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**瑞港建設控股有限公司**  
**PROSPER CONSTRUCTION HOLDINGS LIMITED**  
(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 6816)

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS  
IN RELATION TO THE ENTERING INTO OF  
THE 2024 CONSTRUCTION SERVICES FRAMEWORK AGREEMENT**

Financial Advisor



Reference is made to (a) the announcement of the Company dated 28 April 2020 and the circular of the Company dated 8 June 2020 in relation to, *inter alia*, the 2020 Construction Services Framework Agreement; and (b) the announcement of the Company dated 3 June 2021 and the circular of the Company dated 30 June 2021 in relation to, *inter alia*, the supplemental agreement to the 2020 Construction Services Framework Agreement and revision of the annual caps. The 2020 Construction Services Framework Agreement and its supplemental agreement were entered into between West Coast Development HK and Qingdao Haifa Group Co. in respect of construction services for the construction projects to the Haifa Group, which may involve bidding for the Haifa Group's construction projects in the PRC. The 2020 Construction Services Framework Agreement and its supplemental agreement are set to expire on 31 December 2023.

**THE 2024 CONSTRUCTION SERVICES FRAMEWORK AGREEMENT**

On 16 November 2023, West Coast Development HK and Qingdao Haifa Group Co. entered into the 2024 Construction Services Framework Agreement, pursuant to which the Group has agreed to provide construction services for construction projects to the Haifa Group, which may involve bidding for the Haifa Group's construction projects in the PRC, in accordance with the bidding procedures established by the Haifa Group for the three years ended 31 December 2026.

It is proposed that the Proposed Annual Caps under the 2024 Construction Services Framework Agreement shall be capped at RMB1,200 million (equivalent to approximately HK\$1,296 million), RMB1,500 million (equivalent to approximately HK\$1,620 million) and RMB1,800 million (equivalent to approximately HK\$1,944 million) for each of the year ending 31 December 2024, 2025 and 2026, respectively.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Qingdao Haifa Group Co. is the ultimate holding company and a controlling shareholder of the Company, which indirectly holds 62.25% of the issued share capital of the Company. The Haifa Group are therefore connected persons of the Company and the transactions contemplated under the 2024 Construction Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Executive Directors, Mr. Jiang Hongchang, Mr. Liu Yutao and Mr. Yang Honghai hold position within the Haifa Group, as a result they are considered related to the Haifa Group and have abstained from voting on the relevant board resolutions of the Company due to conflict of interest. Qingdao West Coast Holdings (Internation) Limited, a controlling shareholder of the Company directly holding 62.25% of the issued share capital of the Company and an indirect wholly-owned subsidiary of Qingdao Haifa Group Co., will be required to abstain from voting on the relevant resolutions of the Shareholders at the EGM.

Since one or more of the applicable percentage ratios on an annual basis in respect of the Proposed Annual Caps exceed 5% and each of the Proposed Annual Caps is above HK\$10,000,000, the transactions contemplated under the 2024 Construction Services Framework Agreement are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements.

## **GENERAL**

The EGM will be convened by the Company for the Independent Shareholders to consider, and if thought fit, approve the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps.

To the best of the knowledge and belief of the Directors having made all reasonable enquiries, save and except for Qingdao West Coast Holdings (Internation) Limited and its associates, no other Shareholder has a material interest in the transactions contemplated under the 2024 Construction Services Framework Agreement such that he or she or it shall abstain from voting at the EGM on the resolutions to approve the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps.

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders as to (i) whether the terms of the 2024 Construction Services Framework Agreement and the Proposed Annual Caps are fair and reasonable; (ii) whether the 2024 Construction Services Framework Agreement and the transactions contemplated thereunder are on normal commercial terms or better and in the ordinary and usual course of the Group's business; (iii) whether the transactions contemplated under the 2024 Construction Services Framework Agreement are in the interests of the Company and the Shareholders as a whole; and (iv) the voting action that should be taken by the Independent Shareholders.

Red Sun Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps.

A circular containing, among other things, (a) further information on the terms of the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps; (b) a letter from the Independent Board Committee to the Independent Shareholders; (c) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (d) a notice of the EGM, is expected to be despatched to the Shareholders on or before 30 November 2023 in accordance with the Listing Rules.

## **BACKGROUND**

Reference is made to (a) the announcement of the Company dated 28 April 2020 and the circular of the Company dated 8 June 2020 in relation to, *inter alia*, the 2020 Construction Services Framework Agreement; and (b) the announcement of the Company dated 3 June 2021 and the circular of the Company dated 30 June 2021 in relation to, *inter alia*, the supplemental agreement to the 2020 Construction Services Framework Agreement and revision of the annual caps. The 2020 Construction Services Framework Agreement and its supplemental agreement were entered into between West Coast Development HK and Qingdao Haifa Group Co. in respect of construction services for the construction projects to the Haifa Group, which may involve bidding for the Haifa Group's construction projects in the PRC. The 2020 Construction Services Framework Agreement and its supplemental agreement are set to expire on 31 December 2023.

On 16 November 2023, West Coast Development HK and Qingdao Haifa Group Co. entered into the 2024 Construction Services Framework Agreement, pursuant to which the Group has agreed to provide construction services to the Haifa Group for construction projects. The parties acknowledge that the purpose of entering into the 2024 Construction Services Framework Agreement is solely to establish a mutual understanding of certain principles governing the provision and receipt of construction services and to express their willingness to cooperate. It is expressly stated that the execution of the 2024 Construction Services Framework Agreement does not create any binding obligation on the part of the Haifa Group to engage the Group as a service provider, nor does it impose any mandatory obligation on the Group to provide construction services to the Haifa Group. The Group may be required to bid for the Haifa Group's construction projects in the PRC in accordance with the bidding procedures established by the Haifa Group's for the three years ending 31 December 2026.

It is proposed that the Proposed Annual Caps under the 2024 Construction Services Framework Agreement shall be capped at RMB1,200 million (equivalent to approximately HK\$1,296 million), RMB1,500 million (equivalent to approximately HK\$1,620 million) and RMB1,800 million (equivalent to approximately HK\$1,944 million) for the each of the year ending 31 December 2024, 2025 and 2026, respectively.

**THE 2024 CONSTRUCTION SERVICES FRAMEWORK AGREEMENT**

The principal terms of the 2024 Construction Services Framework Agreement are set out below:

- Date : 16 November 2023
- Parties : (a) Qingdao Haifa Group Co. and  
(b) West Coast Development HK
- Subject matter : The Group will provide construction services to the Haifa Group and may therefore participate in bidding for construction projects of the Haifa Group in the PRC from time to time. If the bids submitted by the Group are successful in accordance with the bidding procedures established by the Haifa Group, the Group will enter into individual construction contracts (the “**Individual Contracts**”) with the Haifa Group for the provision of construction services by the Group as the contractor subject to the terms and conditions of the 2024 Construction Services Framework Agreement at fair and reasonable market prices.
- Term : From 1 January 2024 to 31 December 2026 (both dates inclusive)
- Pricing policy : The contract sum of each Individual Contract is determined through an open tender process to ensure that the price and terms of the Group’s bid are on normal commercial terms and no more favourable than those offered to independent third parties, or the market prices or benchmarks for transactions of a similar nature.

In determining the bid price for each Individual Contract, the Group will take into account factors including, but not limited to, (i) the estimated cost required to meet the quality standards and construction requirements of each individual construction project. In order to make a cost estimate for the individual construction project, the Group will solicit quotations from at least three different independent third-party suppliers, subcontractors, and/or service providers (as appropriate) for reference; and (ii) a reasonable profit margin to be determined after taking into account various relevant factors such as prevailing market conditions, competition landscape, project duration, and any associated risk factors.

In addition, the Group will also consider the unit price for each type of construction work with reference to the standards and guidelines on the relevant rates and charges published by the authorities such as the Qingdao Municipal Bureau of Housing and Urban-Rural Development\* (青島市住房和城鄉建設局) and the cost of materials published by industry associations such as the Qingdao Engineering Construction Standard & Cost Association\* (青島市工程建設標準造價協會).

Payment terms : The contract sum payable by the Haifa Group will be settled in accordance with the payment terms as set out in each of the Individual Contracts in line with normal market practice and payment terms for similar projects.

To the best of the knowledge and belief of the Directors, and in accordance with normal market practice, the contract sum will generally be invoiced and settled in stages based on the actual progress of the project to be further delineated in the Individual Contracts.

Condition precedent : The passing of the relevant resolutions by the Independent Shareholders at the EGM to approve the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps.

## ORIGINAL ANNUAL CAPS AND HISTORICAL TRANSACTION AMOUNTS

Set out below are the Original Annual Caps and the historical transaction amounts for the transactions contemplated under the 2020 Construction Services Framework Agreement and its supplemental agreement for the relevant periods:

	<u>29 June 2020<sup>(1)</sup> to 31 December 2020</u>	<u>1 January 2021 to 31 December 2021</u>	<u>1 January 2022 to 31 December 2022</u>	<u>1 January 2023 to 31 December 2023</u>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Original Annual Caps	900,000,000	1,846,000,000 <sup>(2)</sup>	3,164,000,000 <sup>(2)</sup>	4,746,000,000 <sup>(2)</sup>
	<u>29 June 2020<sup>(1)</sup> to 31 December 2020</u>	<u>1 January 2021 to 31 December 2021</u>	<u>1 January 2022 to 31 December 2022</u>	<u>1 January 2023 to 30 June 2023</u>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Historical transaction amounts (rounded to the nearest thousands)	633,725,000	1,825,178,000	1,527,530,000	407,105,000

*Note 1: This is the date on which approval of the 2020 Construction Services Framework Agreement, the transactions contemplated thereunder and the Original Annual Caps is obtained from the Independent Shareholders.*

*Note 2: The amounts represent the Original Annual Caps as revised for the transactions contemplated by the supplemental agreement to the 2020 Construction Services Framework Agreement in 2021.*

## **PROPOSED ANNUAL CAPS**

Set out below are Proposed Annual Caps for the transactions contemplated under the 2024 Construction Services Framework Agreement for the relevant periods:

	<b>For the year ending 31 December</b>		
	<b>2024</b>	<b>2025</b>	<b>2026</b>
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Proposed Annual Caps	1,200,000,000	1,500,000,000	1,800,000,000

The Proposed Annual Caps were determined with reference to the estimated revenue to be derived from Individual Contracts that have been entered into, and that may be entered into between the Group and the Haifa Group during the period from 1 January 2024 to 31 December 2026. These contracts include:

- (i) the Group has entered into 36 Individual Contracts with a total contract sum of approximately RMB5,332.36 million (equivalent to approximately HK\$5,758.95 million) with the Haifa Group. It is expected that these contracts will generate revenue of approximately RMB1,165.57 million, RMB883.23 million and RMB293.58 million for the year ending 31 December 2024, 2025 and 2026, respectively;
- (ii) the Group plans to submit four bids and one quotation to the Haifa Group by the end of 2023, with an estimated total contract sum of approximately RMB786.0 million and RMB70.0 million, respectively; and
- (iii) there is an expected increase in the number and total contract sum of new construction projects from the Haifa Group, which may be recognized as revenue by the Group for the year ending 31 December 2025 and 2026.

Such projection is solely for determining the Proposed Annual Caps and shall not be regarded as any indication directly or indirectly as to the respective revenue or profitability of the Group.

## **REASONS FOR AND BENEFITS OF THE 2024 CONSTRUCTION SERVICES FRAMEWORK AGREEMENT**

The Group's successful expansion into the construction industry in the PRC was realized with the acquisition of 80.0% equity interest in Dongjie Construction in 2020. This strategic move exemplifies the Group's commitment to diversify its business and capitalise on the lucrative construction market in the PRC. With Dongjie Construction having the requisite qualifications and licenses to undertake construction projects in the PRC, the Group has laid a strong foundation for its foray into this sector. Building on this momentum, the Group further strengthened its position in the construction market by acquiring 34.0% equity interest in and controlling the board of directors of Honghai Curtain Wall. This acquisition not only consolidated the Group's influence, but also synergistically enhanced its service offering and competitive edge in the general construction contracting business. By combining the strengths and expertise of both Dongjie Construction and Honghai Curtain Wall, the Group has significantly expanded its capabilities and positioned itself as a formidable player in the industry.

Recognizing the strategic value of cooperation, the Group has established a cooperation relationship with the Haifa Group which is primarily engaged in infrastructure construction, land development, real estate development, and a wide range of industrial investment and operation, including culture, tourism, and financial services. By entering into the 2024 Construction Services Framework Agreement and subsequently acting as a contractor for successful bids, the Group aims to consolidate and strengthen its construction business in the PRC. By collaborating with the Haifa Group, the Group is expanding its business portfolio, enhancing its market competitiveness and overall presence in the dynamic construction landscape of the PRC. With a forward-looking perspective and meticulous execution, the Board believes that these actions will unlock significant opportunities for sustainable growth. By leveraging its combined strengths, industry expertise, and collaboration, the Group is poised to navigate the intricate dynamics of the construction industry in the PRC, thereby maximizing value creation for the Shareholders and reinforcing its position as a leading player in the market.

Executive Directors, Mr. Jiang Hongchang, Mr. Liu Yutao and Mr. Yang Honghai hold position within the Haifa Group, as a result they are considered related to the Haifa Group and have abstained from voting on the relevant board resolutions due to conflict of interest, and the independent non-executive Directors whose opinion will be provided after reviewing the advice of the Independent Financial Adviser) are of the view that the terms of the 2024 Construction Services Framework Agreement were concluded after arm's length negotiations and reflect normal commercial terms, and that the terms of the 2024 Construction Services Framework Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **INTERNAL CONTROL**

The Group has adopted the following internal control procedures to govern the continuing connected transactions of the Group under the 2024 Construction Services Framework Agreement and the Proposed Annual Caps:

- (i) the finance department of the Company will closely monitor and record the actual transaction amounts of the continuing connected transactions under the 2024 Construction Services Framework Agreement to ensure that the Proposed Annual Caps are not exceeded;
- (ii) the tender department and contract department of the Company will (a) compare the prices and terms with those of other construction projects of similar nature and scale entered into by the Group with independent third parties and/or bids and/or quotations submitted by the Group to independent third parties, or (b) compare the prices and terms with the market prices or benchmarks for transactions of a similar nature, in order to ensure that the prices charged by the Group to the Haifa Group are fair and reasonable and not less favourable to the Group than those offered to independent third parties;
- (iii) the contract department and project department of the Company will submit the construction plans, price comparison report, and status report to the executive Directors prior to entering into Individual Contracts;
- (iv) the Company's auditor will review annually the continuing connected transactions (which are subject to the annual review and disclosure requirements of the Listing Rules) and confirm that (a) the transactions under the 2024 Construction Services Framework Agreement have been approved by the Board; (b) the transactions have been entered into in accordance with the 2024 Construction Services Framework Agreement; and (c) the Proposed Annual Caps have not been exceeded; and
- (v) the independent non-executive Directors will carry out an annual review (which are subject to the annual review and disclosure requirements of the Listing Rules) to confirm that the transactions under the 2024 Construction Services Framework Agreement are conducted (a) in the ordinary and usual course of the Group's business; (b) on normal commercial terms or better; and (c) in accordance with the 2024 Construction Services Framework Agreement which governs them, on terms which are fair and reasonable and in the interests of the Shareholders as a whole.

The Board believes that the above internal control procedures are adequate to ensure that the transactions are carried out in accordance with the 2024 Construction Services Framework Agreement and that the prices charged by the Group are not less favourable than those charged in transactions with independent third parties.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Qingdao Haifa Group Co. is the ultimate holding company and a controlling shareholder of the Company, indirectly holding 62.25% of the issued share capital of the Company. The Haifa Group is therefore a connected person of the Company and the transactions contemplated under the 2024 Construction Services Framework Agreement constitute continuing connected transactions of the Company for the purposes of Chapter 14A of the Listing Rules. Executive Directors, Mr. Jiang Hongchang, Mr. Liu Yutao and Mr. Yang Honghai hold position within the Haifa Group, as a result they are considered related to the Haifa Group and have abstained from voting on the relevant board resolutions of the Company. Qingdao West Coast Holdings (Internation) Limited, the beneficial owner of 62.25% of the issued share capital of the Company and an indirect wholly-owned subsidiary of Qingdao Haifa Group Co., will be required to abstain from voting on the relevant resolutions of the Shareholders at the EGM.

Since one or more of the applicable percentage ratios on an annual basis in respect of the Proposed Annual Caps exceed 5% and each of the Proposed Annual Caps is more than HK\$10,000,000, the transactions contemplated under the 2024 Construction Services Framework Agreement are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INFORMATION ON THE COMPANIES**

### **The Company**

The Company is an investment holding company incorporated with limited liability in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange. The Company, through its subsidiaries, provides marine construction services, auxiliary marine related services and general construction contracting services.

### **West Coast Development HK**

West Coast Development HK is an investment holding company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company. It indirectly holds 80.0% equity interests in Dongjie Construction, which is principally engaged in the provision of general construction contracting services and is involved in various construction projects in the PRC including, but not limited to, general contracting of building construction, building foundation, garden greening projects, garden landscaping projects, cultural relics protection projects, property development projects, building materials wholesale, building demolition, pipeline engineering (excluding pressure pipelines), road construction, water conservancy and hydropower project construction, power engineering construction, municipal utilities engineering construction, mechanical and electrical engineering construction, lifting equipment installation projects, fire control facilities engineering, waterproofing and anti-corrosion insulation works, steel structure engineering, and building mechanical and electrical installation.

## **Qingdao Haifa Group Co.**

Qingdao Haifa Group Co. is the ultimate holding company of the Company and a state-owned enterprise wholly-owned by the Qingdao Municipal People's Government State-owned Assets Supervision and Administration Commission (青島市人民政府國有資產監督管理委員會). It through its subsidiaries principally engages in infrastructure construction, land development, property development and other industrial investment and operation (including culture, tourism and financial services).

## **GENERAL**

The EGM will be convened by the Company for the Independent Shareholders to consider, and if thought fit, approve the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps.

To the best of the knowledge and belief of the Directors having made all reasonable enquiries, save and except for Qingdao West Coast Holdings (Internation) Limited and its associates, no other Shareholder has a material interest in the transactions contemplated under the 2024 Construction Services Framework Agreement such that he or she or it shall abstain from voting at the EGM on the resolutions to approve the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps.

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders as to (i) whether the terms of the 2024 Construction Services Framework Agreement and the Proposed Annual Caps are fair and reasonable; (ii) whether the 2024 Construction Services Framework Agreement and the transactions contemplated thereunder are on normal commercial terms or better and in the ordinary and usual course of the Group's business; (iii) whether the transactions contemplated under the 2024 Construction Services Framework Agreement are in the interests of the Company and the Shareholders as a whole; and (iv) the voting action that should be taken by the Independent Shareholders.

Red Sun Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps.

A circular containing, among other things, (a) further information on the terms of the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps; (b) a letter from the Independent Board Committee to the Independent Shareholders; (c) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (d) a notice of the EGM, is expected to be despatched to the Shareholders on or before 30 November 2023 in accordance with the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions have the following meanings, unless context otherwise requires:

“2020 Construction Services Framework Agreement”	the framework agreement dated 28 April 2020 entered into between West Coast Development HK and Qingdao Haifa Group Co., pursuant to which the Group has agreed to provide construction services for construction projects to the Haifa Group, which may involve bidding for the Haifa Group’s construction projects in the PRC, in accordance with the bidding procedures established by the Haifa Group for the period from 29 June 2020 to 31 December 2022
“2024 Construction Services Framework Agreement”	the framework agreement dated 16 November 2023 entered into between West Coast Development HK and Qingdao Haifa Group Co., pursuant to which the Group has agreed to provide construction services for construction projects to the Haifa Group, which may involve bidding for the Haifa Group’s construction projects in the PRC, in accordance with the bidding procedures established by the Haifa Group for the three years ending 31 December 2026
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Prosper Construction Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 6816)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Dongjie Construction”	Qingdao Dongjie Construction Group Co., Ltd.* (青島東捷建設集團有限公司), formerly known as Qingdao Dongjie Construction Engineering Co., Ltd.* (青島東捷建設工程有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company

“EGM”	an extraordinary general meeting to be convened by the Company for the Independent Shareholders to consider and, if thought fit, approve the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Haifa Group”	Qingdao Haifa Group Co. and its subsidiaries and/or affiliated companies, for the purpose of this announcement only, shall exclude the Group
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Honghai Curtain Wall”	Qingdao Honghai Curtain Wall Co., Ltd.* (青島宏海幕牆有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“Independent Board Committee”	a committee of the Board (comprising all the independent non-executive Directors) established for the purpose of advising the Independent Shareholders in respect of the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps
“Independent Financial Adviser”	Red Sun Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, acting as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the 2024 Construction Services Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps
“Independent Shareholders”	Shareholders who are not interested in the 2024 Construction Services Framework Agreement and are not required under the Listing Rules to abstain from voting at the EGM to approve the same, the transactions contemplated thereunder and the Proposed Annual Caps

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Original Annual Caps”	the annual caps for the transactions contemplated under the 2020 Construction Services Framework Agreement and as amended by its supplement agreement for the period from 29 June 2020 to 31 December 2020 and each of the three years ending 31 December 2023, respectively
“percentage ratio(s)”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Annual Caps”	the proposed annual caps for the transactions contemplated under the 2024 Construction Services Framework Agreement, being RMB1,200 million, RMB1,500 million and RMB1,800 million for each of the year ending 31 December 2024, 2025 and 2026, respectively
“Qingdao Haifa Group Co.”	Qingdao Haifa State-owned Capital Investment and Operation Group Co. Ltd.* (青島海發國有資本投資運營集團有限公司), formerly known as Qingdao West Coast Development (Group) Limited* (青島西海岸發展(集團)有限公司), the ultimate holding company and controlling shareholder of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“West Coast Development HK” West Coast Development (Hong Kong) Limited (西海岸發展(香港)有限公司), a company established in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, which indirectly holds 80.0% equity interests in Dongjie Construction

“%” per cent.

By the order of the Board  
**Prosper Construction Holdings Limited**  
**NI Chuchen**  
*Executive Director*

Hong Kong, 16 November 2023

*As at the date of this announcement, the Board comprised executive Directors Mr. JIANG Hongchang (chairman of the Board), Mr. LIU Yutao, Mr. YANG Honghai, Mr. NI Chuchen and Mr. DU Jianzhi; and independent non-executive Directors Mr. CHEUNG Chi Man Dennis, Mr. WANG Yaping and Mr. CHENG Xuezhao.*

*For the purpose of this announcement, unless otherwise indicated, the conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.08. Such rate is for the purpose of illustration only and does not constitute a representation that any amount in question in RMB or HK\$ has been or could have been or may be converted at such or another rate or at all.*

*\* English translation of names in Chinese which is marked with “\*” in this announcement is for identification purposes only.*