
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus (as defined herein) or as to the action to be taken, you should consult your licenced securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for independent advice.

If you have sold or transferred all your shares in China State Construction International Holdings Limited, you should at once hand this Prospectus and the accompanying PAL (as defined herein) and EAF (as defined herein) to the purchaser(s) or transferee(s) or to the bank, licenced securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

A copy of each of the Prospectus Documents (as defined herein), together with the written consent given by PricewaterhouseCoopers, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (WUMP) Ordinance (as defined herein). The Registrar of Companies in Hong Kong, the SFC (as defined herein) and the Stock Exchange (as defined herein) take no responsibility as to the contents of any of those documents.

Subject to the granting of listing of, and permission to deal in, the Rights Shares (as defined herein) in both nil-paid and fully-paid forms on the Stock Exchange and compliance with the stock admission requirements of HKSCC (as defined herein), the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS (as defined herein) with effect from their respective commencement dates of dealings on the Stock Exchange or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. Shareholders and beneficial owners of the Shares (including, without limitation, their respective agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

You should consult your licenced securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.



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)

RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY EIGHT EXISTING SHARES HELD ON THE RECORD DATE AT THE SUBSCRIPTION PRICE OF HK\$11.33 PER RIGHTS SHARE

Financial Adviser



Underwriter



中國海外集團有限公司

CHINA OVERSEAS HOLDINGS LIMITED

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Tuesday, 3 October 2017. The procedures for acceptance and payment is set out on pages 18 to 20 of this Prospectus.

The Underwriting Agreement (as defined herein) contains provisions entitling the Underwriter (as defined herein) by written notice to the Company served prior to 4:00 p.m. on Wednesday, 4 October 2017 or such other time or date as the Company and the Underwriter may agree in writing to terminate the Underwriting Agreement on the occurrence of certain events including force majeure as set out in the section headed "Termination of the Underwriting Agreement" on pages 9 to 10 of this Prospectus. If the Underwriter terminates the Underwriting Agreement, or if the conditions of the Underwriting Agreement are not fulfilled (or waived by the Underwriter) in accordance with the terms thereof, the Rights Issue will not proceed.

The Shares (as defined herein) have been dealt in on an ex-rights basis from Thursday, 7 September 2017. Dealings in the Rights Shares in the nil-paid form will take place from Wednesday, 20 September 2017 to Wednesday 27 September 2017 (both dates inclusive). Any Shareholder or other person dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) and any person dealing in the nil-paid Rights Shares during the period from Wednesday, 20 September 2017 to Wednesday, 27 September 2017 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders should therefore exercise caution when dealing in the Shares, and if they are in any doubt about their position, they are recommended to consult their professional adviser.

18 September 2017

CONTENTS

	Page
Definitions	1
Summary of the Rights Issue	6
Expected Timetable	7
Termination of the Underwriting Agreement	9
Letter from the Board	11
Appendix I - Financial Information of the Group	I-1
Appendix II - Unaudited Pro Forma Financial Information relating to the Group	II-1
Appendix III - General Information	III-1

DEFINITIONS

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

“Acceptance Date”	the last business day on which payment and acceptance for the Rights Shares can be made under the Rights Issue, which shall be Tuesday, 3 October 2017 (or such later date as may be agreed in writing between the Company and the Underwriter);
“Announcement”	the announcement dated 22 August 2017 issued by the Company in relation to the Rights Issue;
“Board”	the board of Directors;
“business day”	a day (other than a Saturday or Sunday) on which commercial banks in Hong Kong are generally open for business;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“ChinaClear”	China Securities Depository and Clearing Corporation Limited;
“COHL” or “Underwriter”	China Overseas Holdings Limited, the controlling shareholder of the Company;
“COLI”	China Overseas Land & Investment Ltd., a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);
“Company”	China State Construction International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3311);
“connected person”, “controlling shareholder”, “subsidiary(ies)”, “percentage ratio”	have the meanings ascribed to them under the Listing Rules;

DEFINITIONS

“CSCEC”	中國建築工程總公司 (China State Construction Engineering Corporation), a state-owned corporation organised and existing under the laws of the PRC, being the ultimate holding company of the Company and COLI;
“CSCECL”	中國建築股份有限公司 (China State Construction Engineering Corporation Limited), a joint stock company incorporated in the PRC (the shares of which are listed on The Shanghai Stock Exchange) which holds the entire equity interest of COHL and is held as more than 50% by CSCEC;
“CSRC”	the China Securities and Regulatory Commission;
“CSRC Notice”	the notice of the CSRC “Filing Requirements for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Mainland-Hong Kong Stock Connect” (Announcement [2016] No. 21);
“Director(s)”	the director(s) of the Company;
“EAF(s)”	the excess application form(s) for additional Rights Shares proposed to be issued to the Qualifying Shareholders (other than the PRC Southbound Trading Investors);
“Existing Shares”	the Shares which are in issue on the Record Date;
“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;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Irrevocable Undertaking”	the irrevocable undertaking dated 22 August 2017 given by COHL in favour of the Company to, among other things, take up 340,386,459 Rights Shares, and procure Silver Lot to take up 12,845,293 Rights Shares;
“Last Closing Price”	the closing price of HK\$12.50 per Share as quoted on the Stock Exchange on the Last Trading Day;

DEFINITIONS

“Last Trading Day”	21 August 2017, being the last trading day of the Shares on the Stock Exchange immediately preceding the release of the Announcement;
“Latest Practicable Date”	11 September 2017, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained in this Prospectus;
“Latest Time for Termination”	4:00 p.m. on Wednesday, 4 October 2017;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Macau”	the Macao Special Administrative Region of the PRC;
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) in respect of whom the Directors, based on legal opinions obtained by the Company, consider it necessary or expedient not to offer Rights Shares on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place;
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register is/are outside Hong Kong;
“PAL(s)”	the provisional allotment letter(s) representing the Rights Shares proposed to be issued to the Qualifying Shareholders under the Rights Issue;
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus excludes Hong Kong, Macau and Taiwan;
“PRC Southbound Trading Investors”	the PRC investors who hold the shares of Hong Kong listed companies through ChinaClear as nominee under Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect;
“Prospectus”	this prospectus issued by the Company in relation to the Rights Issue;
“Prospectus Documents”	the Prospectus, the PAL and the EAF;
“Prospectus Posting Date”	18 September 2017;

DEFINITIONS

“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date;
“Record Date”	the record date by reference to which entitlements to the Rights Issue will be determined, namely Friday, 15 September 2017;
“Registrar”	the branch share registrar of the Company in Hong Kong, being Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong;
“Rights Issue”	the issue by way of rights of one Rights Share for every eight Existing Shares at the Subscription Price, payable in full on acceptance;
“Rights Share(s)”	561,017,407 Shares, being the new Shares to be allotted and issued by way of rights to the Qualifying Shareholders under the Rights Issue, having an aggregate nominal value of approximately HK\$14,025,435;
“Settlement Date”	4 October 2017;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shanghai-Hong Kong Stock Connect” or “Shenzhen-Hong Kong Stock Connect”	each being a securities trading and clearing platform under which PRC domestic investors may trade in the Stock Exchange via ChinaClear;
“Share(s)”	ordinary share(s) of HK\$0.025 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Silver Lot”	Silver Lot Development Limited, a wholly owned subsidiary of COHL;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	HK\$11.33 per Rights Share;

DEFINITIONS

“Underwriting Agreement”	the underwriting agreement dated 22 August 2017 entered into between the Company and the Underwriter in relation to the underwriting and certain other arrangements in respect of the Rights Issue;
“US”	the United States of America;
“US Securities Act”	United States Securities Act of 1933, as amended; and
“%”	per cent.

The number of Rights Shares attributable to a particular Shareholder set out in this Prospectus is for illustration purpose only and the actual number may change due to the Shares being held by different nominees and as a result of rounding resulting from fractional entitlements.

English names of the companies/entities established in the PRC included in this Prospectus are only translations of their official Chinese names. In case of inconsistency, the Chinese names shall prevail.

SUMMARY OF THE RIGHTS ISSUE

The following information is derived from, and should be read in conjunction with and subject to, the full text of this Prospectus:

Basis of the Rights Issue	:	one Rights Share for every eight Existing Shares
Number of Shares in issue	:	4,488,139,261 Shares as at the Latest Practicable Date
Number of Rights Shares	:	561,017,407 Rights Shares
Subscription Price	:	HK\$11.33 per Rights Share
Latest time for acceptance and payment	:	4:00 p.m. on Tuesday, 3 October 2017
Amount to be raised	:	approximately HK\$6,356 million before expenses (based on 561,017,407 Rights Shares to be issued)
Excess applications	:	Qualifying Shareholders may apply for Rights Shares in excess of their provisional allotments
Underwriter	:	COHL

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

2017

Last day of dealings in Shares on a cum-rights basis	Wednesday, 6 September
First day of dealings in Shares on an ex-rights basis	Thursday, 7 September
Latest time for lodging transfers of Shares in order to qualify for the Rights Issue	4:30 p.m. on Friday, 8 September
Register of members closes (both dates inclusive).	Monday, 11 September - Friday, 15 September
Record Date	Friday, 15 September
Prospectus Documents expected to be despatched on	Monday, 18 September
Register of members re-opens	Monday, 18 September
First day of dealings in nil-paid Rights Shares	Wednesday, 20 September
Latest time for splitting of PAL	4:30 p.m. on Friday, 22 September
Last day of dealings in nil-paid Rights Shares	Wednesday, 27 September
Latest time for acceptance and payment for Rights Shares and application for excess Rights Shares	4:00 p.m. on Tuesday, 3 October
Latest time for termination of the Underwriting Agreement	4:00 p.m. on Wednesday, 4 October
Publication of the announcement of allotment results	Wednesday, 11 October
Refund cheques in respect of wholly or partially unsuccessful application for excess Rights Shares expected to be despatched on or before	Thursday, 12 October
Certificates for fully-paid Rights Shares expected to be despatched on or before	Thursday, 12 October
Expected first day and time of dealings in fully-paid Rights Shares	9:00 a.m. Friday, 13 October

EXPECTED TIMETABLE

All dates and times referred to in this Prospectus are Hong Kong dates and times. Dates or deadlines specified in this Prospectus for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by agreement between the Company and the Underwriter. Further announcement will be made in the event that there is any change to the expected timetable for the Rights Issue.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND APPLICATION AND PAYMENT FOR EXCESS RIGHT SHARES

The latest time for acceptance of and payment for the Rights Shares and application and payment for excess Right Shares will be postponed if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Tuesday, 3 October 2017. Instead, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same business day;
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Tuesday, 3 October 2017. Instead, the latest time of acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares does not take place on Tuesday, 3 October 2017, the dates mentioned in the “Expected timetable” section may be affected. The Company will notify shareholders by way of announcement on any change to the expected timetable as soon as practicable.

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by written notice to the Company at any time prior to the Latest Time for Termination if:

- (a) there comes to the notice of the Underwriter or it shall have reasonable cause to believe that any of the undertakings or other obligations expressed to be assumed by or imposed on the Company under the Underwriting Agreement have not been complied with in any material respect; or
- (b) there comes to the notice of the Underwriter or it shall have reasonable cause to believe that (i) any of the representations, warranties or undertakings given by the Company under the Underwriting Agreement was or is untrue, incorrect, incomplete or misleading in any material respect, or (ii) any event has occurred or matter has arisen, which, if it had occurred or arisen before the date of the Underwriting Agreement or before the dates or before any time on which the representations, warranties and undertakings are deemed to be given would render any of those representations, warranties or undertakings untrue, incorrect, incomplete or misleading in any material respect; or
- (c) (i) the Prospectus Documents, when published, would contain information which would be untrue, inaccurate, incomplete or misleading in any material respect, (ii) matters have arisen or been discovered which would, if the Prospectus Documents were to be issued at the time, render any information contained therein to be untrue, inaccurate, incomplete or misleading in any material respect, (iii) matters have arisen or been discovered which would, if the Prospectus Documents were to be issued at the time, constitute a material omission therefrom, or (iv) there is any adverse change in the business or in the financial or trading position or prospects of the Group which in the reasonable opinion of the Underwriter is material in the context of the issue of the Rights Shares; or
- (d) there develops, occurs, exists or comes into effect any events, including:
 - (i) the introduction of any new law or regulation or any change in existing laws or regulations (or any change in the judicial interpretation thereof) whether in Hong Kong or the Cayman Islands; or
 - (ii) any adverse change or deterioration (whether or not permanent) in local, national or international economic, financial, political or military conditions or any event beyond the control of the Company; or
 - (iii) any adverse change or deterioration (whether or not permanent) in local, national or international securities market conditions; or
 - (iv) without prejudice to sub-paragraphs (ii) and (iii) above, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial or political circumstances or otherwise; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (v) any suspension in the trading of Shares on the Stock Exchange for a continuous period of ten (10) business days (other than any suspension for the purpose of obtaining clearance from the Stock Exchange for the publication of the Announcement or any other announcements relating to the Rights Issue),

and in the reasonable opinion of the Underwriter (a) the success of the Rights Issue or the business or financial condition or prospects of the Group would be materially and adversely affected; or (b) which makes it inadvisable or inexpedient to proceed with the Rights Issue; or (c) which would have the effect of making any part of the Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms.

Upon termination of the Underwriting Agreement, the obligations of the Underwriter and the Company under the Underwriting Agreement shall cease and terminate and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement save in respect of any antecedent breach of any obligation under it. If the Underwriter exercises such right, the Rights Issue will not proceed.

WARNING OF THE RISKS OF DEALING IN SHARES AND THE NIL-PAID RIGHTS SHARES

It should be noted that the Rights Issue is conditional upon several conditions, details of which are set out in the section headed “Underwriting — Conditions of the Rights Issue” in the Letter from the Board as contained in this Prospectus. The obligation of the Underwriter to underwrite the relevant Rights Shares is also conditional on (a) the satisfaction (or waiver) of, among other things, the conditions referred to in the section headed “Underwriting — Conditions of the Rights Issue” in the Letter from the Board as contained in this Prospectus, and (b) the Underwriting Agreement not being terminated by the Underwriter in accordance with its terms. If the conditions are not fulfilled (or waived) or the Underwriting Agreement is terminated pursuant to its terms, the Rights Issue will not proceed.

Any Shareholder or other person dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) and any person dealing in the nil-paid Rights Shares during the period from Wednesday, 20 September 2017 to Wednesday, 27 September 2017 (both dates inclusive) will bear the risk that the Rights Issue may not become unconditional or may not proceed. If in any doubt, Shareholders and potential investors are recommended to consult their professional advisers. Shareholders and potential investors should exercise caution in dealing in the securities of the Company.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhou Yong (*Chairman and Chief Executive Officer*)

Mr. Tian Shuchen (*Vice President*)

Mr. Zhou Hancheng (*Financial Controller*)

Mr. Pan Shujie (*Vice President*)

Mr. Hung Cheung Shew (*Vice President*)

Mr. Wu Mingqing (*Vice President*)

Mr. Zhang Haipeng (*Vice President*)

Independent Non-executive Directors:

Dr. Raymond Ho Chung Tai

Mr. Adrian David Li Man Kiu

Dr. Raymond Leung Hai Ming

Mr. Lee Shing See

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Principal Place of business
in Hong Kong:*

28th Floor

China Overseas Building

139 Hennessy Road

Wanchai

Hong Kong

18 September 2017

*To the Qualifying Shareholders and,
for information only, the Non-Qualifying Shareholders*

Dear Sir or Madam

**RIGHTS ISSUE ON THE BASIS OF
ONE RIGHTS SHARE FOR EVERY EIGHT EXISTING SHARES HELD
ON THE RECORD DATE AT THE SUBSCRIPTION PRICE
OF HK\$11.33 PER RIGHTS SHARE**

INTRODUCTION

As announced in the Announcement, the Company proposes to raise approximately HK\$6,356 million before expenses, by way of rights issue of 561,017,407 Rights Shares on the basis of one Rights Share for every eight Existing Shares at the Subscription Price of HK\$11.33 per Rights Share.

The purpose of this Prospectus is to provide you with further information regarding the Rights Issue, including information on procedures for acceptance of and payment and certain financial information and other information in respect of the Group.

LETTER FROM THE BOARD

TERMS OF THE RIGHTS ISSUE

Basis of the Rights Issue	:	one Rights Share for every eight Existing Shares
Number of Share in issue	:	4,488,139,261 Shares as at the Latest Practicable Date
Number of Rights Shares	:	561,017,407 Rights Shares
Subscription price per Rights Shares	:	HK\$11.33 per Rights Share
Enlarged issued share capital upon completion of the Rights Issue	:	5,049,156,668 Shares
Underwriter	:	COHL

The Company has no outstanding convertible securities or options in issue or other similar rights which confer any right to convert into or subscribe for Shares as at the Latest Practicable Date.

The 561,017,407 nil-paid Rights Shares proposed to be provisionally allotted represent:

- (a) approximately 12.50% of the Company's existing issued share capital; and
- (b) approximately 11.11% of the Company's enlarged issued share capital as enlarged by the issue of the Rights Shares.

Subscription Price

The subscription price for the Rights Shares is HK\$11.33 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares or, where applicable, upon application for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for Rights Shares. The Subscription Price represents:

- (a) a discount of approximately 9.36% to the Last Closing Price;
- (b) a discount of approximately 8.41% to the theoretical ex-rights price of HK\$12.37 per Share, which is calculated on the basis of the Last Closing Price;

LETTER FROM THE BOARD

- (c) a discount of approximately 9.29% to the average of the closing prices per Share for the five trading days ended on the Last Trading Day of approximately HK\$12.49;
- (d) a discount of approximately 9.36% to the average of the closing prices per Share for the ten trading days ended on the Last Trading Day of approximately HK\$12.50;
- (e) a discount of approximately 1.31% to the closing price of HK\$11.48 per Share for the Latest Practicable Date; and
- (f) a premium of approximately 80% over the unaudited net asset value per Share of approximately HK\$6.29 based on the unaudited net asset value of the Company attributable to equity holders of the Company and the then number of issued Shares in issue as at 30 June 2017.

The Subscription Price was arrived at with reference to the then market environment and the prevailing Share prices. After taking into consideration the reasons for the Rights Issue as stated in the section headed “Reasons for the Rights Issue and use of proceeds” below, the Directors consider the terms of the Rights Issue, including the Subscription Price (and the discounts to the relative values as indicated above) and in the context of the Company’s long-term business strategy, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The basis of the provisional allotment shall be one Rights Share for every eight Existing Shares held, being 561,017,407 Rights Shares at a price of HK\$11.33 per Rights Share. Application for all or any part of a Qualifying Shareholder’s provisional allotment should be made by completing the PAL and lodging the same with a cheque or banker’s cashier order for the Rights Shares being applied for with the Registrar on or before 4:00 p.m. on the Acceptance Date.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be: (i) registered as a member of the Company at the close of business on the Record Date; and (ii) a Qualifying Shareholder.

The last day of dealings in the Shares on a cum-rights basis was Wednesday, 6 September 2017. The Shares were dealt in on an ex-rights basis from Thursday, 7 September 2017.

In order to be registered as a member of the Company as at the Record Date so as to qualify for the Rights Issue, all transfer documents of the Shares must be lodged (together with the relevant Share certificates) with the Registrar at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 8 September 2017.

The latest time for acceptance is expected to be 4:00 p.m. on the Acceptance Date.

LETTER FROM THE BOARD

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). If a Qualifying Shareholder does not take up any of his entitlement in full under the Rights Issue, his proportionate shareholding in the Company will be diluted.

Closure of register of members

For the purpose of determining entitlements to the Rights Issue, the register of members of the Company was closed from Monday, 11 September 2017 to Friday, 15 September 2017 (both dates inclusive) during which period no transfer of Shares would have been registered.

Rights of Non-Qualifying Shareholders

Overseas Shareholders on the Record Date may not be eligible to take part in the Rights Issue as explained below. If a Shareholder's address as shown in the register of members of the Company was outside Hong Kong as at the Record Date and was a Non-Qualifying Shareholder, such Overseas Shareholder would not be eligible to take part in the Rights Issue. Accordingly, the Rights Shares (in both nil-paid and fully-paid forms) will not be offered to the Non-Qualifying Shareholders and no application for the Rights Shares will be accepted from the Non-Qualifying Shareholders.

Based on the register of members of the Company as at the Latest Practicable Date, there were a total of six Overseas Shareholders, whose registered addresses as shown in the register of members of the Company were outside Hong Kong. Among which, there were one, one, one, one and two Overseas Shareholders with registered addresses located in Canada, Macau, the US, Malaysia and the PRC, respectively, which holds 88 Shares (representing approximately 0.000002% of the total issued Shares), 1,332 Shares (representing approximately 0.00003% of the total issued Shares), 640 Shares (representing approximately 0.00001% of the total issued Shares), 888 Shares (representing approximately 0.00002% of the total issued Shares), and 1,248,444 Shares (representing approximately 0.02782% of the total issued Shares), respectively.

After making enquiries with the Company's overseas legal advisers regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange in the abovementioned places to offer the Rights Shares (in nil-paid and fully-paid forms) to such Overseas Shareholders in accordance with Rule 13.36(2)(a) of the Listing Rules, the Directors are advised by the legal advisers in the relevant jurisdictions that the Company would need to comply with certain requirements or procedures of the regulatory bodies for or in connection with offering the Rights Shares to Overseas Shareholders resident in the US, Canada and Malaysia, but there is no onerous requirement or restriction on extending the Rights Issue to the Overseas Shareholders in the PRC and Macau. Accordingly, Overseas Shareholders in the PRC and Macau are also Qualifying Shareholders. After considering the legal costs for compliance with the relevant requirements or procedures of the regulatory bodies in the US, Canada and Malaysia and the minimal size of shareholdings of the Overseas Shareholders resident in such places, the Directors are of the opinion that it would be necessary or expedient not to offer the Rights Shares to such Overseas Shareholders resident in the US, Canada and Malaysia (i.e. Non-Qualifying Shareholders). Accordingly, the Rights Shares will not be offered to the Non-Qualifying Shareholders and no application for Rights Shares will be accepted from the Non-Qualifying Shareholders.

LETTER FROM THE BOARD

Based on the legal advice received, the Company will send copies of this Prospectus to the Non-Qualifying Shareholder resident in Canada for his information only, but will not send the PAL and the EAF to him. The Company, having considered the legal restrictions and requirements in the US and Malaysia, will not send the Prospectus nor the PAL and the EAF to the Non-Qualifying Shareholders resident in the US and Malaysia.

Receipt of this Prospectus and/or a PAL and/or an EAF or the crediting of nil-paid Rights Shares to any stock account (including in CCASS) does not and will not constitute an offer in any jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus and/or other Prospectus Documents must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this Prospectus and other Prospectus Documents or whose stock account in CCASS is credited with nil-paid Rights Shares should not, in connection with the Rights Issue, distribute or send the same in, into or from, or transfer nil-paid Rights Shares to any person in, into or from, any jurisdiction outside Hong Kong, unless offer to such jurisdictions could lawfully be made without compliance with any registration or other legal or regulatory requirements or where the offer is made reliance on any exemption or where compliance with the relevant legal or regulatory requirement will not, in the Board's judgement, be unduly burdensome. If a PAL or an EAF or a credit of nil-paid Rights Shares in CCASS is received by any person in any such territory, or by his/her/its agent custodian, nominee or trustee, he/she/it should not seek to take up the rights referred to in the PAL or transfer the PAL (or apply for any excess Rights Shares under the EAF) or transfer the nil-paid Rights Shares in CCASS unless the Company, in its absolute discretion, determines that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, agents, custodians, nominees and trustees) who forwards this Prospectus and/or a PAL and/or an EAF in, into or from, any jurisdiction outside Hong Kong (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

Notwithstanding any other provision in the Prospectus Documents, the Company reserves the right to permit any Shareholder to take up his/her/its nil-paid rights and/or apply for excess Rights Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

Notwithstanding the foregoing, the Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction.

Arrangements have been made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold for their benefit as soon as practicable after dealings in nil-paid rights commence on the Stock Exchange and in any event before the Acceptance Date at a net premium in excess of all expenses of sale. The aggregate net proceeds of such sale will be distributed to the Non-Qualifying Shareholders pro-rata to their shareholdings on the Record Date, provided that if any of such persons would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit.

LETTER FROM THE BOARD

PRC Southbound Trading Investors

According to the “CCASS Shareholding Search” available on the Stock Exchange’s website (<http://www.hkexnews.hk>), as at the Latest Practicable Date, ChinaClear holds 19,178,054 Shares, representing approximately 0.43% of the total issued Shares. ChinaClear is a CCASS Participant with HKSCC Nominees Limited.

The Directors have made the relevant enquiries and were advised that the PRC Southbound Trading Investors can participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Trading Investors to (i) sell (in full or in part) their nil-paid Rights Shares on the Stock Exchange; and/or to (ii) subscribe (in full or in part) for their pro-rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. However, ChinaClear will not support applications by such PRC Southbound Trading Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. In addition, according to the PRC legal adviser of the Company, the PRC Southbound Trading Investors (or the relevant ChinaClear participants as the case may be) whose stock accounts in the ChinaClear are credited with nil-paid Rights Shares can only sell those nil-paid Rights Shares on the Stock Exchange via ChinaClear under Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and can neither purchase any nil-paid Rights Shares nor transfer such nil-paid Rights Shares to other PRC Southbound Trading Investors.

The PRC Southbound Trading Investors should seek advice from their intermediary (including broker, custodian, nominee or ChinaClear participant) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions with such intermediary in relation to the acceptance and/or sale of the nil-paid Rights Shares. Such instructions should be given in advance of the relevant dates stated in the section headed “Expected Timetable” of this Prospectus and otherwise in accordance with the requirements of the Intermediary of the PRC Southbound Trading Investors and/or ChinaClear in order to allow sufficient time to ensure that such instructions are given effect.

According to the PRC legal adviser of the Company, as the Prospectus Documents have not been and are not intended to be filed with or approved by the CSRC other than in accordance with CSRC Notice, the Rights Shares (in nil-paid and fully-paid forms) shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless such person or entity is a PRC Southbound Trading Investor (subject to certain limitations in relation to its rights to participate in the Rights Issue as explained in this Prospectus) or an Overseas Shareholder in the PRC (i.e. an Qualifying Shareholder), or it has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

As such, the Prospectus Documents may not be distributed in or forwarded to the PRC or used in connection with any offer for subscription or sale of the Rights Shares (in nil-paid and fully-paid

LETTER FROM THE BOARD

forms) in the PRC, except that the same may be despatched to ChinaClear in the PRC or the Overseas Shareholders in the PRC (i.e. Qualifying Shareholders) or to the extent in compliance with applicable PRC laws and regulations, and the Prospectus Documents may not be made publicly available in the PRC.

The Company reserves the absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so.

Distribution of this Prospectus and other Prospectus Documents

The Company will only despatch the Prospectus Documents to Qualifying Shareholders. To the extent reasonably practicable and legally permitted, the Company will send copies of this Prospectus (without the PAL and the EAF) to Non-Qualifying Shareholders whose names appeared on the register of members of the Company at the close of business on the Record Date for information purposes only.

Distribution of the Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons receiving the Prospectus Documents (including, without limitation, agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with those restrictions may constitute a violation of the securities laws of any such jurisdiction. Any Shareholder or beneficial owner who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay.

The Prospectus Documents have not been and will not be registered or filed under applicable securities legislation of any jurisdiction other than (a) Hong Kong and (b) the PRC, in accordance with the CSRC Notice.

This Prospectus is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale or purchase of securities in the US. The nil-paid Rights Shares, the Rights Shares, the PALs and the EAFs have not been, and will not be, registered under the US Securities Act, and may not be offered or sold in the US unless registered under the US Securities Act, or pursuant to an exemption from, or in a transaction not subject to, registration under the US Securities Act. The Company has not and does not intend to register any portion of the Rights Issue or any of the nil-paid Rights Shares, the Rights Shares, the PALs and the EAFs under the US Securities Act or to conduct a public offering of securities in the US. This Prospectus may not be forwarded or distributed to any address in the US. Failure to comply with this directive may result in a violation of the US Securities Act.

This Prospectus is for information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities in Canada. This Prospectus is not, and under no circumstances is to be construed as, a prospectus, an advertisement or an offering of these securities in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document, or the merits of the securities described herein, and any representation to the contrary is an offence.

LETTER FROM THE BOARD

This offer does not, and is not intended to, constitute an offer within the meaning of the Macau Financial System Act. The Prospectus Documents and any other document or material in connection with the Rights Issue, or invitation for subscription or purchase, have not been, and will not be, registered or subject to any approval in Macau and may not be circulated or distributed, nor may the Rights Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Macau other than to a Shareholder whose name appeared on the register of members on the Record Date.

Fractional Entitlements to the Rights Shares

The Company will not provisionally allot and issue and will not accept application for any fraction of the Rights Shares and the entitlements of the Qualifying Shareholders will be rounded down to the nearest whole number. No odd lot matching services will be provided. Fractional entitlements to any Rights Shares will be disregarded and will be aggregated and allocated to satisfy excess applications (if any) and/or disposed of in such manner as the Directors in their absolute discretion deem appropriate and for the benefits and interests of the Company and more particularly described in the section headed “Application for excess Rights Shares” below.

Procedures for acceptance or transfer

For each Qualifying Shareholder, a PAL is enclosed with the Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown thereon. If the Qualifying Shareholder(s) wish(es) to exercise his/their right to subscribe for all the Rights Shares provisionally allotted to him/them as specified in the PAL, he/they must lodge the PAL in accordance with the instructions printed thereon, together with a cheque or banker’s cashier order for the full amount payable on, with the Registrar, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, by no later than 4:00 p.m. on Tuesday, 3 October 2017. All payments must be made in Hong Kong dollars and cheques or banker’s cashier orders must be drawn on a bank account in Hong Kong and made payable to “**China State Construction International Holdings Limited — Rights Issue Account**” and crossed “**Account Payee Only**”.

It should be noted that unless the PAL, together with the appropriate cheque or banker’s cashier order, has been lodged with the Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, by 4:00 p.m. on Tuesday, 3 October 2017, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

If a Qualifying Shareholder wishes to accept only part of his provisional allotment or transfer a part of his rights to subscribe for the Rights Shares provisionally allotted to him under the PAL or to transfer his rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Friday, 22 September 2017 to the Registrar, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations required.

LETTER FROM THE BOARD

All cheques and banker's cashier orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any PAL in respect of which the cheque or banker's cashier order is dishonoured on first presentation is liable to be rejected, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

If the Underwriter exercises the right to terminate its obligations under the Underwriting Agreement before the Latest Time for Termination, the monies received in respect of the relevant provisional allotments will be returned to the relevant persons without interest and by means of cheques despatched by ordinary post at the risk of such persons on Thursday, 12 October 2017.

Application for excess Rights Shares

Qualifying Shareholders (other than the PRC Southbound Trading Investors) may apply, by way of excess application, for:

- (a) any Rights Shares representing fractional entitlements;
- (b) any Rights Shares provisionally allotted but not accepted; and
- (c) any Rights Shares representing any unsold entitlements of the Non-Qualifying Shareholders.

If a Qualifying Shareholder (other than the PRC Southbound Trading Investors) wishes to apply for any Rights Shares in addition to his provisional allotment, he must complete and sign the enclosed EAF in accordance with the instructions printed thereon and lodge it with the Registrar, together with a separate cheque or banker's cashier order for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:00 p.m. on Tuesday, 3 October 2017, or such later time and/or agreed date as may be agreed between the Company and the Underwriter. All payments must be made in Hong Kong dollars and cheques or banker's cashier orders must be drawn on a bank account in Hong Kong and made payable to "**China State Construction International Holdings Limited — Excess Application Account**" and crossed "**Account Payee Only**". The Registrar will notify the relevant Qualifying Shareholders of any allotment of excess Rights Shares made to them, which will be at the discretion of the Directors on a fair and equitable basis in proportion to the number of excess Rights Shares being applied for under each application.

The Board will allocate the excess Rights Shares at their discretion on a fair and equitable basis in proportion to the number of excess Rights Shares being applied for under each application. However, no preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Rights Shares should note that there is no guarantee that such odd lots of the Rights Shares will be topped up to create whole board lots pursuant to applications for excess Rights Shares. Any Rights Shares not applied for by the Qualifying Shareholders will be taken up by the Underwriter.

LETTER FROM THE BOARD

Investors with their Shares held by a nominee company (or which are deposited in CCASS) should note that the Board will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually.

If no excess Rights Shares are allotted to a Qualifying Shareholder, the amount tendered on application is expected to be returned to that Qualifying Shareholder in full by ordinary mail and at his own risk on Thursday, 12 October 2017. If the number of excess Rights Shares allotted to a Qualifying Shareholder is less than that applied for, the surplus application monies are also expected to be returned to him by ordinary mail and at his own risk on Thursday, 12 October 2017.

If the Underwriter exercises the right to terminate its obligations under the Underwriting Agreement before the Latest Time for Termination, the monies received in respect of relevant applications for excess Rights Shares will be returned to the relevant persons without interest, by means of cheques despatched by ordinary post at the risk of such persons on Thursday, 12 October 2017.

All cheques or banker's cashier orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any EAF in respect of which a cheque or banker's cashier order is dishonoured on first presentation is liable to be rejected.

The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including cheques or banker's cashier orders for amounts due, will be sent at the risk of the persons entitled thereto to their registered addresses by the Registrar. The Company may, at its discretion, treat an EAF as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares then in issue such that holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of allotment of the fully-paid Rights Shares. For the avoidance of doubt, the Rights Shares (if issued, and whether in nil-paid or fully paid form) will not entitle the holders thereof to the interim dividend of the Company for the six months ended 30 June 2017 as declared by the Board.

Listing and dealing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. The nil-paid Rights Shares shall have the board lot size of 2,000 nil-paid Rights Shares in one board lot, same as the existing board lot size of the Shares, namely, 2,000 Shares in one board lot. It is expected that dealings in the Rights Shares in their nil-paid form will take place from Wednesday, 20 September 2017 to Wednesday, 27 September 2017, both dates inclusive.

LETTER FROM THE BOARD

No part of the existing share capital of the Company is listed or dealt in, and no listing or permission to deal is being or is proposed to be sought, on any other stock exchange.

All necessary arrangements will be made to enable the Rights Shares in both their nil-paid and fully-paid forms to be admitted into CCASS.

Stamp duty and other applicable fees and charges

Dealings in the Rights Shares (in both their nil-paid and fully-paid forms) will be subject to the payment of stamp duty and any other applicable fees and charges in Hong Kong.

Rights Shares will be Eligible for Admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day after the date of the transaction. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on Thursday, 12 October 2017 to those who have accepted and (where applicable) applied for, and paid for, the Rights Shares by ordinary post at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on Thursday, 12 October 2017 by ordinary post to the applicants at their own risk.

LETTER FROM THE BOARD

IRREVOCABLE UNDERTAKING FROM COHL

As at the Latest Practicable Date, COHL (the controlling shareholder of the Company), together with Silver Lot (COHL's wholly owned subsidiary), were interested in an aggregate of 2,825,854,041 Shares, representing approximately 62.96% of the issued share capital of the Company. Pursuant to the Irrevocable Undertaking, COHL has, among other things, irrevocably undertaken to the Company that it will take up 340,386,459 Rights Shares, and will procure Silver Lot to take up 12,845,293 Rights Shares, representing their respective full entitlements to the new Shares under the Rights Issue.

Save for the Irrevocable Undertaking, the Company has not obtained undertakings from any other Shareholders that they will subscribe for any or all of the Rights Shares to be provisionally allotted to them.

UNDERWRITING

The Underwriting Agreement

Date	:	22 August 2017
Parties	:	The Company and COHL as the underwriter
Number of Rights Shares underwritten	:	207,785,655 Rights Shares, being the difference between the total number of Rights Shares and the aggregate of 353,231,752 Rights Shares undertaken to be taken up by COHL and Silver Lot (COHL's wholly owned subsidiary) pursuant to the Irrevocable Undertaking.
Underwriter's commission	:	2.0% of the aggregate Subscription Price in respect of the 207,785,655 Rights Shares being underwritten.

The Underwriter has conditionally agreed to fully underwrite the difference between the total number of Rights Shares and the aggregate of 353,231,752 Rights Shares undertaken to be taken up by COHL and Silver Lot (COHL's wholly owned subsidiary) pursuant to the Irrevocable Undertaking. The number of Rights Shares to be underwritten by the Underwriter will be 207,785,655 Rights Shares, representing approximately 4.12% of the issued share capital of the Company as enlarged by the issue of the said Rights Shares.

LETTER FROM THE BOARD

Conditions of the Rights Issue

The Rights Issue is conditional, among other things, upon fulfillment (or waiver, if permitted by the terms of the Underwriting Agreement) of the following conditions:

- (a) the issue by the Stock Exchange of a certificate of authorisation of registration in respect of, and the registration of one duly signed copy of, each of the Prospectus Documents (and all other documents required by Section 342C of the Companies (WUMP) Ordinance to be attached thereto) by the Registrar of Companies in Hong Kong prior to the Prospectus Posting Date;
- (b) the posting on the Prospectus Posting Date of copies of the Prospectus Documents to Qualifying Shareholders;
- (c) the Listing Committee of the Stock Exchange granting or agreeing to grant, in writing, listing of and permission to deal in the Rights Shares in nil-paid and fully-paid forms (subject only to allotment and despatch of the appropriate documents of title) at or prior to 9:30 a.m. on Wednesday, 4 October 2017 or the first trading day of the Rights Shares in nil-paid form if earlier, and such grant or agreement to grant not being withdrawn or revoked prior to the Settlement Date;
- (d) compliance with and performance of all obligations of COHL under the Irrevocable Undertaking; and
- (e) the Underwriting Agreement not having terminated in accordance with its terms.

If the conditions of the Rights Issue are not fulfilled, or waived (with respect to condition (e), generally or in part thereof) by COHL by the Latest Time for Termination (or such later date or time as COHL may agree in writing with the Company pursuant to the Underwriting Agreement), the obligations of the parties arising from the Underwriting Agreement shall terminate and cease and no party shall have any claim against any other party (except in respect of any antecedent breach) and the Rights Issue will not proceed.

Termination of the Underwriting Agreement

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by written notice to the Company at any time prior to the Latest Time for Termination if:

- (a) there comes to the notice of the Underwriter or it shall have reasonable cause to believe that any of the undertakings or other obligations expressed to be assumed by or imposed on the Company under the Underwriting Agreement have not been complied with in any material respect; or

LETTER FROM THE BOARD

- (b) there comes to the notice of the Underwriter or it shall have reasonable cause to believe that
 - (i) any of the representations, warranties or undertakings given by the Company under the Underwriting Agreement was or is untrue, incorrect, incomplete or misleading in any material respect, or
 - (ii) any event has occurred or matter has arisen, which, if it had occurred or arisen before the date of the Underwriting Agreement or before the dates or before any time on which the representations, warranties and undertakings are deemed to be given would render any of those representations, warranties or undertakings untrue, incorrect, incomplete or misleading in any material respect; or

- (c) (i) the Prospectus Documents, when published, would contain information which would be untrue, inaccurate, incomplete or misleading in any material respect, (ii) matters have arisen or been discovered which would, if the Prospectus Documents were to be issued at the time, render any information contained therein to be untrue, inaccurate, incomplete or misleading in any material respect, (iii) matters have arisen or been discovered which would, if the Prospectus Documents were to be issued at the time, constitute a material omission therefrom, or (iv) there is any adverse change in the business or in the financial or trading position or prospects of the Group which in the reasonable opinion of the Underwriter is material in the context of the issue of the Rights Shares; or

- (d) there develops, occurs, exists or comes into effect any events, including:
 - (i) the introduction of any new law or regulation or any change in existing laws or regulations (or any change in the judicial interpretation thereof) whether in Hong Kong or the Cayman Islands; or

 - (ii) any adverse change or deterioration (whether or not permanent) in local, national or international economic, financial, political or military conditions or any event beyond the control of the Company; or

 - (iii) any adverse change or deterioration (whether or not permanent) in local, national or international securities market conditions; or

 - (iv) without prejudice to sub-paragraphs (ii) and (iii) above, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial or political circumstances or otherwise; or

 - (v) any suspension in the trading of Shares on the Stock Exchange for a continuous period of ten (10) business days (other than any suspension for the purpose of obtaining clearance from the Stock Exchange for the publication of the Announcement or any other announcements relating to the Rights Issue),

and in the reasonable opinion of the Underwriter (a) the success of the Rights Issue or the business or financial condition or prospects of the Group would be materially and adversely affected; or (b) which makes it inadvisable or inexpedient to proceed with the Rights Issue; or (c) which would have the effect of making any part of the Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms.

LETTER FROM THE BOARD

Underwriter's Commission

The commission payable to the Underwriter under the Underwriting Agreement is 2.0% of the aggregate Subscription Price in respect of the 207,785,655 Rights Shares being underwritten, which amounts to approximately HK\$47,084,000. The commission rate was determined after arm's length negotiations between the Company and the Underwriter with reference to, among other things, the scale of the Rights Issue, the current and expected market conditions and the commission rates charged by underwriters in the recent market precedents of rights issue. The Directors (including the independent non-executive Directors) consider the terms of the Underwriting Agreement, including the commission payable by the Company are on normal commercial terms (or better to the Company), fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transaction contemplated under the Underwriting Agreement.

Upon termination of the Underwriting Agreement, the obligations of the Underwriter and the Company under the Underwriting Agreement shall cease and terminate and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement save in respect of any antecedent breach of any obligation under it. If the Underwriter exercises such right, the Rights Issue will not proceed.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDINGS IN THE COMPANY

The shareholdings in the Company (a) as at the Latest Practicable Date; (b) immediately after completion of the Rights Issue (assuming all Rights Shares will be taken up by Qualifying Shareholders); and (c) immediately after completion of the Rights Issue (assuming no Rights Shares will be taken up by Qualifying Shareholders other than COHL and Silver Lot pursuant to the Irrevocable Undertaking and the Underwriter will take up all unsubscribed Rights Shares pursuant to the Underwriting Agreement), will be as follows:

	Existing shareholding as at the Latest Practicable Date		Immediately after completion of the Rights Issue (assuming all Rights Shares will be taken up by Qualifying Shareholders)		Immediately after completion of the Rights Issue (assuming no Rights Shares will be taken up by Qualifying Shareholders other than COHL and Silver Lot pursuant to the Irrevocable Undertaking and the Underwriter will take up all unsubscribed Rights Shares pursuant to the Underwriting Agreement)	
			Approximate		Approximate	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
COHL	2,723,091,690	60.67	3,063,478,149	60.67	3,271,263,804	64.79
Silver Lot	102,762,351	2.29	115,607,644	2.29	115,607,644	2.29
Directors	14,251,496	0.32	16,032,930	0.32	14,251,496	0.28
Public Shareholders	<u>1,648,033,724</u>	<u>36.72</u>	<u>1,854,037,945</u>	<u>36.72</u>	<u>1,648,033,724</u>	<u>32.64</u>
Total	<u>4,488,139,261</u>	<u>100.00</u>	<u>5,049,156,668</u>	<u>100.00</u>	<u>5,049,156,668</u>	<u>100.00</u>

LETTER FROM THE BOARD

Notes:

1. Based on the assumption that no new Shares (other than the Rights Shares) are allotted and issued on or before completion of the Rights Issue.
2. Certain percentage figures included in this table have been subject to rounding adjustments. Accordingly figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in building construction, civil engineering works, infrastructure investment and project consultancy businesses.

COHL is principally engaged in investment holding. It is not in the ordinary course of business of the COHL to underwrite shares.

In an attempt to strengthen the capital base and net gearing ratio of the Group, the Directors have considered, and compared the feasibilities of possible financing methods (including bank borrowing, open offer and the Rights Issue). After due enquiries and consideration, the Directors concluded that the Rights Issue is the most cost-effective and beneficial way for the Group to raise additional fund and increase the financial capacity for the development of its infrastructure investment business in the PRC as compared with other alternative means of financing as (a) bank borrowing would incur additional interest expenses to be borne the Group, which would further increase the Group's gearing ratio, and collateral or pledge of the Group's assets might be required to secure the bank borrowing; and (b) fund raising by way of open offer would require lengthy discussion with potential commercial underwriters and incur high commission. Having considered the above factors, the Directors are of the view that the Rights Issue is the most viable method for fund raising. Further, the Rights Issue is fully underwritten by COHL, the controlling shareholder of the Company, which demonstrates its strong support of and confidence in the future business development of the Group.

COHL has offered its support to the Group for raising fund through the proposed Rights Issue. The Directors believe that the fund raising can augment the financial position of the Group to enable it to capture more investment opportunities of infrastructure projects in the PRC. The proposed Rights Issue can also enlarge the capital base of the Company. The Directors also believe that it would be in the interests of the Company and the Shareholders to raise long-term equity funding via the proposed Rights Issue to strengthen the Company's financial position and increase its general working capital for its future business development, whilst allowing all the Qualifying Shareholders the equitable opportunity to increase their investment in the Company and participate in the Company's prospects. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings in the Company will be diluted.**

The Rights Issue will expand the Company's funding capability to enhance the Group's business. On this basis, the Directors consider that it is in the interests of the Company and the Shareholders as a whole to raise capital through the Rights Issue.

Based on the Group's latest estimates, the expected funding needs of the Group for the next 12 months will be financed by the proceeds from the Rights Issue and internal financial resources. The

LETTER FROM THE BOARD

Board has taken into account the following key assumptions and factors when arriving such estimates, (a) the Group's growth need for its investments in the infrastructure business; (b) there being no material adverse change in its construction and related businesses; (c) there being no premature termination or reduction of its existing loan facilities from financial institutions; (d) there will be no material change in the economic environment or market conditions in Hong Kong, Macau, the PRC or other countries in which the Group operates or intends to operate. The Directors consider that the proceeds from the Rights Issue as well as the Group's internal financial resources can satisfy the Company's expected funding needs for the next 12 months following the date of this circular.

The estimated net proceeds of the Rights Issue will not be less than approximately HK\$6,307 million. The net subscription price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares is expected to be approximately HK\$11.24.

The Company intends to apply all the net proceeds of the Rights Issue as to (a) approximately 90% for further development and expansion of the Group's existing infrastructure investments business in the PRC; and (b) approximately 10% for general working capital of the Group. As at the Latest Practicable Date, the Company has not identified any new or specific projects or acquisition opportunity for expanding its existing infrastructure investments business in PRC.

The estimated expenses of the Rights Issue (including professional fees and other related expenses) amount to approximately HK\$49 million and will be borne by the Company.

PREVIOUS FUND RAISING EXERCISE OF THE COMPANY

The Company has not undertaken any equity fund raising exercise in the 12-month period immediately preceding the Latest Practicable Date.

LISTING RULES IMPLICATION

As the proposed Rights Issue will not increase the number of issued shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders in a general meeting.

COHL is the controlling shareholder of the Company and Silver Lot is a wholly owned subsidiary of COHL, and they are therefore connected persons of the Company under Chapter 14A of the Listing Rules. Pursuant to the Listing Rules, the taking up of their entitlements to the Rights Issue by COHL and Silver Lot as Qualifying Shareholders and subscription for the Rights Shares in excess of their entitlements under the Rights Issue (if applicable) are exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to the Listing Rules, the underwriting of the Rights Issue by the Underwriter as the underwriter contemplated under the Underwriting Agreement is exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules provided that there is arrangement for the Qualifying Shareholders to apply for the excess Rights Shares in compliance with Rule 7.21(1) of the Listing Rules. Notwithstanding the above, as the highest applicable percentage ratio for the underwriter's commission payable by the Company to the

LETTER FROM THE BOARD

Underwriter is more than 0.1% but less than 5%, the payment of underwriting fee to the Underwriter constitutes a connected transaction of the Company which is subject to the reporting and announcement requirements but exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

WARNING OF THE RISKS OF DEALING IN SHARES AND THE NIL-PAID RIGHTS SHARES

It should be noted that the Rights Issue is conditional upon several conditions, details of which are set out in the section headed “Underwriting — Conditions of the Rights Issue” above. The obligation of the Underwriter to underwrite the relevant Rights Shares is conditional on (a) the satisfaction (or waiver) of, among other things, the conditions referred to in the section headed “Underwriting — Conditions of the Rights Issue” above, and (b) the Underwriting Agreement not being terminated by the Underwriter in accordance with its terms. If the conditions are not fulfilled (or waived) or the Underwriting Agreement is terminated pursuant to its terms, the Rights Issue will not proceed.

The Shares have been dealt in on an ex-rights basis from Thursday, 7 September 2017. Dealings in the Rights Shares in the nil-paid form will take place from Wednesday, 20 September 2017 to Wednesday, 27 September 2017 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled (or waived), the Underwriting Agreement is terminated pursuant to its terms, the Rights Issue will not proceed. If the Underwriting Agreement is terminated by the Underwriter, the Rights Issue also will not proceed.

Any Shareholder or other person dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) and any person dealing in the nil-paid Rights Shares during the period from Wednesday, 20 September 2017 to Wednesday, 27 September 2017 (both dates inclusive) will bear the risk that the Rights Issue may not become unconditional or may not proceed. If in any doubt, Shareholders and potential investors are recommended to consult their professional advisers. Shareholders and potential investors should exercise caution in dealing in the securities of the Company.

BUSINESS TREND AND FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Existing businesses and development prospect of the Group

The Group is a vertically integrated construction and investment conglomerate. Through nearly 40 years of development, the Group has established four segments in “Mainland China, Hong Kong, Macau and overseas” underpinned by the dual-core business of “infrastructure investment and construction contracting”. The Group has also adopted an operating strategy of “improving its service quality and efficiency while facing different difficulties and challenges and casting its brand with synergy and innovation”. Facing complicated market conditions, the Group reinforced its confidence, overcame challenges, strengthened internal and external synergistic collaborations, innovated the investment and financing model, and promoted the transformation and upgrade of business. Scale expansion and efficiency improvement were achieved at the same time and craftsmanship's spirit was strongly promoted, which scaled new heights for the brand in terms of quality.

LETTER FROM THE BOARD

1. *Infrastructure investment business in Mainland China*

In recent years, Mainland China has experienced steady economic development and maintained its infrastructure investment at high level with expanding scale. The Public-Private Partnership (“PPP”) market has seen rapid development. Driven by both domestic and foreign demands, Mainland China is expected to continue to maintain steady economic growth in the foreseeable future. As an important driver of domestic demand, infrastructure investment, mainly based on the PPP model, will continue to be supported by government policies, thus generating numerous market opportunities. Adhering closely to the state policies, the Group will further increase its efforts in business expansion in Mainland China to seize market opportunities.

2. *Construction and related business in Hong Kong and Macau*

In recent years, the accelerating economic recovery of Hong Kong and Macau has posed both opportunities and challenges to the construction market. The economic recovery is expected to continue in Hong Kong and Macau in the foreseeable future. The investment sentiment on Hong Kong’s private properties remains strong, whereas the market of public sector is yet to be improved. The construction market of Macau will continue to be dominated by government-owned projects, and the market of private construction is relatively in the doldrums. To adapt to the changes in market conditions, the Group will actively identify potential partners and effectively integrate advantages and resources to overcome the adverse impact of the market and to consolidate and expand its market share.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information contained in the Appendices to this Prospectus.

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

1. FINANCIAL INFORMATION SUMMARY

Financial information of the Group for each of the years ended 31 December 2014, 2015 and 2016, and the six months ended 30 June 2017, is disclosed in the annual report of the Company for the year ended 31 December 2014 (pages 91 to 197), the annual report of the Company for the year ended 31 December 2015 (pages 107 to 201), the annual report of the Company for the year ended 31 December 2016 (pages 106 to 197), and the interim report of the Company for the six months ended 30 June 2017 (pages 84 to 113), respectively.

The said annual reports and interim report of the Company are available on the Company's website at <http://www.csci.com.hk> and the website of the Stock Exchange at <http://www.hkexnews.hk>.

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 July 2017, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Prospectus, the total indebtedness of the Group amounted to approximately HK\$30,147,433,000, details of which are set out below:

	<i>HK\$'000</i>
Secured bank loans	3,299,111
Unsecured bank loans	22,951,404
Guaranteed notes payables	3,894,342
Obligations under finance leases	<u>2,576</u>
	<u>30,147,433</u>

As at 31 July 2017, a subsidiary's bank deposit of approximately HK\$138,000 had been pledged, the Group's land and buildings and motor vehicles, concession operating right and account receivables with carrying amounts of HK\$52,411,000, HK\$2,769,346,000 and HK\$1,120,899,000, respectively were pledged for the secured bank loans and obligations under finance leases. The guaranteed notes payables are guaranteed by the Company.

As at 31 July 2017, the Group had the commitments contracted but not provided for the construction in progress and contribution to investee companies of approximately HK\$183,926,000 and HK\$5,273,407,000, respectively.

Save as abovementioned and apart from intra-group liabilities, as at the close of business on 31 July 2017, the Group did not have any outstanding mortgages, charges, debentures, or other loan capital or bank overdrafts, loans, debts securities or other similar indebtedness, liabilities under acceptances or acceptances credits or hire purchase commitments, or any guarantees or other material commitment or any material contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that after taking into account the Group's presently available banking facilities, internal financial resources and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital, in the absence of unforeseeable circumstances, to meet its present requirements for the next 12 months from the date of this Prospectus.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2016 (being the date to which the latest published audited financial statements of the Company were made up).

APPENDIX II

**UNAUDITED PRO FORMA FINANCIAL
INFORMATION RELATING TO THE GROUP**

**A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET
TANGIBLE ASSETS OF THE GROUP**

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 30 June 2017 (the “Unaudited Pro Forma Financial Information”) which has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effects of the Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as if the Rights Issue had taken place on 30 June 2017.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company had the Rights Issue been completed as at 30 June 2017 or at any future date.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2017, as extracted from the published interim report of the Company for the six months ended 30 June 2017, with adjustments described below.

	Consolidated net assets attributable to owners of the Company as at 30 June 2017 (Unaudited) <i>HK\$'000</i> <i>(Note 1)</i>	Intangible assets of the Group as at 30 June 2017 (Unaudited) <i>HK\$'000</i> <i>(Note 2)</i>	Consolidated net tangible assets attributable to owners of the Company as at 30 June 2017 (Unaudited) <i>HK\$'000</i> <i>(Note 3)</i>	Estimated net proceeds from the Rights Issue (Unaudited) <i>HK\$'000</i> <i>(Note 4)</i>	Pro forma adjusted consolidated net tangible assets attributable to owners of the Company immediately after completion of the Rights Issue (Unaudited) <i>HK\$'000</i>
Based on 561,017,407 Rights Shares to be issued at the Subscription Price of HK\$11.33	<u>28,217,191</u>	<u>6,208,154</u>	<u>22,009,037</u>	<u>6,307,367</u>	<u>28,316,404</u>
Unaudited pro forma adjusted consolidated net tangible assets per Share immediately after completion of the Rights issue <i>(Note 5)</i>					<u>HK\$5.61</u>

Notes:

1. The unaudited consolidated net assets attributable to owners of the Company as at 30 June 2017 is extracted from the published interim report of the Company for the six months ended 30 June 2017.
2. Intangible assets of the Group as at 30 June 2017 comprised of goodwill arising from acquisition of subsidiaries and associates (included in the interests in associates) of approximately HK\$578,158,000, trademark, project backlogs and licenses of approximately HK\$336,424,000 and concession operating rights of approximately HK\$5,293,572,000.
3. The unaudited consolidated net tangible assets attributable to owners of the Company as at 30 June 2017 represented the amount of the consolidated net assets attributable to owners of the Company as at 30 June 2017 excluding intangible assets of the Group as at 30 June 2017.
4. The estimated net proceeds from the Rights Issue of approximately HK\$6,307,367,000 are based on 561,017,407 Rights Shares to be issued at a subscription price of HK\$11.33 per Rights Share and after deduction of estimated related expenses of approximately HK\$48,960,000.
5. The calculation of the unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share is based on 5,049,156,668 shares which comprise 4,488,139,261 Shares in issue as at 30 June 2017 and 561,017,407 Rights Shares to be issued.
6. No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2017.

**B. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE GROUP****INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

羅兵咸永道

To the Directors of China State Construction International Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of China State Construction International Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible assets of the Group as at 30 June 2017, and related notes (the “Unaudited Pro Forma Financial Information”) as set out on pages II-1 to II-2 of the Company’s prospectus dated 18 September 2017, in connection with the proposed rights issue of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed rights issue on the Group’s financial position as at 30 June 2017 as if the proposed rights issue had taken place at 30 June 2017. As part of this process, information about the Group’s financial position has been extracted by the directors from the Group’s financial statements for the period ended 30 June 2017, on which no audit or review report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline 7 Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars (“AG 7”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed rights issue at 30 June 2017 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 18 September 2017

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, included particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date were, and immediately following the Rights Issue (assuming the Rights Issue becoming unconditional and 561,017,407 Rights Shares will be issued) will be, as follows:

	<i>HK\$</i>
<i>Authorised:</i>	
60,000,000,000 ordinary shares of HK\$0.025 each	<u>1,500,000,000.000</u>
<i>Issued, to be issued and fully paid or credited as fully paid:</i>	
4,488,139,261 Shares in issue as at the Latest Practicable Date	112,203,481.525
561,017,407 Rights Shares to be issued pursuant to the Rights Issue	<u>14,025,435.175</u>
<i>Total:</i>	
5,049,156,668 Shares	<u><u>126,228,916.700</u></u>

All Existing Shares rank equally in all respects, including in particular as to dividend, voting rights and return on capital.

The Rights Shares, when allotted, issued and fully paid, will rank pari passu in all respects with the Shares then in issue such that holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of allotment of the fully-paid Rights Shares. For the avoidance of doubt, the Rights Shares (if issued, and whether in nil-paid or fully paid form) will not entitle the holders thereof to the interim dividend of the Company for the six months ended 30 June 2017 as declared by the Board.

The Shares are listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in any other stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in any other stock exchange.

No share or loan capital of the Company has been put under option or agreed conditionally or unconditionally to be put under option and no warrant or conversion right affecting the Shares has been issued or granted or agreed conditionally or unconditionally to be issued or granted.

3. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and Principal place of business in Hong Kong	28th Floor China Overseas Building 139 Hennessy Road Wanchai Hong Kong
Authorised representatives	Mr. Zhou Yong Mr. Tian Shuchen
Company secretary	Ms. Tse Sui Ha (an associate member of both of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators)
Underwriter	COHL
Legal advisers to the Company	<i>As to Hong Kong law:</i> Mayer Brown JSM 16th-19th Floors Prince's Building 10 Chater Road Central Hong Kong <i>As to Cayman Island law:</i> Conyers Dill & Pearman Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands

Auditor	PricewaterhouseCoopers Certified Public Accountants 22/F, Prince's Building Central Hong Kong
Principal Share Registrar and Transfer Office	SMP Partners (Cayman) Limited Royal Bank House — 3rd Floor 24 Shedden Road, P.O. Box 1586 Grand Cayman KY1-1110 Cayman Islands
Hong Kong Branch Share Registrar and Transfer Office	Tricor Standard Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Principal bankers	Agricultural Bank of China Limited Hong Kong Branch 25/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong Bank of China (Hong Kong) Limited 10/F, Bank of China Tower 1 Garden Road Hong Kong Bank of Communications Co., Ltd. Hong Kong Branch 20 Pedder Street Central Hong Kong BNP Paribas Hong Kong Branch 63/F, Two International Finance Centre 8 Finance Street Central Hong Kong

China Construction Bank Corporation
Hong Kong Branch
25/F, CCB Tower
3 Connaught Road Central
Central
Hong Kong

China Development Bank Corporation
Unit 7-15, 33/F
One International Finance Centre
1 Harbour View Street,
Central
Hong Kong

Hang Seng Bank Limited
83 Des Voeux Road Central
Hong Kong

The Bank of East Asia, Limited
10 Des Voeux Road Central
Hong Kong

The Hongkong and Shanghai Banking
Corporation Limited
HSBC Main Building
1 Queen's Road Central
Hong Kong

Wing Lung Bank, Limited
45 Des Voeux Road Central
Hong Kong

4. PARTICULARS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographies of the Directors and the senior management of the Group are set out below:

BOARD OF DIRECTORS

Mr. Zhou Yong

Executive Director, Chairman and Chief Executive Officer

Mr. Zhou, aged 47, was appointed as a Director of the Company on 21 April 2004 and was designated as an Executive Director on 1 June 2005. Mr. Zhou acted as Vice-chairman of the Company during the period from 9 June 2005 to 14 August 2013 and was appointed Chairman of the Company on 15 August 2013. Mr. Zhou graduated from Changsha Academy of Military Engineering and University of South Australia. He is Fellow of The Chartered Institute of Building (UK) and The Institution of Civil Engineers (UK). Mr. Zhou joined CSCEC in 1994 and was seconded to the Group in 1996. He has been a director of certain subsidiaries of the Group since 2001. Currently, Mr. Zhou is a director of COHL and the chairman and non-executive director of Far East Global Group Limited (“FEG”, a subsidiary of the Company and listed in Hong Kong). He was awarded the “Director of the Year Award — Executive Director of Listed Companies (SEHK — Non Hang Seng Index Constituents)” by The Hong Kong Institute of Directors in 2009. Mr. Zhou has more than 24 years’ construction, project and corporate management experience in Mainland China and Hong Kong, in particular, specialises in investment and development new business startup, formulating and executing business strategies for companies. He oversees the overall operation of the Group.

Mr. Tian Shuchen

Executive Director, Vice President

Mr. Tian, aged 52, was appointed as an Executive Director of the Company on 12 August 2010. Mr. Tian graduated from Dalian University of Technology. He is a member of the Chartered Institute of Building (UK). Mr. Tian joined CSCEC in 1988 and was seconded to the Group in 1991. He has been a director of certain subsidiaries of the Group since 2003. Mr. Tian has over 29 years’ experience in construction engineering and project management.

Mr. Zhou Hancheng

Executive Director and Financial Controller

Mr. Zhou, aged 47, was appointed as a Director of the Company on 21 April 2004 and subsequently was designated as an Executive Director of the Company on 1 June 2005. Mr. Zhou graduated from Shanghai University of Finance and Economics and holds a degree of Master of Business Administration from The University of Sheffield (UK). He is Fellow of the Association of Chartered Certified Accountants. Mr. Zhou joined the Group in 1992. He has been a director and the financial controller of certain subsidiaries of the Group since 2003. Mr. Zhou has over 25 years’ experience in corporate finance, financial accounting and investment management.

Mr. Pan Shujie*Executive Director, Vice President*

Mr. Pan, aged 52, was appointed as an Executive Director of the Company on 22 August 2012. Mr. Pan graduated from the Southeast University (formerly known as Nanjing Institute of Technology) and the University of Warwick (UK). He is a member of the Hong Kong Institute of Engineers and a member of the Chartered Institute of Building (UK). Mr. Pan joined CSCEC in 1987 and was seconded to the Group in 1991. He has been a director of certain subsidiaries of the Group since 1999. Mr. Pan has over 30 years' experience in civil and construction project management.

Mr. Hung Cheung Shew*Executive Director, Vice President*

Mr. Hung, aged 58, was appointed as an Executive Director of the Company on 8 June 2011. Mr. Hung graduated from the Plymouth Polytechnic (UK). He is a member of the Hong Kong Institution of Engineers and the Institution of Structural Engineers (UK). Mr. Hung joined the Group in 1996. He has been a director of certain subsidiaries of the Group since 2000. Currently, Mr. Hung is a standing director of Hong Kong Island Federation, a director of The Hong Kong Island Social Services Charitable Foundation, and a vice president of The Hong Kong Construction Association. Mr. Hung has over 35 years' experience in construction management and planning.

Mr. Wu Mingqing*Executive Director, Vice President*

Mr. Wu, aged 53, was appointed as an Executive Director of the Company on 3 June 2014. Mr. Wu graduated from Shanxi University of Finance and Economics and obtained a degree of Executive Master of Business Administration from Nankai University and was awarded the title of Senior Accountant. Mr. Wu joined CSCEC in 1986 and was seconded to the Group in 2000. He has been a director of certain subsidiaries of the Group since 2002. Mr. Wu has over 31 years' experience in finance management, construction engineering, infrastructure investment and project management.

Mr. Zhang Haipeng*Executive Director, Vice President*

Mr. Zhang, aged 41, was appointed as an Executive Director of the Company on 13 July 2017. Mr. Zhang graduated from the Harbin Institute of Technology, and obtained a degree of Master of Business Administration from Hong Kong Baptist University and a degree of Executive Master of Business Administration from Nankai University. Mr. Zhang joined CSCEC in 2000 and was seconded to the Group in 2002. He has been a director of certain subsidiaries of the Group since 2008. Mr. Zhang has over 17 years' experience in construction engineering management.

Dr. Raymond Ho Chung Tai SBS, MBE, S.B. St. J., JP

Independent Non-executive Director, Chairman of the Audit Committee

Remuneration Committee Member, Nomination Committee Member

Dr. Ho, aged 78, was appointed Independent Non-executive Director of the Company on 1 June 2005. Dr. Ho holds a doctorate degree in civil engineering from the City University of London, United Kingdom; Honorary Doctor of Business Administration from the City University of Hong Kong; Honorary Doctor of Laws from University of Manchester, United Kingdom; a postgraduate diploma in geotechnical engineering from Manchester University, United Kingdom; and a bachelor degree in civil engineering from the University of Hong Kong; and was awarded Honorary University Fellow of The University of Hong Kong and Honorary University Fellow of The University of Central Lancashire, United Kingdom.

Dr. Ho has 54 years' experience in the fields of civil, structural, energy, environmental and geotechnical engineering and direct project management of many mega size engineering projects including 44 years in Hong Kong and 10 years in the United Kingdom. He has direct management responsibility in the HK\$3.0 billion (cost at the time) project of Electrification and Modernisation of Kowloon-Canton Railway from the mid-70's till early 80's; and all the government-funded infrastructure works for Shatin New Town and Tseung Kwan O New Town from early 80's till the end of 1993, experience including construction of tunnels, bridges, flyovers, roads, dockyards, jetties, hospitals, hotels, incinerators, high-rise commercial/residential buildings, slope, reclamation, environmental studies and environmental protection projects.

Dr. Ho was formerly a partner and senior director of Maunsell Consultants Asia Limited from January 1976 to August 1993. He was formerly Hong Kong Deputy to the 10th & 11th National People's Congress of the PRC; member of the Provisional Legislative Council of the Hong Kong Special Administrative Region (1996—1998); member of the 1st to 4th terms of Legislative Council (Engineering Functional Constituency) (1998—2012); President of the Hong Kong Institution of Engineers (1987—1988); Founding Council Chairman of the City University of Hong Kong; Council Chairman of the City Polytechnic of Hong Kong; Chairman of Hong Kong Technology Committee and member of the Industry & Technology Development Council; Chairman of the Transport Advisory Committee; Hong Kong Affairs Adviser; member of Consultative Committee on the New Airport and Related Projects; member of the Gas Safety Advisory Committee; board member of the Hong Kong Airport Authority (2008—2014); member of the Court of the City University of Hong Kong; member of the Chinese Medicine Consultative Committee of the School of Chinese Medicine of Hong Kong Baptist University; member of the Basic Law Consultative Committee; and Chairman of Infrastructure Development Advisory Committee of Hong Kong Trade Development Council, etc.

Currently, Dr. Ho is Chairman of Guangdong Daya Bay Nuclear Power Station and Ling Ao Nuclear Power Station Nuclear Safety Consultative Committee and a professional advisor to The Ombudsman of Hong Kong (Engineering and Surveying). Dr. Ho is also a director of various private companies in Hong Kong; and Independent Non-executive Director of GCL-Poly Energy Holdings Ltd., Deson Development International Holdings Limited, Chinlink International Holdings Limited and AP Rentals Holdings Limited, which are companies listed in Hong Kong.

Mr. Adrian David Li Man Kiu JP

*Independent Non-executive Director, Chairman of the Remuneration Committee
Audit Committee Member, Nomination Committee Member*

Mr. Li, aged 44, was appointed as an Independent Non-executive Director of the Company on 1 June 2005. Mr. Li holds a Master of Management degree from Kellogg School of Management, Northwestern University in the US, and a Master of Arts degree and Bachelor of Arts degree in Law from the University of Cambridge in Britain. He is a member of The Law Society of England and Wales, and The Law Society of Hong Kong. Mr. Li is Executive Director and Deputy Chief Executive of The Bank of East Asia, Limited. He is a member of the Guangdong Provincial Committee of the Chinese People's Political Consultative Conference and a Counsellor of the Hong Kong United Youth Association. Mr. Li is also a board member of The Community Chest of Hong Kong, a member of the MPF Industry Schemes Committee of the MPFA, a Trustee of The University of Hong Kong's occupational retirement schemes, an Advisory Committee member of the Hong Kong Baptist University's School of Business and a Vice President of The Hong Kong Institute of Bankers' Council. Furthermore, he serves as a member of the Election Committees responsible for electing the Chief Executive of the HKSAR and deputies of the HKSAR to the 13th National People's Congress. He also sits on the Judging Panel of the BAI Global Banking Innovation Awards. Mr. Li was previously a member of the All-China Youth Federation and Deputy Chairman of the Beijing Youth Federation. Mr. Li is an Independent Non-executive Director of three listed companies under the Sino Group (Sino Land Company Limited, Tsim Sha Tsui Properties Limited, and Sino Hotels (Holdings) Limited) and COSCO SHIPPING Ports Limited, and is a Non-executive Director of The Berkeley Group Holdings plc (listed in London). He is also a member of the International Advisory Board of Abertis Infraestructuras, S.A. (listed in Spain). Mr. Li was previously an Independent Non-executive Director of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (listed in Hong Kong and Shanghai), an Alternate Independent Non-executive Director of San Miguel Brewery Hong Kong Limited and an Alternate Director of AFFIN Holdings Berhad (listed in Malaysia). The aforesaid companies are all listed in Hong Kong, unless stated otherwise.

Dr. Raymond Leung Hai Ming

*Independent Non-executive Director, Audit Committee Member
Remuneration Committee Member, Nomination Committee Member*

Dr. Leung, aged 62, was appointed as an Independent Non-executive Director of the Company on 1 June 2005. Dr. Leung holds doctorate degree in Information Engineering from the Chinese University of Hong Kong, a Bachelor Applied Science degree in Civil Engineering and a Master degree in Applied Science in Construction Management. Dr. Leung is Fellow of The Hong Kong Institution of Engineers, Hong Kong Institute of Arbitrators, Hong Kong Institute of Construction Managers, American Society for Civil Engineers, Institution of Civil Engineers (UK) and Senior Member of Institute of Electrical and Electronics Engineers. He has more than 40 years of experience in engineering, investment, construction and project management. Dr. Leung was previously an independent non-executive director of Elec & Eltek International Company Limited (listed in Hong Kong and Singapore). He is director of various private companies in Hong Kong. Dr. Leung is also the Chairman and Chief Executive Officer of C & L Holdings Ltd. engaging in investment and dispute resolution.

Mr. Lee Shing See GBS, OBE, JP

*Independent Non-executive Director, Chairman of the Nomination Committee
Audit Committee Member, Remuneration Committee Member*

Mr. Lee, aged 75, was appointed as an Independent Non-executive Director of the Company on 1 September 2005. Mr. Lee graduated from the University of Hong Kong in 1964. He is Fellow of both The Hong Kong Institution of Engineers and The Institution of Civil Engineers (UK). Mr. Lee joined The Hong Kong Government since he graduated from the University. He was the Director of Territory Development from the period of August 1994 to August 1999 and the Secretary for Works from the period of August 1999 to August 2002 (including 2 months as a Permanent Secretary). He is a Board Member of the Airport Authority Hong Kong; a Director of Aviation Security Company Limited; a co-opted member of Youth Education, Employment and Training Task Force of Commission on Poverty; and a Vice Chairman of the CreateSmart Initiative Vetting Committee. Mr. Lee has over 51 years' experience in engineering and construction.

SENIOR MANAGEMENT**Mr. Zhou Wenbin**

Vice President

Mr. Zhou, aged 50, was graduated from Zhongnan University of Economics and Law; and obtained a Master Degree from Huazhong University of Science and Technology and was awarded the titles of Senior Accountant and Senior Economist. Mr. Zhou joined COHL Group in 1999 and was seconded to the Group in 2005. He has been a director of certain subsidiaries of the Group since 2005. Mr. Zhou has over 28 years' experience in corporate finance, accounting and investment management.

Mr. Jiang Shaojie

Vice President

Mr. Jiang, aged 53, was graduated from Shenyang Jianzhu University (formerly known as Shenyang Architectural and Civil Engineering University) and Sheffield Hallam University (UK). Mr. Jiang is a member of China Civil Engineering Society and a member of Chartered Quality Institute. Mr. Jiang joined CSCEC in 1988 and was seconded to the Group in 1991. He has been a director of certain subsidiaries of the Group since 2003. Mr. Jiang has over 34 years' experience in construction engineering and project management.

Mr. Zhao Xiaoqi

Assistant President

Mr. Zhao, aged 43, was graduated from Tsing Hua University and obtained a degree of Master of Business Administration from Renmin University of China. Mr. Zhao joined CSCEC in 1997 and was seconded to the Group in 2001. He has been a director of certain subsidiaries of the Group since 2010. Mr. Zhao has over 20 years' experience in human resources management and personnel administration.

Mr. Zhou Yuguang*Assistant President*

Mr. Zhou, aged 52, was graduated from the Zhongnan University, and obtained a Master degree from Zhongnan University, a degree of Master of Business Administration from the University of South Australia and a Doctorate degree from Hong Kong Polytechnic University and was awarded the title of professor level Senior Engineer. Mr. Zhou is a member of China Civil Engineering Society. Mr. Zhou joined COHL Group in 1995 and was seconded to the Group in 2014. He has been a director of certain subsidiaries of the Group since 2010. Mr. Zhou has over 29 years' experience in information technology management and project management.

Mr. Wong Wing Yuk*Assistant President*

Mr. Wong, aged 59, was graduated from the Plymouth Polytechnic (UK) and obtained a degree of Master of Business Administration from Southern Illinois University (US). Mr. Wong is a fellow member of the Hong Kong Institution of Engineers, a Chartered Engineer of The Engineering Council (UK) and a fellow member of the Institution of Civil Engineers. Mr. Wong joined the Group in 1990. He has been a director of certain subsidiaries of the Group since 2000. Mr. Wong has over 30 years' experience in construction engineering and contract management.

Mr. Lau Wing Shing*Assistant President*

Mr. Lau, aged 58, was graduated from the University of Warwick (UK) and City University of Hong Kong and obtained a Master degree of Science and a Master degree of Laws. Mr. Lau is a fellow of the Chartered Institute of Building (UK), a fellow of the Chartered Management Institute (UK), a fellow of the Institute of Clerks of Works of Great Britain Incorporated (UK) and an associate of Chartered Institute of Arbitrators (UK). He is also a member of the Hong Kong Institute of Engineers, a member of the Hong Kong Institute of Surveyors, a member of the Royal Institution of Chartered Surveyors, the Association of Cost Engineers (UK), the Registered Professional Engineer (Building) of the Hong Kong Engineers Registration Board and the Registered Professional Surveyor (Quantity Surveying) of the Hong Kong Surveyors Registration Board. Mr. Lau is currently appointed by Planning and Lands Branch, Development Bureau as a member of the Appeal Tribunal Panel (Buildings Ordinance). Mr. Lau joined the Group in 1989. He has been a director of certain subsidiaries of the Group since 1996. Mr. Lau has over 35 years' experience in contract and project management. He assists in managing the Group's building construction and joint venture projects in Hong Kong, and pre-contract works for mega size infrastructure projects. Mr. Lau is also appointed as the Chief Engineer and Quality Director of China State Construction Engineering (Hong Kong) Limited, and the General Manager of Quality and Technology Department, he manages the quality assurance system and technology for the Group.

Mr. Huang Jiang*Assistant President*

Mr. Huang, aged 43, was graduated from Chongqing Jianzhu University and obtained a degree of Master in Project Management from Hong Kong Polytechnic University and a degree of Executive Master of Business Administration from Nankai University. Mr. Huang joined CSCEC in 1997 and was seconded to the Group in 2000. He has been a director of certain subsidiaries of the Group since 2007. Currently, Mr. Huang is a non-executive director of FEG. He has over 20 years' experience in contract and project management.

Mr. Yang Weidong*Assistant President*

Mr. Yang, aged 47, was graduated from Anhui Jianzhu University, and obtained a degree of Master of Business Administration from University of South Australia and was awarded the title of Senior Engineer. Mr. Yang joined the Group in 1999. He has been a director of certain subsidiaries of the Group since 2007. Mr. Yang has over 27 years' experience in construction engineering and management.

The business address of the Directors and the senior management of the Group is the same as the address of the Company's principal place of business in Hong Kong, i.e. 28th Floor, China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong.

5. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(A) Long Position in Shares and underlying shares of the Company

Name of Directors	Capacity	Number of shares in the Company held¹	% of shares in the Company in issue¹
Zhou Yong	Personal interest/ beneficial owner	3,233,027	0.072
Tian Shuchen	Personal interest/ beneficial owner	4,000,000	0.089
Zhou Hancheng	Personal interest/ beneficial owner	2,605,138	0.058
Pan Shujie	Personal interest/ beneficial owner	267,471	0.006
Hung Cheung Shew	Personal interest/ beneficial owner	591,584	0.013
Raymond Ho Chung Tai	Personal interest/ beneficial owner	913,569	0.020
Adrian David Li Man Kiu	Personal interest/ beneficial owner	913,569	0.020
Raymond Leung Hai Ming	Personal interest/ beneficial owner	813,569	0.018
Lee Shing See	Personal interest/ beneficial owner	913,569	0.020

Note:

- (1) The percentage is based on the total number of Shares in issue as at the Latest Practicable Date (i.e. 4,488,139,261 Shares).

(B) Long positions in shares and underlying shares of associated corporation**(i) COLI**

Name of Directors	Capacity	Number of shares held¹	% of shares in issue¹
Hung Cheung Shew	Personal interest/ beneficial owner	7,095	0.000065

Note:

- (1) The percentage is based on the total number of ordinary shares of COLI in issue as at the Latest Practicable Date (i.e. 10,956,201,535 ordinary shares).

(ii) Far East Global Group Limited

Name of Directors	Capacity	Number of shares held¹	% of shares in issue¹
Hung Cheung Shew	Personal interest/ beneficial owner	30,000	0.001
Pan Shujie	Personal interest/ beneficial owner	400,000	0.019
Zhang Haipeng	Personal interest/ beneficial owner	3,078,000	0.143

Note:

- (1) The percentage is based on the total number of ordinary shares of Far East Global Group Limited in issue as at the Latest Practicable Date (i.e. 2,155,545,000 ordinary shares).

(iii) China Overseas Property Holdings Limited

Name of Directors	Capacity	Number of shares held¹	% of shares in issue¹
Hung Cheung Shew	Personal interest/ beneficial owner	2,365	0.000072

Note:

- (1) The percentage is based on the total number of ordinary shares of China Overseas Property Holdings Limited in issue as at the Latest Practicable Date (i.e. 3,286,860,460 ordinary shares).

(iv) CSCECL

Name of Directors	Capacity	Number of shares held¹	% of shares in issue¹
Zhou Yong	Personal interest/ beneficial owner	255,000	0.00085
Tian Shuchen	Personal interest/ beneficial owner	210,000	0.00070
Zhou Hancheng	Personal interest/ beneficial owner	210,000	0.00070
Pan Shujie	Personal interest/ beneficial owner	210,000	0.00070
Wu Mingqing	Personal interest/ beneficial owner	210,000	0.00070
Zhang Haipeng	Personal interest/ beneficial owner	210,000	0.00070

Note:

- (1) The percentage is based on the total number of ordinary shares of CSCECL in issue as at the Latest Practicable Date (i.e. 30,000,000,000 ordinary shares).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company hold any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

6. SUBSTANTIAL SHAREHOLDERS' INTERESTS

Substantial shareholders of the Company

As at the Latest Practicable Date, according to the register kept by the Company under Section 336 of the SFO, the following persons and companies (other than a Director or chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Long positions in shares and underlying shares of the Company

Name of Shareholders	Number of shares in the Company held	Number of Rights Shares to be taken up	Total	% of shares in the Company in issue ¹
COHL ²	2,825,854,041	561,017,407 ³	3,386,871,448	75.46
CSCECL ⁴	2,825,854,041	561,017,407	3,386,871,448	75.46
CSCEC ⁴	2,825,854,041	561,017,407	3,386,871,448	75.46

Notes:

- The percentage is based on the total number of Shares in issue as at the Latest Practicable Date (i.e. 4,488,139,261 shares).
- Amongst the total number of 2,825,854,041 Shares held by COHL, 2,723,091,690 Shares were held as beneficial owner while the balance of 102,762,351 Shares were held as interest of a controlled corporation.
- These include (a) an interest in 207,785,655 Rights Shares derived from the obligations of COHL under the Underwriting Agreement; and (b) an interest in 353,231,752 Rights Shares derived from the obligations of COHL to undertake to apply for, and procure Silver Lot to apply for the entire number of Rights Shares, in the provisional allotments in which COHL and Silver Lot are beneficially interested pursuant to the Irrevocable Undertaking.
- COHL is a direct wholly-owned subsidiary of CSCECL, which in turn is a direct owned subsidiary of CSCEC, thus CSCEC and CSCECL are deemed by the SFO to be interested in the long position and short position in which COHL is or is taken to be interested.

As at the Latest Practicable Date, Mr. Zhou Yong, an executive Director, is a director of COHL. Save as disclosed, none of the Directors or proposed Directors was a director or employee of a company which had an interest or short position in the shares and 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.

Substantial shareholders of other members of the Group

As at the Latest Practicable Date, so far as is known to the Directors, the following persons and companies (other than a Director or chief executive of the Company) were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group (other than the Company):

Name of Subsidiaries	Name of substantial shareholders	% of shareholdings
中建國際投資(句容)有限公司 (China State Construction International Investments (Jurong) Ltd.*)	句容市城市建設投資有限責任公司 (Jurong City Urban Construction Investment Co., Ltd.*)	10
句容海嘉建設有限公司 (Jurong Haijia Construction Co., Ltd.*)	江蘇句容景源生態環境建設有限公司 (Jiangsu Jurong Jingyuan Ecological Environment Construction Co., Ltd.*)	10
平和海嘉建設有限公司 (Pinghe Haijia Construction Co., Ltd.*)	福建興和投資發展集團有限公司 (Fujian Xinghe Investment Development Group Co., Ltd.*)	20
長沙海嘉建設有限公司 (Changsha Haijia Construction Co., Ltd.*)	長沙綜保投資有限公司 (Changsha Comprehensive Insurance Investment Co., Ltd.*)	10
杭州海榮建設有限公司 (Hangzhou Hairong Construction Co., Ltd.*)	杭州富陽投資發展有限公司 (Hangzhou Fuyang Investment Development Co., Ltd.*)	10

* For identification purposes only

Save as disclosed in this Prospectus, as at the Latest Practicable Date, so far as the Directors and chief executive of the Company were aware, there were no persons other than the Directors or chief executive of the Company, who had an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group (other than the Company).

7. SERVICE CONTRACTS

As at the Latest Practicable Date, no Director had any existing or proposed service contract with any member of the Group which is not expiring or determinable by the Company within one year without the payment of compensation other than statutory compensation.

8. INTERESTS IN CONTRACT OR ARRANGEMENT

None of the Directors is materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group taken as a whole.

9. INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2016, being the date to which the latest published audited financial statements of the Company were made up.

10. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

11. EXPERT AND CONSENT**(a) Qualification of expert**

The following are the qualifications of the expert who has given its opinions or advice which are contained in this Prospectus:

Name	Qualification
PricewaterhouseCoopers	Certified Public Accountants

(b) Consent of expert

PricewaterhouseCoopers has given and has not withdrawn their written consent to the issue of this Prospectus with the inclusion herein of their accountants' report on the unaudited pro forma financial information of the Group dated 18 September 2017 and the references thereto and to their name in the form and context in which they are included. The said report from PricewaterhouseCoopers is given as of the date of this Prospectus for incorporation herein.

(c) Interests of expert

PricewaterhouseCoopers has informed the Company that they were not interested in any securities of any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group nor did they had any direct or indirect interest in any assets which had been, since 31 December 2016 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by, or leased to, or were proposed to be acquired or disposed of by, or leased to, any member of the Group.

12. MATERIAL CONTRACTS

The following contracts (not being entered into in the ordinary course of business) have been entered into by the members of the Group within two years immediately preceding the date of this Prospectus and which are or may be material:

- (a) an agreement dated 11 May 2016 entered into between Total Joy Global Limited (“Total Joy”, a wholly owned subsidiary of the Company), the Company (as guarantor of Total Joy), Great Rises Holdings Limited (“Great Rises”) and COLI (as guarantor of Great Rises), pursuant to which Total Joy has conditionally agreed to acquire, and Great Rises has conditionally agreed to sell 1 share, representing the entire issued share capital of Precious Deluxe Global Limited (“Precious Deluxe”), and the related shareholder’s loan owing by Precious Deluxe to Great Rises, at the initial consideration of HK\$4,810,526,473 (subject to adjustment);
- (b) an agreement dated 11 May 2016 entered into between the Company and COHL, pursuant to which COHL has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to COHL, 431,824,639 Shares at the subscription price of HK\$11.14 per Share; and
- (c) the Underwriting Agreement.

13. MISCELLANEOUS

- (a) The expenses in connection with the Rights Issue, including underwriting commissions, printing, registration, legal, professional and accounting charges are estimated to amount to approximately HK\$49 million and will be payable by the Company.
- (b) The English text of this Prospectus, the PAL and the EAF shall prevail over the Chinese text in the case of any inconsistency.

14. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of this Prospectus, the PAL, the EAF and the written consent given by PricewaterhouseCoopers as referred to in the paragraph headed “Expert and Consent” in this Appendix have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (WUMP) Ordinance.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 28th Floor, China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong, except public holidays, from the date of this Prospectus up to and including 3 October 2017:

- (a) the memorandum and articles of association of the Company;
- (b) the material contracts referred to in the section headed “Material Contracts” of this Appendix;
- (c) the annual reports of the Company for the financial years ended 31 December 2015 and 2016 respectively;
- (d) the report from PricewaterhouseCoopers in respect of the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (e) the written consent referred to in section headed “Expert and Consent” of this Appendix; and
- (f) this Prospectus.