



中國建築興業集團有限公司

CHINA STATE CONSTRUCTION DEVELOPMENT HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 00830

拓展
EXPANDING
NEW
FUTURE
新未來

2021 INTERIM REPORT 中期報告



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China State Construction Development Holdings Limited

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graph TD; A[China State Construction Development Holdings Limited] --> B[Construction Engineering Business]; A --> C[Operating Management Business];
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**Construction
Engineering
Business**

**Operating
Management
Business**

Board of Directors and Committees

BOARD OF DIRECTORS

Chairman and Non-executive Director

ZHANG Haipeng

Executive Directors

WU Mingqing (*Vice Chairman and Chief Executive Officer*)

WANG Hai

Non-executive Director

HUANG Jiang

Independent Non-executive Directors

ZHOU Jinsong

HONG Winn

KWONG Sum Yee Anna

COMMITTEES

Audit Committee

ZHOU Jinsong, CPA (*Chairman*)

HONG Winn

KWONG Sum Yee Anna

Remuneration Committee

ZHOU Jinsong (*Chairman*)

ZHANG Haipeng

WU Mingqing

HONG Winn

KWONG Sum Yee Anna

Nomination Committee

ZHANG Haipeng (*Chairman*)

WU Mingqing

ZHOU Jinsong

HONG Winn

KWONG Sum Yee Anna

Corporate Information

AUTHORISED REPRESENTATIVES

ZHANG Haipeng
WU Mingqing

COMPANY SECRETARY

LAU Shuk Yin Connie

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MaplesFS Limited
P.O. Box 1093
Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

REGISTERED OFFICE

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

16th Floor, Eight Commercial Tower
8 Sun Yip Street
Chai Wan
Hong Kong

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

LEGAL ADVISOR

Mayer Brown

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
BNP Paribas Hong Kong Branch
China Construction Bank Corporation
Hang Seng Bank Limited
Industrial Bank Company Limited —
Hong Kong Branch
Industrial and Commercial Bank of China
(Macau) Limited
The Hongkong and Shanghai Banking
Corporation Limited

STOCK CODE

00830

CORPORATE WEBSITE

www.cscd.com.hk

FINANCIAL CALENDAR

Interim results announcement

16 August 2021

Ex-dividend date

7 September 2021

Closure of register of members

9–10 September 2021 (both days inclusive)

Record date

10 September 2021

Interim dividend payable

12 November 2021

Chairman's Statement

In the first half of 2021, China State Construction Development Holdings Limited (the "Company") and its subsidiaries (together, the "Group") precisely seized the opportunities of economic recovery of Hong Kong, Macau and Mainland China, and accelerated business development in major markets as well as optimized and consolidated resources, while orderly implementing various operating deployments and continuously promoting technology innovation with notable results in terms of qualities and effectiveness. The Group's facade contracting business maintained its leading market position in Hong Kong, while its business development in Mainland China expedited, along with steady progress in general contracting business. The operating management business in Mainland China progressed smoothly. The investment and operating management projects in the elderly care sector were carried out in an orderly manner as scheduled.

RESULTS

During the six months ended 30 June 2021, the Group recorded revenue from principal activities of HK\$2,703 million in total, representing a year-on-year increase of 37.8%. The profit attributable to owners of the Company amounted to HK\$226 million, representing a year-on-year growth of 45.8%. Earnings per share were HK10.48 cents, representing a year-on-year growth of 45.8%.

DISTRIBUTION OF DIVIDENDS

Taking into account the Company's profitability, cash flow level and capital requirements for future development, the Board of Directors declared payment of an interim dividend of HK3 cents per share for the period ended 30 June 2021.

BUSINESS REVIEW

Market conditions

In the first half of 2021, the global pandemic was in a state of flux. Most countries pursued loose economic policies to hasten global economic recovery with a rapid increase of demands. The global supply chain was experiencing a shortage crisis which contributed to an overall rise in material prices. Compared with other major economies, China benefited from strong economic growth due to rapid resumption in international trade, investment and manufacturing industry, which served as a pillar to support the rebound of domestic consumption.

The Group adhered to the operational strategy of "rooting in Hong Kong and Macau, relying on Mainland, exploring overseas markets, joining internal and external forces", persisted with its prudent bidding strategy, drew on internal synergy, and proactively developed premium projects that could enhance branding effect.

Chairman's Statement (Continued)

1. *Construction Engineering Business*

Facade Contracting

Hong Kong and Macau are the key markets of the Group's facade contracting business. A number of major development projects are now in motion in the Hong Kong region. With four successive waves of pandemic now brought under control, the construction market gradually regain its momentum. In Macau, while its pillar industries had suffered a severe blow by the pandemic, the economy is now recovering as a result of the proactive fiscal policies of the government. As a high-end facade total solution provider in such market, the Group focused on deepening the strategic cooperation with its existing major clients and actively expanded its strategic cooperation partners while striving for better internal synergy. Leveraging on the Company's accumulated brand reputation in Hong Kong and Macau, as well as the completion of hundreds of high-quality facades, the Group was awarded several large-scale facade contracting projects in the first half of 2021 including a residential project at Seymour Road, Mid-Level West, a residential project at Hing Wah Street, Cheung Sha Wan, Cheung Kong Center Phase 2 project and Kai Tak Sports Park-Indoor Stadium (East and West Wing) project. The Group strived to continuously improving the project performances, and has put emphasis on managing the schedule, quality, safety, environmental protection, cashflow and efficiency of its project in progress. Synergy is achieved by consolidating the internal design, procurement, production and installation resources of the Group. The Group has also been working on measures such as enhancing safety control and implementing incentive schemes, so as to maximize project teams' motivation.

There is huge potential in the facade contracting market in Mainland China, but disordered price competition in the industry is yet to be improved. The Group has been selective about facade contracting projects in Mainland China and has focused on major projects owned by creditworthy landlords, and pushed forward the implementation of regional physical management and control model to accelerate market expansion during the year. In the first half of 2021, the Group leveraged its branding effect to proactively explore strategic high-end clients in Mainland China. Capitalizing on the internal synergy, the Group was awarded various premium projects, such as Bid Section 1, Central China International Great Wall Logistics; facade contracting for the commercial project of CSC Industry Base; and Tower E & F and Podium of Phase 2 of Zhuao Bay Century Centre project.

Chairman's Statement (Continued)

The Group made full use of the advantages provided by its Zhuhai production base in Mainland China. Upgrade and transformation regarding intelligent technologies and automation were carried out in the Zhuhai factory, with remarkable effectiveness in technological innovations and investment and effectively improving productivity and technological level, and the economies of scale have gradually manifested themselves. These provided support in meeting the demands from projects in Hong Kong, Macau and overseas.

The growth in US construction and facade contracting market slowed down due to the impact of the pandemic. To alleviate the risks caused by the pandemic and trade frictions, the Group has gradually reduced the number of facade contracting projects in North America and focused on finishing the projects on hand. In addition, the Group continued to recruit additional experts for its North American team. By strengthening cost control and contract management, the Group further advanced integrated management in North America, strengthened resource allocation and coordination, and continuously improved management and control standards. Currently, all projects under construction are proceeding smoothly.

General Contracting

The development of our contracting business was stable. The Group actively participated in the bidding of small and medium housing projects in Hong Kong, and proactively explored internal cooperation opportunities. Meanwhile, projects under construction are progressing smoothly, and the residential project at 128 Wong Ma Kok Road, Stanley and Hong Kong Henderson Land's project in Ma Tau Wai being conducted in an orderly manner.

2. *Operating Management Business*

Abiding by its "big markets, big landlords, and big projects" operational strategy while enhancing the business synergy within its systems, China Overseas Supervision of the Group was awarded a number of traditional supervision projects, such as the Zhuhai Zhonghai Huanyu Times Mansion, the northern region of the Hongyang Shantou Zhonghai Yuejiang House, the courtroom and the prosecutor's office of the Pingshan Court in Shenzhen. Furthermore, while consolidating its traditional supervision business, the Group actively worked to transit to whole-process consultation business and was awarded the whole process consultation (including design) project for the renovation of the original research students campus of the Harbin Institute of Technology (Shenzhen).

Huanggu Thermoelectricity, a subsidiary of the Group, continued to strengthen safe operation and explore room for energy saving and consumption reduction and fully realized heating production during the heating season in the first half of the year, and carried out preparation work for heating in the second half of the year.

Chairman's Statement (Continued)

The investment and operating management business in the elderly care sector of the Group in Canada was pushed forward in an orderly manner. The project has entered the completion stage of indoor renovation and marketing and sales presentation proceeded as scheduled, which achieved a breakthrough for the investment business of the Group.

Human Resource Management

By persisting in the “people-oriented” managerial philosophy, the Group emphasizes the attraction, retention, and cultivation of all levels of talents who recognise its corporate vision. The Group improves employees’ satisfaction and work efficiency by creating various systems that cover employees’ recruitment, training, performance assessment and remuneration, and has established an open and transparent mechanism for staff selection and employment to provide its employees with a healthy environment for professional competition and development. The Group continued to implement its lecture system with great efforts to enrich training and the exchange of ideas. The Group also continued to improve its KPI assessment to establish a more comprehensive assessment system. The further implementation of the “Site-related Contracting Responsibility System Management Methods”, the “Site-related Integrated Management Appraisal and Incentives Methods”, the “Design Motivation System”, the “Production Motivation System”, and the “Marketing Reward Management Methods” in Hong Kong, Macau and Mainland China has further complemented the full life cycle of the motivation system, greatly improved the enthusiasm and work efficiency of employees.

The Group has also formulated solutions targeted to the needs of employees for regimes, procedures, benefits and training, and built a smooth communication platform to create a sound communication atmosphere and contribute ideas for the development of the Company.

At 30 June 2021, the Group had a total of 3,849 employees.

Social Responsibilities

The Group has participated in the “Walk for Millions” and co-organized public welfare activities such as the concept of inclusion with TREATS for many years in a row. At the same time, it has won honors or labels in areas such as “Green Office Award 5+ & Eco-Healthy Workplace”, “CarbonCare ESG”, “Hong Kong Outstanding Corporate Citizenship” and “Outstanding Corporate Social Responsibility Award” by the Mirror Post. The Group has also received the “Caring Company” honourable label awarded by the Hong Kong Council of Social Service for eight consecutive years, demonstrating its dedication towards the community and contribution to social harmony and stability.

Chairman's Statement (Continued)

PROSPECTS

The vaccine-driven economic recovery is expected to continue in the second half of 2021. However, the uncertainty caused by the outbreak of mutated strains and rising inflation have led to expectations of a shift in easing policies, resulting in more significant uncertainty in the global economic outlook. In the post-pandemic era, it is expected that Hong Kong's economy will rejuvenate through normalization of prevention and control measures, and Macau's economy is also recovering steadily, which serve to bringing about a rapid release of construction demand in Hong Kong and Macau. At the same time, the extensive development of the Guangdong-Hong Kong-Macao Greater Bay Area will bring forth significant business opportunities for the construction industry in Hong Kong and Macau. On the other hand, despite the notable recovery of the United States economy, the continuing rise in the COVID-19 death toll and policies uncertainty have led to a slowdown in the North American construction industry. Strong pandemic prevention and control measures are seen in Mainland China. With the continuous expansion of domestic demand, economic transformation and upgrading and the in-depth implementation of structural adjustment policies, the economy enjoys strong growth potential.

Business and Development Strategies

The facade contracting business is the Group's core business. The Group will continue to adopt the operational strategy of "big markets, big landlords, big projects", adhere to the business philosophy of "closely focusing on high-end markets and providing high quality services", integrate advantageous resources, improve its operational and management and control models by taking into consideration the features of various markets, and optimize business deployment. It will further dive into the Hong Kong and Macau markets and participate in the competition in the Mainland China markets with stability. At the same time, it will prudently explore other overseas markets such as the North America, Australia, the UK and Asia-Pacific region. The Group will further fully utilize and integrate existing resources and production capacity, continue to exert great efforts in work schedule, quality, safety, capital and cost management of projects while improving the synergies created during design, production and installation processes. The Group will strengthen research and development and innovation capabilities and sharpen its integrated competitive edges in its facade contracting business. Efforts will be made to further improve branding and market development, strengthen management over projects on hand, consolidate the Group's core competitiveness in design, procurement, production and construction, and exercise rigorous control over the project risks while maintaining desired profitability.

Chairman's Statement (Continued)

The Group highly values the building of its design teams and will strengthen its design teams in Hong Kong and North America while expanding its design teams in Mainland China, by continuously recruiting additional experts to fulfil the demand for professional talents during peak season. Meanwhile, the Group will provide stronger support to its personnel serving overseas, including establishing the basic policies for overseas core management team setup and the remuneration and benefits of personnel serving overseas, thereby maintaining the stability of overseas teams and enhancing the Group's cohesiveness and competitive strengths.

The board of directors and management wish that, through continuous exploration and trial, a healthy system can be established and maintained by integrating the mutual interests of different stakeholders such as shareholders, the board of directors, management, employees, customers and suppliers to promote the continuous growth of the Group's profitability in terms of scale and capability.

APPRECIATION

I would like to take this opportunity to express my heartfelt gratitude to all shareholders, customers and suppliers for their strong support and to all employees for their hard work and commitment.

By Order of the Board

China State Construction Development Holdings Limited

Zhang Haipeng

Chairman and Non-executive Director

Hong Kong, 16 August 2021

Management Discussion and Analysis

OVERALL PERFORMANCE

With the unstable epidemic situation in Greater China and North America being under control, the demand for building construction gradually was recovered. Our construction business in Hong Kong achieved an encouraging growth in both revenue and profit, supported by a strong order book. Projects on hand progressed largely on track. For the six months ended 30 June 2021, the Group recorded aggregate revenue of HK\$2,703 million (30 June 2020: HK\$1,961 million), an increase of 37.8% as compared with the corresponding period of last year. The profit attributable to owners of the Company was HK\$226 million (30 June 2020: HK\$155 million), an increase of 45.8% as compared with the corresponding period of last year. The basic earnings per share was HK10.48 cents (30 June 2020: HK7.19 cents), an increase of 45.8% as compared with the same period last year.

Segment Analysis

Facade Contracting Business

As a result of progress acceleration on facade projects in Greater China, the segment's revenue recorded an increase to HK\$1,852 million for the six months ended 30 June 2021 (30 June 2020: HK\$1,312 million). The operating profit increased to HK\$150 million for the six months ended 30 June 2021 (30 June 2020: HK\$66 million).

General Contracting Business

Benefiting from the commencement of construction works of the new project awarded in 2020, the segment's revenue recorded an increase to HK\$290 million for the six months ended 30 June 2021 (30 June 2020: HK\$174 million). The operating profit increased to HK\$25 million for the six months ended 30 June 2021 (30 June 2020: HK\$6 million).

Operating Management Business

With the contribution from operating management business including Shenyang Huanggu thermoelectric plant and Nan Chang bridges, the segment's revenue steadily increased to HK\$561 million for the six months ended 30 June 2021 (30 June 2020: HK\$475 million). The operating profit increased to HK\$160 million for the six months ended 30 June 2021 (30 June 2020: HK\$142 million).

Administrative, selling and other operating expenses

With the expansion of three core businesses, administrative, selling and other operating expenses proportionally increased to HK\$92 million for the six months ended 30 June 2021 (30 June 2020: HK\$84 million).

Management Discussion and Analysis (Continued)

Finance Costs

For the six months ended 30 June 2021, the Group's finance costs decreased to HK\$13 million (30 June 2020: HK\$17 million) as a result of the decrease in borrowing interest rate.

New Contracts Awarded and Project in Progress

The Group recorded an accumulated new contract value of HK\$4,550 million in the six months ended 30 June 2021 and achieved a 56.9% completion of the full year target of 2021, which is not less than HK\$8,000 million.

As of 30 June 2021, the on-hand total contract value amounted to approximately HK\$21,068 million, among which the backlog was approximately HK\$10,575 million.

Business Segments	New Contract	Project in Progress	
	Awarded	Total Value	Backlog
	(HK\$ million)	(HK\$ million)	(HK\$ million)
Facade Contracting	3,474	14,463	7,824
General Contracting	464	5,453	2,132
Operating Management	612	1,152	619
Total	4,550	21,068	10,575

FINANCIAL MANAGEMENT

The Group generally finances its operation with internally generated cash flow and credit facilities provided by its principal bankers. As of 30 June 2021, the Group had bank balances and cash of HK\$577 million (31 December 2020: HK\$858 million), total bank borrowings of the Group were HK\$1,178 million (31 December 2020: HK\$1,062 million). The Group's net gearing ratio (net bank borrowings to total net assets) as at 30 June 2021 was approximately 38.7% (31 December 2020: 15.4%). Furthermore, the Group had unutilised banking facilities (including performance guarantee facilities, working capital facilities and loan facilities) of approximately HK\$2,543 million, the Group had sufficient financial resources to meet the business development and expansion. The Group's borrowings are principally on a floating rate basis and have not been hedged by any interest rate financial instruments.

Management Discussion and Analysis (Continued)

The maturities of the Group's total bank borrowings as at 30 June 2021 and 31 December 2020 are set out as follows:

	30 June 2021 HK\$'000	31 December 2020 HK\$'000
On demand or within one year	566,546	650,710
In the second year	400,551	400,524
In the third to fifth years, inclusive	210,977	10,932
Total bank borrowings	1,178,074	1,062,166

The portfolio of the currencies of bank deposits of the Group as at 30 June 2021 and 31 December 2020 is set out as follows:

	30 June 2021 %	31 December 2020 %
Renminbi	36	69
Hong Kong Dollars	50	24
United States Dollars	1	1
Macau Pataca	1	1
Others	12	5

As at 30 June 2021, the Group's equity attributable to owners of the Company amounted to HK\$1,634 million (31 December 2020: HK\$1,403 million), comprising issued capital of HK\$22 million (31 December 2020: HK\$22 million) and reserves of HK\$1,612 million (31 December 2020: HK\$1,381 million).

TREASURY POLICY

The Group adopts a conservative treasury policy in cash and financial management. The Group's treasury activities are centralised in order to achieve better risk control and minimise cost of funds. Cash is generally placed in short-term deposits mostly denominated in Hong Kong dollar or Renminbi. The Group's liquidity and financing requirements are frequently reviewed. In anticipating new investments or maturity of bank loans, the Group will consider new financing while maintaining an appropriate level of gearing.

Management Discussion and Analysis (Continued)

EMPLOYEES AND REMUNERATION POLICY

At 30 June 2021, the Group employed a total of 3,849 (31 December 2020: 3,344) employees. The Group has sound policies of management incentives and competitive remuneration, which align the interests of management, employees and shareholders' alike. The Group sets its remuneration policy by reference to the prevailing market conditions and the performance of the individuals concerned, subject to review from time to time. The components of the remuneration package consist of base salary, allowances, fringe benefits including medical insurance and contributions to pension funds as well as incentives such as discretionary bonus.

FOREIGN CURRENCY RISK

The Group's foreign currency exposures primarily arise from certain sales or purchases by operating units in currencies other than the unit's functional currency where these sales or purchases are mainly denominated in United States dollar, Renminbi, Canadian dollar, Pound Sterling and Macau Pataca. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currencies should the need arise.

Unaudited Condensed Consolidated Income Statement

	Notes	For the six months ended 30 June	
		2021 HK\$'000	2020 HK\$'000
Revenue	4	2,703,455	1,960,725
Cost of sales		(2,322,367)	(1,693,878)
Gross profit		381,088	266,847
Other income and gains, net	5	9,122	15,591
Administrative, selling and other operating expenses		(92,300)	(83,917)
Finance costs	6	(12,872)	(17,487)
Profit before tax	7	285,038	181,034
Income tax charge	8	(63,450)	(28,774)
Profit for the period		221,588	152,260
Profit/(loss) for the period attributable to:			
Owners of the Company		225,803	154,930
Non-controlling interests		(4,215)	(2,670)
		221,588	152,260
Earnings per share attributable to owners of the Company			
Earnings per share			
Basic and diluted	10	HK10.48 cents	HK7.19 cents

Unaudited Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June

	2021 HK\$'000	2020 HK\$'000
Profit for the period	221,588	152,260
Other comprehensive income/(loss) <i>Items may be reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	70,764	(42,470)
Other comprehensive income/(loss) for the period, net of tax of nil	70,764	(42,470)
Total comprehensive income for the period, net of tax	292,352	109,790
Total comprehensive income/(loss) for the period attributable to:		
Owners of the Company	295,538	112,222
Non-controlling interests	(3,186)	(2,432)
	292,352	109,790

Unaudited Condensed Consolidated Statement of Financial Position

	Notes	30 June 2021 HK\$'000	31 December 2020 HK\$'000
Non-current Assets			
Property, plant and equipment	11	2,199,859	2,107,754
Interests in infrastructure project investments	12	98,711	132,892
Interests in an associate		5,415	—
Goodwill	13	129,649	129,649
Deferred tax assets		149,659	175,119
		2,583,293	2,545,414
Current Assets			
Interests in infrastructure project investments	12	64,740	61,080
Inventories		103,940	137,186
Contract assets		2,070,387	1,451,792
Trade and other receivables	14	1,268,217	1,321,016
Deposits and prepayments		160,126	127,518
Tax recoverable		2,758	2,326
Amounts due from fellow subsidiaries		911,402	864,074
Amounts due from related companies		—	20,338
Cash and cash equivalents		577,271	858,154
		5,158,841	4,843,484
		7,742,134	7,388,898
Current Liabilities			
Bank borrowings	15	566,546	650,710
Contract liabilities		539,315	778,041
Trade payables, other payables and accruals	16	1,558,780	1,464,870
Lease liabilities		15,766	12,088
Deposits received		44,035	37,695
Current tax payables		142,723	148,733
Dividend payables		64,666	—
Amount due to an intermediate holding company		234,868	2,755
Amounts due to fellow subsidiaries		1,631,406	1,550,247
Amount due to a related company		—	1,547
		4,798,105	4,646,686

Unaudited Condensed Consolidated Statement of Financial Position (Continued)

	Notes	30 June 2021 HK\$'000	31 December 2020 HK\$'000
Net Current Assets		360,736	196,798
Total Assets less Current Liabilities		2,944,029	2,742,212
Capital and Reserves			
Share capital	17	21,555	21,555
Share premium and reserves		1,612,654	1,381,464
Equity attributable to owners of the Company		1,634,209	1,403,019
Non-controlling interests		(81,329)	(78,143)
		1,552,880	1,324,876
Non-current liabilities			
Contract liabilities		750,602	755,970
Bank borrowings	15	611,528	411,456
Loan from an intermediate holding company		—	230,000
Lease liabilities		20,756	15,709
Deferred tax liabilities		8,263	4,201
		1,391,149	1,417,336
		2,944,029	2,742,212

Unaudited Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Special Reserves (note a) HK\$'000	Share-based payments reserve HK\$'000	Foreign currency translation reserve HK\$'000	Statutory reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 January 2020	21,555	898,654	(1,165,142)	4,636	49,637	96,727	1,219,258	1,125,325	(66,812)	1,058,513
Profit/(loss) for the period	—	—	—	—	—	—	154,930	154,930	(2,670)	152,260
Exchange differences arising on translation of foreign operations	—	—	—	—	(42,708)	—	—	(42,708)	238	(42,470)
Total comprehensive income/(loss) for the period	—	—	—	—	(42,708)	—	154,930	112,222	(2,432)	109,790
Capital contribution relating to share-based payment borne by an intermediate holding company	—	—	295	—	—	—	—	295	—	295
At 30 June 2020	21,555	898,654	(1,164,847)	4,636	6,929	96,727	1,374,188	1,237,842	(69,244)	1,168,598
At 1 January 2021	21,555	898,654	(1,164,549)	4,636	132,394	118,283	1,392,046	1,403,019	(78,143)	1,324,876
Profit/(loss) for the period	—	—	—	—	—	—	225,803	225,803	(4,215)	221,588
Exchange differences arising on translation of foreign operations	—	—	—	—	69,735	—	—	69,735	1,029	70,764
Total comprehensive income/(loss) for the period	—	—	—	—	69,735	—	225,803	295,538	(3,186)	292,352
Capital contribution relating to share-based payment borne by an intermediate holding company	—	—	318	—	—	—	—	318	—	318
Transfer to statutory reserve	—	—	—	—	—	21,021	(21,021)	—	—	—
2020 final dividend	—	—	—	—	—	—	(64,666)	(64,666)	—	(64,666)
At 30 June 2021	21,555	898,654	(1,164,231)	4,636	202,129	139,304	1,532,162	1,634,209	(81,329)	1,552,880

Notes:

- (a) The balance of special reserve as at 1 January 2020 resulted from (i) under common control in 2014, the difference between the fair value of consideration paid for the acquisition and the net asset value of Treasure Construction Engineering Limited at the acquisition date; (ii) transfer of net liability value of a subsidiary, Gamma North America, Inc., resulting from an increase in equity interests in Gamma North America, Inc. through capitalisation of shareholder's loans in 2016; and (iii) under common control in 2018, the excess of consideration paid over share capital of China Overseas Supervision Limited net of distribution of the former shareholder; and (iv) under common control in 2019, the difference between the fair value of consideration paid and the share capital value of 瀋陽皇姑熱電有限公司(Shengyang Huanggu Thermoelectricity Company Limited "Shengyang Huanggu Company") at the acquisition date.

Unaudited Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June
 2021 2020
 HK\$'000 HK\$'000

Net cash used in operating activities	(355,904)	(374,243)
Cash flows from investing activities		
Purchase of items of property, plant and equipment	(114,845)	(72,541)
Proceeds from disposals of items of property, plant and equipment	1,051	167
Payment for interests in an associate	(5,415)	—
Increase in amounts due from fellow subsidiaries	(16,807)	—
Interest received	2,918	1,447
Net cash used in investing activities	(133,098)	(70,927)
Cash flows from financing activities		
Finance costs paid	(12,463)	(17,271)
Interest paid on lease liabilities	(508)	(695)
Drawdown/(repayment) of bank loans, net	107,564	100,718
Increase in amounts due to fellow subsidiaries	81,159	—
Decrease in amounts due to related companies	(1,547)	—
Payment for principal portion of lease liabilities	(7,164)	(7,485)
Net cash generated from financing activities	167,041	75,267
Net decrease in cash and cash equivalents	(321,961)	(369,903)
Cash and cash equivalents at beginning of period	858,154	826,576
Effect of foreign exchange rate changes	41,078	(19,863)
Cash and cash equivalents at end of period	577,271	436,810
Analysis of cash and cash equivalents		
Bank and cash balances	577,271	436,810
Cash and cash equivalents as stated in the unaudited condensed consolidated statement of financial position	577,271	436,810

Notes to the Unaudited Condensed Consolidated Financial Statements

1 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2021 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

The unaudited condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2020.

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of the following revised Hong Kong Financial Reporting Standards (“HKFRSs”) for the first time for the current period’s financial information.

Amendments to HKFRS 9, HKAS 39 *Interest Rate Benchmark Reform — Phase 2*
and HKFRS 7, HKFRS 4 and
HKFRS 16
Amendment to HKFRS 16 *Covid-19-Related Rent Concessions*

The application of the above revised HKFRSs in the current period has had no material impact on the Group’s results and financial position.

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

3 ESTIMATES

The preparation of the Group's unaudited condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In the preparation of these unaudited condensed consolidated financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2020.

4 REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the facade contracting business, general contracting business and operating management business. The Group's revenue represents revenue from construction and management contracts.

The Group has classified the reportable segments into three operating segments, principally based on reportable business units as well as the reporting organisation hierarchy, and are determined as follows:

- Facade Contracting Works
- General Contracting Works
- Operating Management

Operating management segment includes the Group's urban planning management and consultation services, engineering consultancy services, thermoelectricity business and funding to infrastructure projects.

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

4 REVENUE AND SEGMENT INFORMATION (Continued)

Unaudited segment results for the six months ended 30 June 2021 and 2020 are as follows:

	Revenue		Gross profit		Segment results	
	2021	2020	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Facade Contracting Works	1,851,965	1,312,453	180,182	103,836	149,891	65,805
General Contracting Works	290,281	173,602	25,420	7,344	24,876	5,965
Operating Management	561,209	474,670	175,486	155,667	160,387	142,091
Total	2,703,455	1,960,725	381,088	266,847	335,154	213,861
Unallocated corporate expenses					(37,574)	(23,454)
Other income and gains, net					330	8,114
Finance costs					(12,872)	(17,487)
Profit before tax					285,038	181,034

For the six months ended 30 June 2021, segment revenue of Facade Contracting Works comprises revenue from Greater China, Asia and other region amounting to HK\$1,602,143,000 (2020: HK\$1,124,315,000) and revenue from North America region amounting to HK\$249,822,000 (2020: HK\$188,138,000). Segment revenue of General Contracting Works and Operating Management represent revenue from Greater China region.

For the six months ended 30 June 2021, revenue amounting to HK\$2,679,610,000 (30 June 2020: HK\$1,937,323,000) are recognised over time and revenue amounting to HK\$23,845,000 (30 June 2020: HK\$23,402,000) are recognised at a point in time.

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

5 OTHER INCOME AND GAINS, NET

	For the six months ended 30 June	
	2021 HK\$'000	2020 HK\$'000
Bank interest income	2,918	1,447
Exchange gain, net	—	6,526
Sundry income	6,204	7,618
	9,122	15,591

6 FINANCE COSTS

	For the six months ended 30 June	
	2021 HK\$'000	2020 HK\$'000
Interest on bank loans and overdrafts	12,464	17,271
Interest on lease liabilities	508	695
Interest on loan from an intermediate holding company	2,112	352
	15,084	18,318
<i>Less: amounts capitalised in property, plant and equipment</i>	(2,212)	(831)
	12,872	17,487

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

7 PROFIT BEFORE TAX

	For the six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Profit before tax has been arrived at after charging:		
Depreciation of property, plant and equipment, excluding right-of-use assets	66,319	69,557
<i>Less: amounts included in costs of sales</i>	(62,641)	(66,485)
	3,678	3,072
Depreciation of right-of-use assets	11,057	7,609
<i>Less: amounts included in costs of sales</i>	(7,329)	(1,151)
	3,728	6,458
	7,406	9,530

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

8 INCOME TAX CHARGE

	For the six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Current tax — Hong Kong profits tax		
Provision for the period	11,724	6,115
Overprovision in prior years	—	(529)
	11,724	5,586
Current tax — Mainland China and overseas		
Provision for the period	20,466	43,653
Overprovision in prior years	—	(13,320)
	20,466	30,333
Deferred tax, net	31,260	(7,145)
Income tax charge for the period, net	63,450	28,774

Hong Kong profits tax has been provided at 16.5% of the estimated assessable profit for both periods.

The tax charge on estimated assessable profits elsewhere has been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices.

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

9 DIVIDENDS

	For the six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Dividends recognised as distributions during the period	64,666	—

In July 2021, the Company distributed 2020 final dividends of HK3 cents per share (30 June 2020: Nil) amounting to approximately HK\$64,666,000 (30 June 2020: Nil).

The Board has declared the payment of an interim dividend of HK3 cents per share (30 June 2020: Nil), amounting to approximately HK\$64,666,000 (30 June 2020: Nil) payable on 12 November 2021. This interim dividend has not been recognised as a liability at the end of the reporting period.

10 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following:

	For the six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Earnings		
Profit attributable to owners of the Company, used in the basic and diluted earnings per share calculation	225,803	154,930
Number of shares	'000	'000
Weighted average number of ordinary shares used in basic and diluted earnings per share calculation	2,155,545	2,155,545
Basic and diluted earnings per share (HK cents)	10.48	7.19

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

10 EARNINGS PER SHARE (Continued)

The Company did not have any dilutive potential ordinary shares during the periods ended 30 June 2021 and 30 June 2020.

11 PROPERTY, PLANT AND EQUIPMENT

During the period, the Group incurred HK\$117,056,000 (30 June 2020: HK\$72,541,000) on acquisition of items of property, plant and equipment.

12 INTERESTS IN INFRASTRUCTURE PROJECT INVESTMENTS

	30 June 2021 HK\$'000	31 December 2020 HK\$'000
Interests in infrastructure project investments	163,451	193,972
<i>Less:</i> portion due within one year included in current assets	(64,740)	(61,080)
Portion due after one year	98,711	132,892

On 7 January 2019, the Group acquired 100% of equity interests in and shareholder's loan to Fuller Sky Enterprises Limited ("Fuller Sky") and Value Idea Investments Limited ("Value Idea") from Ever Power Group Limited, a wholly owned subsidiary of China State Construction International Holdings Limited for a total consideration of HK\$295,000,000.

Interests in infrastructure project investments represent funding denominated in Renminbi ("RMB") advanced to the infrastructure projects located in Mainland China. The Group is responsible to provide finance for the construction of the infrastructure of these projects, whereby the Group's return is predetermined in accordance with the provisions of the relevant agreements.

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

12 INTERESTS IN INFRASTRUCTURE PROJECT INVESTMENTS (Continued)

The yield on the infrastructure project investments ranged from 10.2% to 10.7% (2020: 10.2% to 10.7%) per annum. The interests in infrastructure project investments were not past due as at 30 June 2021.

The Directors reviewed individually the infrastructure projects' operations and financial positions as at 30 June 2021 based on the present values of estimated future cash flows from those investments, discounted at their respective original effective interest rates.

13 GOODWILL

	30 June 2021 HK\$'000	31 December 2020 HK\$'000
Cost		
At 30 June 2021 and 31 December 2020	159,707	159,707
Accumulated impairment		
At 1 January	30,058	21,558
Impairment during the period/year	—	8,500
At 30 June 2021 and 31 December 2020	30,058	30,058
Net carrying amount		
At 30 June 2021 and 31 December 2020	129,649	129,649

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

13 GOODWILL (Continued)

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (“CGU”) that is expected to benefit from that business combination.

The carrying amount of goodwill had been allocated to the CGU relating to the operations of Gamma North America, Inc. and its subsidiaries (“Gamma Group”) within the North America division.

The recoverable amount of the CGU is determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, revenue growth rates and budgeted gross margin and revenue during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on the long-term average economic growth rate of the geographical area in which the businesses of the CGU operate. Budgeted gross margin and revenue are based on past practices and expectations of market development. The key assumptions used are consistent with the annual consolidated financial statements for the year ended 31 December 2020.

14 TRADE AND OTHER RECEIVABLES

The analysis of trade and other receivables, including the ageing analysis of trade receivables, based on the invoice date and net of provisions, is as follows:

	30 June 2021 HK\$'000	31 December 2020 HK\$'000
Trade receivables:		
0 to 30 days	230,985	500,862
31 to 60 days	40,179	28,305
61 to 90 days	10,691	30,393
More than 90 days	270,570	135,070
	552,425	694,630
Retention receivables	598,571	570,131
	1,150,996	1,264,761
Other receivables	117,221	56,255
Trade and other receivables	1,268,217	1,321,016

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

14 TRADE AND OTHER RECEIVABLES (Continued)

Except for the receivable arising from construction contracts which are billed and immediately payable in accordance with the terms of the relevant agreement, the Group generally allows an average credit period not exceeding 90 days (31 December 2020: 90 days) to its customers and the retention receivables are repayable approximately one year after the expiry of the defect liability period of construction projects.

15 BANK BORROWINGS

	30 June 2021 HK\$'000	31 December 2020 HK\$'000
Bank loan, secured	12,056	11,958
Bank loans, unsecured	1,166,018	1,050,208
	1,178,074	1,062,166

The borrowings are repayable as follows:

On demand or within one year:	566,546	650,710
In the second year	400,551	400,524
In the third to fifth years, inclusive	210,977	10,932
	1,178,074	1,062,166
<i>Less: current portion</i>	(566,546)	(650,710)
Non-current portion	611,528	411,456

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

15 BANK BORROWINGS (Continued)

The carrying amounts of the Group's bank borrowings are denominated in the following currencies:

	Hong Kong dollar HK\$'000	Canadian dollar HK\$'000	United States dollar HK\$'000	Total HK\$'000
30 June 2021	780,000	398,074	—	1,178,074
31 December 2020	780,000	281,340	826	1,062,166

The average bank loans interest rates at 30 June 2021 was 2.51% (31 December 2020: 2.62%) per annum.

16 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

The analysis of trade payables, other payables and accruals, including the ageing analysis of trade payables, based on invoice date, is as follows:

	30 June 2021 HK\$'000	31 December 2020 HK\$'000
Trade payables:		
0 to 30 days	879,789	827,777
31 to 60 days	42,978	26,273
More than 60 days	174,392	139,579
	1,097,159	993,629
Retention payables	320,133	276,518
	1,417,292	1,270,147
Other payables and accruals	141,488	194,723
Trade payables, other payables and accruals	1,558,780	1,464,870

As at 30 June 2021, the amount of retention payables expected to be due after more than twelve months was approximately HK\$175,404,000 (31 December 2020: approximately HK\$142,745,000).

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

17 SHARE CAPITAL

	Issued and fully paid	
	Number of shares '000	Share capital Amount HK\$'000
Ordinary shares of HK\$0.01 each		
At 1 January 2020, 31 December 2020, 1 January 2021 and 30 June 2021	2,155,545	21,555

18 COMMITMENTS

As at 30 June 2021, the Group had the following commitments contracted but not provided for in the unaudited condensed consolidated financial statements:

	30 June 2021 HK\$'000	31 December 2020 HK\$'000
Contracted but not provided for		
— Construction in progress for property, plant and equipment	65,441	163,526
— Investment in an associate	3,611	8,886

19 RELATED PARTY TRANSACTIONS

Transactions with related parties

	For the six months ended 30 June	
	2021 HK\$'000	2020 HK\$'000
Construction fees received from fellow subsidiaries	766,154	545,397
Service income received from fellow subsidiaries	52,825	31,925
Insurance premium paid to fellow subsidiaries	10,447	7,198
Purchase of material from fellow subsidiaries	1,853	3,164
Leasing of machinery from fellow subsidiaries	3,299	1,597

Other Information

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend of HK3 cents per share (30 June 2020: Nil), payable on Friday, 12 November 2021 to shareholders whose names appear on the register of members of the Company on Friday, 10 September 2021.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 9 September 2021 to Friday, 10 September 2021, both days inclusive, for the purpose of determining shareholders' entitlement to the interim dividend. In order to qualify for the interim dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 8 September 2021.

SHARE CAPITAL

The Company's total issued share capital as at 30 June 2021 was 2,155,545,000 ordinary shares of HK\$0.01 each.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2021, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were deemed or taken to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as adopted by the Company (the "Model Code") were as follows:

(a) Interests and short positions in the shares, underlying shares and debentures of the Company

Long positions in the shares of the Company

Name of Director	Capacity	Nature of interests	Number of ordinary shares held	% of shares in issue ^(Note)
Zhang Haipeng	Beneficial owner	Personal interest	3,750,000	0.174
Wu Mingqing	Beneficial owner	Personal interest	5,000,000	0.232
Huang Jiang	Beneficial owner	Personal interest	3,000,000	0.139

Note: The percentage is based on the total number of ordinary shares of the Company in issue as at 30 June 2021 (i.e. 2,155,545,000 shares).

Other Information (Continued)

(b) Interests and short positions in the shares, underlying shares and debentures of the associated corporations of the Company

Long positions in the shares of the associated corporations of the Company

As at 30 June 2021, Mr. Zhang Haipeng had personal interests in 1,169,000 A-shares, representing approximately 0.003% of the then issued voting shares, in China State Construction Engineering Corporation Limited (“CSCECL”), held in his capacity as beneficial owner; Mr. Wang Hai had personal interests in 300,000 A-shares, representing approximately 0.001% of the then issued voting shares, in CSCECL held in his capacity as beneficial owner; and Mr. Huang Jiang had personal interests in 210,000 A-shares, representing approximately 0.001% of the then issued voting shares, in CSCECL held in his capacity as beneficial owner. The Company was informed that all the interests in A-shares in CSCECL held by Directors were granted to them by CSCECL pursuant to its share award scheme.

Save as disclosed above, as at 30 June 2021, none of the Directors or chief executive of the Company and their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save for the disclosed, at no time during the period under review, was the Company or any of its holding companies, subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. Nor any of the Directors or chief executive of the Company (including their spouses and children under the age of 18), during the six months ended 30 June 2021, held any interests in, or was granted any right to subscribe for, the securities of the Company and its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

Other Information (Continued)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to any Directors or chief executive of the Company, as at 30 June 2021, other than the interests of the Directors and chief executive of the Company as disclosed above, the following persons had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

Long positions in the shares of the Company

Name of Shareholder	Capacity	Number of ordinary shares held	% of shares in issue ⁽¹⁾
Add Treasure Holdings Limited ("Add Treasure")	Beneficial owner	1,596,403,279	74.06
China State Construction International Holdings Limited ("CSC") ⁽²⁾	Interest of controlled corporation	1,596,403,279	74.06
China Overseas Holdings Limited ("COHL") ⁽²⁾	Interest of controlled corporation	1,596,403,279	74.06
中國建築股份有限公司 (China State Construction Engineering Corporation Limited) ("CSCECL") ⁽²⁾	Interest of controlled corporation	1,596,403,279	74.06
中國建築集團有限公司 (China State Construction Engineering Corporation*) ("CSCEC") ⁽²⁾	Interest of controlled corporation	1,596,403,279	74.06

* for identification purpose only

Notes:

1. The percentage is based on the total number of ordinary shares of the Company in issue as at 30 June 2021 (i.e. 2,155,545,000 shares).
2. Add Treasure is a wholly-owned subsidiary of CSC which, in turn, is owned as to approximately 64.81% by COHL. COHL is a wholly-owned subsidiary of CSCECL which, in turn, is a subsidiary of CSCEC. By virtue of the SFO, each of CSC, COHL, CSCECL and CSCEC is deemed to be interested in the same 1,596,403,279 shares held by Add Treasure.

Other Information (Continued)

Save as disclosed above, as at 30 June 2021, no other person (other than the Directors or chief executive of the Company) had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2021, neither the Company nor any of its subsidiaries has made any purchase, sale or redemption of any of the Company's listed securities.

CORPORATE GOVERNANCE

The Company has complied throughout the six months to 30 June 2021 with all code provisions of the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors' securities transactions. Having made specific enquiry by the Company, all Directors have confirmed that they have complied with the Model Code in their securities transactions throughout the accounting period covered by this interim report.

REVIEW OF ACCOUNTS

The unaudited condensed consolidated financial statements of the Company and its subsidiaries for the six months ended 30 June 2021 have been reviewed by the Audit Committee which comprises three Independent Non-executive Directors.



中國建築業集團有限公司

CHINA STATE CONSTRUCTION DEVELOPMENT HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 00830

