.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all completed within a 12-month period or were all otherwise related. The Transactions together with the connected transactions as stipulated in the announcement of the Company dated 29 November 2022 and the announcement of the Company dated 27 December 2022 are related and to be completed within a 12-month period. Accordingly, these transactions shall be aggregated and treated as if they were one transaction, and the aggregate figures of the Aggregate Transactions shall be used for calculating the applicable percentage ratios.

As all the applicable percentage ratios in respect of the Aggregate Transactions exceed 0.1% but are less than 5%, the Transactions itself or the Aggregate Transactions are subject to the reporting and announcement requirements but are exempted from shareholders' approval requirement under Chapter 14A of the Listing Rules.

FACTORING ARRANGEMENT

On 23 June 2023, CSC International Investments entered into the Factoring Arrangement, pursuant to which, on the same date, CSC International Investments (1) entered into Account Receivables Transfer Contracts with ZHCCL; and (2) entered into Factoring Contracts with CCCF.

ACCOUNT RECEIVABLES TRANSFER CONTRACTS

Account Receivables Transfer Contract 1

The principal terms of the Account Receivables Transfer Contract 1 are set out below:

Date

23 June 2023

Parties

- (1) CSC International Investments; and
- (2) ZHCCL.

Subject Matter

Pursuant to the Account Receivables Transfer Contract 1, ZHCCL agrees to sell to CSC International Investments and CSC International Investments agrees to acquire from ZHCCL the Account Receivables 1.

Account Receivables 1 to be Acquired

An aggregate sum of RMB98 million (equivalent to approximately HK\$108 million) to be received by ZHCCL from the Joint Debtors within a period of 1 year under the investment and construction contract for the construction project of the first phase of the standardized factory building construction project of the Ceramic Industry Innovation Demonstration Park in Zichuan District, Zibo City 《淄博市淄川區建陶產業創新示範園一期標準化廠房建設項目投資建設合同》 (“Basic Transaction Contract 1”); and

An aggregate sum of RMB77 million (equivalent to approximately HK\$84 million) to be received by ZHCCL from the Joint Debtors within a period of 1 year under the investment and construction contract for infrastructure construction projects in Zichuan District, Zibo City 《淄博市淄川區基礎設施建設項目投資建設合同》 (“Basic Transaction Contract 2”, together with Basic Transaction Contract 1, known as “Basic Transaction Contracts”).

Consideration and Payment Terms

The consideration of the Account Receivables 1 to be paid by CSC International Investments to ZHCCL under the Account Receivables Transfer Contract 1 is approximately RMB166 million (equivalent to approximately HK\$182 million), which is calculated in accordance with the below formula:

Book value of the Account Receivables 1 x discount rate of 94.6%

ZHCCL shall complete the transfer of the Account Receivables 1 to CSC International Investments on the date of execution of the Account Receivables Transfer Contract 1. CSC International Investments shall pay the consideration of the Account Receivables 1 in one lump sum to ZHCCL by bank transfer on the date CSC International Investments received the consideration from CCCF under the Factoring Contracts 1.

Basis of Determination of the Consideration

The consideration of the Account Receivables 1 under the Account Receivables Transfer Contract 1 was determined on arm's length negotiations between CSC International Investments and ZHCCL with reference to, among other things, the book value of the Account Receivables 1, the repayment period of the Account Receivables 1, the terms of the Factoring Contracts 1 and the credit worthiness of the Joint Debtors.

CSC International Investments will settle the consideration of the Account Receivables 1 payable under the Account Receivables Transfer Contract 1 by the funding received from CCCF under the Factoring Contracts 1.

Account Receivables Transfer Contract 2

The principal terms of the Account Receivables Transfer Contract 2 are set out below:

Date

23 June 2023

Parties

- (1) CSC International Investments; and
- (2) ZHCCL.

Subject Matter

Pursuant to the Account Receivables Transfer Contract 2, ZHCCL agrees to sell to CSC International Investments and CSC International Investments agrees to acquire from ZHCCL the Account Receivables 2.

Account Receivables 2 to be Acquired

An aggregate sum of RMB98 million (equivalent to approximately HK\$108 million) to be received by ZHCCL from the Joint Debtors within a period of 2 years under Basic Transaction Contract 1; and

An aggregate sum of RMB77 million (equivalent to approximately HK\$84 million) to be received by ZHCCL from the Joint Debtors within a period of 2 years under Basic Transaction Contract 2.

Consideration and Payment Terms

The consideration of the Account Receivables 2 to be paid by CSC International Investments to ZHCCL under the Account Receivables Transfer Contract 2 is approximately RMB156 million (equivalent to approximately HK\$172 million), which is calculated in accordance with the below formula:

Book value of the Account Receivables 2 x discount rate of 89.2%

ZHCCL shall complete the transfer of the Account Receivables 2 to CSC International Investments on the date of execution of the Account Receivables Transfer Contract 2. CSC International Investments shall pay the consideration of the Account Receivables 2 in one lump sum to ZHCCL by bank transfer on the date CSC International Investments received the consideration from CCCF under the Factoring Contracts 2.

Basis of Determination of the Consideration

The consideration of the Account Receivables 2 under the Account Receivables Transfer Contract 2 was determined on arm's length negotiations between CSC International Investments and ZHCCL with reference to, among other things, the book value of the Account Receivables 2, the repayment period of the Account Receivables 2, the terms of the Factoring Contracts 2 and the credit worthiness of the Joint Debtors.

CSC International Investments will settle the consideration of the Account Receivables 2 payable under the Account Receivables Transfer Contract 2 by the funding received from CCCF under the Factoring Contracts 2.

FACTORING CONTRACTS

Factoring Contracts 1

The principal terms of the Factoring Contracts 1 are set out below:

Date

23 June 2023

Parties

- (1) CSC International Investments; and
- (2) CCCF.

Subject Matter

Pursuant to the Factoring Contracts 1, CSC International Investments agrees to sell to CCCF and CCCF agrees to acquire from CSC International Investments the Account Receivables 1 (inclusive of all the rights and claims arising from the Account Receivables 1 acquired by CSC International Investments under the Account Receivables Transfer Contract 1) by granting an account receivable factoring service in an aggregate principal sum of RMB175 million (equivalent to approximately HK\$192 million) at a discount rate of 94.6% to CSC International Investments for a term of not exceeding one year from the drawdown date under the Factoring Contracts 1.

Consideration and Payment Terms

The aggregate consideration of the Account Receivables 1 to be paid by CCCF to CSC International Investments under the Factoring Contracts 1 is approximately RMB166 million (equivalent to approximately HK\$182 million), which is the same consideration to be paid by CSC International Investments under the Account Receivables Transfer Contract 1.

Subject to the fulfilment of the conditions precedent set out below, CCCF shall pay the consideration of the Account Receivables 1 in one lump sum to CSC International Investments by bank transfer on or about 30 June 2023.

Repayment: After the Account Receivables 1 have been transferred to CCCF, the Joint Debtors shall continue to pay the monies due under the Account Receivables 1 to ZHCCL, which shall then transfer an aggregate sum of RMB175 million (equivalent to approximately HK\$192 million) received to CCCF five business days prior to 30 June 2024.

Redemption: After the Account Receivables 1 have been transferred to CCCF, if CCCF finds any unqualified Account Receivables or lost Account Receivables, it has the right to request CSC International Investments to redeem the unqualified Account Receivables and/or lost Account Receivables and fulfill the corresponding payment obligations. The redemption price shall be the difference between the amount of the relevant Account Receivables and its recovered amount as at the date of the relevant redemption notice.

Repurchase:

CCCF has the right to require CSC International Investments to, and CSC International Investments shall, repurchase part or all of the Account Receivables 1 from CCCF at fair value and fulfill the corresponding payment obligations if any of the following events occurs:

- (a) Any Account Receivables 1 held by CCCF has expired and there are unpaid sums;
- (b) CSC International Investments fails to perform the relevant management responsibilities of the Account Receivables 1 as stipulated in the Factoring Contracts 1; or
- (c) Due to changes in relevant national laws and regulations and regulatory policies, the factoring service under the Factoring Contracts 1 needs to be terminated prematurely.

Conditions Precedent

The obligation of CCCF to pay the consideration for the Account Receivables 1 under the Factoring Contracts 1 is conditional on the fulfilment of the conditions below or obtaining of a written waiver from CCCF:

- (1) Any of the Factoring Contracts 1 has come into effect and there has been no breach of the Factoring Contracts 1 and the Basic Transaction Contracts 1, and CSC International Investments has cooperated with CCCF to process the Account Receivables 1 in the unified movable property financing registration system of the credit reference centre of the People's Bank of China for the transfer of the Account Receivables 1;

- (2) CCCF has received from CSC International Investments account receivable assignment lists in such form and substance as required under each of the Factoring Contracts 1;
- (3) CCCF has received from the Joint Debtors confirmation and notification documents in relation to the Account Receivables 1 in such form and substance as required under each of the Factoring Contracts 1;
- (4) CSC International Investments has obtained all necessary authorization, approval or consent from relevant government agencies and any third party for the transfer of the Account Receivables 1, and such authorization, approval or consent continues to have full effect;
- (5) On the execution date and the effective date of each of the Factoring Contracts 1, and the transfer date of each of the Account Receivables 1:
 - (a) The execution and performance of each of the Factoring Contracts 1 by CSC International Investments does not violate any legal requirements and any provisions of legally-binding documents;
 - (b) There is no prohibition or restriction on the execution or performance of each of the Factoring Contracts 1;
 - (c) There are no administrative actions or administrative decisions that inflict substantial damage on each of the Factoring Contracts 1 or substantially increase the cost of CCCF's performance of each of the Factoring Contracts 1; and
 - (d) There are no known threats to CSC International Investments that prohibits the execution and performance of each of the Factoring Contracts 1 by third parties, litigation, arbitration, or any other administrative or judicial procedures;
- (6) The representations and warranties given by CSC International Investments under each of the Factoring Contracts 1 are true, accurate and complete, and there is no breach of any representation, warranty, promise, condition or obligation under each of the Factoring Contracts 1, and CSC International Investments has not refused to perform any terms to be fulfilled and observed thereunder; and
- (7) On the execution date of each of the Factoring Contracts 1 and the transfer date of each of the Account Receivables 1, there has not been any amendment or promulgation of laws, changes in national macro-control policies, new regulatory requirements proposed by regulatory authorities, or other reasons which prevents CCCF from paying the consideration to CSC International Investments or performing each of the Factoring Contracts 1.

Basis of Determination of the Consideration

The consideration of the Account Receivables 1 payable under the Factoring Contracts 1 was determined on arm's length negotiations between CSC International Investments and CCCF with reference to, among other things, the book value of the Account Receivables 1, the repayment period of the Account Receivables 1, the terms of the Factoring Contracts 1 and the credit worthiness of the Joint Debtors.

Factoring Contracts 2

The principal terms of the Factoring Contracts 2 are set out below:

Date

23 June 2023

Parties

- (1) CSC International Investments; and
- (2) CCCF.

Subject Matter

Pursuant to the Factoring Contracts 2, CSC International Investments agrees to sell to CCCF and CCCF agrees to acquire from CSC International Investments the Account Receivables 2 (inclusive of all the rights and claims arising from the Account Receivables 2 acquired by CSC International Investments under the Account Receivables Transfer Contract 2) by granting an account receivable factoring service in an aggregate principal sum of RMB175 million (equivalent to approximately HK\$192 million) at a discount rate of 89.2% to CSC International Investments for a term of not exceeding two years from the drawdown date under the Factoring Contracts 2.

Consideration and Payment Terms

The aggregate consideration of the Account Receivables 2 to be paid by CCCF to CSC International Investments under the Factoring Contracts 2 is approximately RMB156 million (equivalent to approximately HK\$172 million), which is the same consideration to be paid by CSC International Investments under the Account Receivables Transfer Contract 2.

Subject to the fulfilment of the conditions precedent set out below, CCCF shall pay the consideration of the Account Receivables 2 in one lump sum to CSC International Investments by bank transfer on or about 30 June 2023.

Repayment: After the Account Receivables 2 have been transferred to CCCF, the Joint Debtors shall continue to pay the monies due under the Account Receivables 2 to ZHCCL, which shall then transfer an aggregate sum of RMB175 million (equivalent to approximately HK\$192 million) received to CCCF five business days prior to 30 June 2025.

Redemption: After the Account Receivables 2 have been transferred to CCCF, if CCCF finds any unqualified Account Receivables or lost Account Receivables, it has the right to request CSC International Investments to redeem the unqualified Account Receivables and/or lost Account Receivables and fulfill the corresponding payment obligations. The redemption price shall be the difference between the amount of the relevant Account Receivables and its recovered amount as at the date of the relevant redemption notice.

Repurchase:

CCCF has the right to require CSC International Investments to, and CSC International Investments shall, repurchase part or all of the Account Receivables 2 from CCCF at fair value and fulfill the corresponding payment obligations if any of the following events occurs:

- (a) Any Account Receivables 2 held by CCCF has expired and there are unpaid sums;
- (b) CSC International Investments fails to perform the relevant management responsibilities of the Account Receivables 2 as stipulated in the Factoring Contracts 2; or
- (c) Due to changes in relevant national laws and regulations and regulatory policies, the factoring service under the Factoring Contracts 2 needs to be terminated prematurely.

Conditions Precedent

The obligation of CCCF to pay the consideration for the Account Receivables 2 under the Factoring Contracts 2 is conditional on the fulfilment of the conditions below or obtaining of a written waiver from CCCF:

- (1) Any of the Factoring Contracts 2 has come into effect and there has been no breach of the Factoring Contracts 2 and the Basic Transaction Contracts 2, and CSC International Investments has cooperated with CCCF to process the Account Receivables 2 in the unified movable property financing registration system of the credit reference centre of the People's Bank of China for the transfer of the Account Receivables 2;
- (2) CCCF has received from CSC International Investments account receivable assignment lists in such form and substance as required under each of the Factoring Contracts 2;
- (3) CCCF has received from the Joint Debtors confirmation and notification documents in relation to the Account Receivables 2 in such form and substance as required under each of the Factoring Contracts 2;
- (4) CSC International Investments has obtained all necessary authorization, approval or consent from relevant government agencies and any third party for the transfer of the Account Receivables 2, and such authorization, approval or consent continues to have full effect;
- (5) On the execution date and the effective date of each of the Factoring Contracts 2, and the transfer date of each of the Account Receivables 2:
 - (a) The execution and performance of each of the Factoring Contracts 2 by CSC International Investments does not violate any legal requirements and any provisions of legally-binding documents;
 - (b) There is no prohibition or restriction on the execution or performance of each of the Factoring Contracts 2;
 - (c) There are no administrative actions or administrative decisions that inflict substantial damage on each of the Factoring Contracts 2 or substantially increase the cost of CCCF's performance of each of the Factoring Contracts 2; and

- (d) There are no known threats to CSC International Investments that prohibits the execution and performance of each of the Factoring Contracts 2 by third parties, litigation, arbitration, or any other administrative or judicial procedures;
- (6) The representations and warranties given by CSC International Investments under each of the Factoring Contracts 2 are true, accurate and complete, and there is no breach of any representation, warranty, promise, condition or obligation under each of the Factoring Contracts 2, and CSC International Investments has not refused to perform any terms to be fulfilled and observed thereunder; and
- (7) On the execution date of each of the Factoring Contracts 2 and the transfer date of each of the Account Receivables 2, there has not been any amendment or promulgation of laws, changes in national macro-control policies, new regulatory requirements proposed by regulatory authorities, or other reasons which prevents CCCF from paying the consideration to CSC International Investments or performing each of the Factoring Contracts 2.

Basis of Determination of the Consideration

The consideration of the Account Receivables 2 payable under the Factoring Contracts 2 was determined on arm's length negotiations between CSC International Investments and CCCF with reference to, among other things, the book value of the Account Receivables 2, the repayment period of the Account Receivables 2, the terms of the Factoring Contracts 2 and the credit worthiness of the Joint Debtors.

REASONS FOR AND BENEFITS OF THE FACTORING ARRANGEMENT

The entering into of the Factoring Arrangement is beneficial to the Group as it provides the Group with immediate funding for working capital and business development. It also allows the Group to meet liquidity development needs and diversify the funding sources of the Group, and therefore optimise the assets structure, increase capital efficiency and enhance operational capabilities for the Group.

In view of the above, the Directors (including the independent non-executive Directors) consider that although the entering into of the Factoring Arrangement is not in the ordinary and usual course of business of the Group, the Transactions is on normal commercial terms and fair and reasonable and in the interest of the Company and its shareholders as a whole.

None of the Directors has any material interest in the Transactions and no Director is required to abstain from voting on the board resolution(s) approving the Transactions. However, Mr. Zhang Haipeng, being the chairman and executive director of the Company and a director of COHL, Mr. Yan Jianguo, being non-executive director of the Company and the chairman and president of COHL, and Mr. Chen Xiaofeng, being non-executive director of the Company and the managing director and chief financial officer of COHL, have voluntarily abstained from voting on the board resolution(s) of the Company approving the Transactions.

INFORMATION OF THE PARTIES

The Group is principally engaged in construction business, infrastructure investments and prefabricated constructions.

CSC International Investments is an indirect wholly-owned subsidiary of the Company incorporated in the PRC, and is principally engaged in investment and construction, operation management, industry introduction and prefabricated constructions.

ZHCCL is a direct wholly-owned subsidiary of CSC International Investments incorporated in the PRC, and is principally engaged in landscaping engineering construction, contracting projects, general contracting of housing construction and municipal infrastructure projects, building intelligence project construction, professional construction operations.

CCCF is an indirect wholly-owned subsidiary of CSCECL incorporated in the PRC with limited liability and its principal businesses are factoring business, guarantee business, corporate management consulting, commercial factoring-related consulting services, supply chain management and related supporting services, online business activities, and domestic trade.

CSCECL is the intermediate holding company of the Company and is a contractor which is principally engaged in construction works in various cities in the PRC and various countries around the world.

CSCEC is the ultimate holding company of each of CSCECL, CCCF and the Company. CSCEC, together with its subsidiaries (excluding those listed on any stock exchange), is a conglomerate principally engaged in building construction, international contracting, real estate development and investment, infrastructure construction and investment and design and prospecting.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, CSCECL is the intermediate holding company of the Company. Accordingly, CCCF (an indirect wholly-owned subsidiary of CSCECL) is a connected person of the Company under Chapter 14A of the Listing Rules and the Transactions constitutes a connected Transactions of the Company under Chapter 14A of the Listing Rules.

Reference is made to the connected transactions as stipulated in an announcement of the Company dated 29 November 2022 and an announcement of the Company dated 27 December 2022.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected Transactions will be aggregated and treated as if they were one Transactions if they were all completed within a 12-month period or were all otherwise related. The Transactions together with the connected transactions as stipulated in the announcement of the Company dated 29 November 2022 and the announcement of the Company dated 27 December 2022 are related and to be completed within a 12-month period. Accordingly, these transactions shall be aggregated and treated as if they were one transaction, and the aggregate figures of the Aggregate Transactions shall be used for calculating the applicable percentage ratios.

As all the applicable percentage ratios in respect of the Aggregate Transactions exceed 0.1% but are less than 5%, the Transactions or the Aggregate Transactions are subject to the reporting and announcement requirements but are exempted from shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Account Receivables”	collectively, Account Receivables 1 and Account Receivables 2;
“Account Receivables 1”	the account receivables of ZHCCL to be acquired by CSC International Investments under the Account Receivables Transfer Contracts 1 for onward disposal to CCCF under the Factoring Contracts 1, and has the meaning ascribed to it under subsection headed “Account Receivables 1 to be Acquired” of the section headed “Account Receivables Transfer Contract 1” in this announcement;
“Account Receivables 2”	the account receivables of ZHCCL to be acquired by CSC International Investments under the Account Receivables Transfer Contract 2 for onward disposal to CCCF under the Factoring Contracts 2, and has the meaning ascribed to it under subsection headed “Account Receivables 2 to be Acquired” of the section headed “Account Receivables Transfer Contract 2” in this announcement;
“Account Receivables Transfer Contracts”	collectively, Account Receivables Transfer Contract 1 and Account Receivables Transfer Contract 2;
“Account Receivables Transfer Contract 1”	the contract entered into between CSC International Investments and ZHCCL on 23 June 2023 for acquiring the Account Receivables 1 by CSC International Investments from ZHCCL;
“Account Receivables Transfer Contract 2”	the contract entered into between CSC International Investments and ZHCCL on 23 June 2023 for acquiring the Account Receivables 2 by CSC International Investments from ZHCCL;
“Aggregate Transactions”	the Transactions together with the connected transactions as stipulated in the announcement of the Company dated 29 November 2022 and the announcement of the Company dated 27 December 2022;
“Basic Transaction Contract 1”; “Basic Transaction Contract 2”; and “Basic Transaction Contracts”	each has the meaning ascribed to it under subsection headed “Account Receivables 1 to be Acquired” of the section headed “Account Receivables Transfer Contracts” in this announcement;
“Board”	the board of Directors;

“connected person(s)”, “connected transaction(s)”, “controlling shareholder”, “holding company”, “percentage ratio(s)” and “subsidiary(ies)”	each has the meaning ascribed to it in the Listing Rules;
“Company”	China State Construction International Holdings Limited (中國建築國際集團有限公司), 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: 3311);
“CCCF”	中建商業保理有限公司(China Construction Commercial Factoring Company Limited*), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of CSCECL;
“COHL”	China Overseas Holdings Limited (中國海外集團有限公司), a company incorporated in Hong Kong with limited liability, being the controlling shareholder of the Company and a wholly-owned subsidiary of CSCECL;
“CSCEC”	中國建築集團有限公司(China State Construction Engineering Corporation*), a limited liability corporation organised and existing under the laws of the PRC and the ultimate holding company of each of CSCECL, COHL and the Company;
“CSCECL”	中國建築股份有限公司(China State Construction Engineering Corporation Limited), a joint stock limited company established in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 601668) and a non-wholly owned subsidiary of CSCEC and holding company of COHL;
“CSC International Investments”	中建國際投資集團有限公司 (China State Construction International Investments Limited*), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“Director(s)”	the director(s) of the Company;
“Factoring Arrangement”	the factoring arrangement implemented by CSC International Investments by its entering into of the Account Receivables Transfer Contracts and the Factoring Contracts and its execution and delivery of other relevant documents;
“Factoring Contracts”	collectively, Factoring Contracts 1 and Factoring Contracts 2;

“Factoring Contracts 1”	the two contracts executed by CSC International Investments and CCCF on 23 June 2023 for the disposal of the Account Receivables 1 from CSC International Investments to CCCF and the granting of account receivables factoring service by CCCF to CSC International Investments;
“Factoring Contracts 2”	the two contracts executed by CSC International Investments and CCCF on 23 June 2023 for the disposal of the Account Receivables 2 from CSC International Investments to CCCF and the granting of account receivables factoring service by CCCF to CSC International Investments;
“Group”	the Company and its subsidiaries (excluding subsidiary(ies) listed on any stock exchange) 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;
“Joint Debtors”	淄博市淄川區羅村鎮人民政府(People's Government of Luocun Town, Zichuan District, Zibo City*), an original co-debtor to pay the Account Receivables to ZHCCL under the Basic Transaction Contracts; and 淄博市淄川區財金控股有限公司(Zibo City Zichuan District Financial Holdings Co., Ltd.*), a company incorporated in the PRC with limited liability and an original co-debtor to pay the Account Receivables to ZHCCL under the Basic Transaction Contracts;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“lost Account Receivables”	any of the Account Receivables falls into any of the following situations during the existence of the Factoring Contracts: (a) any failure of CSC International Investments/ZHCCL to perform the Basic Transaction Contracts which causes the Joint Debtors to refuse to pay any of the Account Receivables; or (b) any of the relevant Account Receivables does not exist due to accounting error;
“PRC”	People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transactions”	CSC International Investments’ entering into the Account Receivables Transfer Contracts and the Factoring Contracts and the transactions contemplated thereunder;

“unqualified Account Receivable”

any of the Account Receivables which fails to meet the eligibility criteria for account receivable under the Factoring Contracts, or any of the Account Receivables for which any of the representations and warranties made by CSC International Investments is untrue, incomplete or inaccurate, on the execution date and the effective date each of the Factoring Contracts, and the transfer date of any of the Account Receivables;

“ZHCCL”

淄博海新建设有限公司(Zibo Haixin Construction Company Limited*), a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of CSC International Investments; and

“%”

per cent.

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 RMB0.91 = 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.

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

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

Hong Kong, 23 June 2023

As at the date of this announcement, the Board comprises Mr. Zhang Haipeng as Chairman and Executive Director; Mr. Yan Jianguo and Mr. Chen Xiaofeng as Non-executive Directors; Mr. Wang Xiaoguang (Chief Executive Officer) and Mr. Hung Cheung Shew as Executive Directors; and Dr. Raymond Leung Hai Ming, Ms. Wong Wai Ching and Mr. Chan Tze Ching Ignatius as Independent Non-executive Directors.