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**中國建築國際集團有限公司**  
**CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED**

(Incorporated in the Cayman Islands with limited liability)  
 (Stock Code: 3311)

**ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS  
 FOR THE SIX MONTHS ENDED 30 JUNE 2016,  
 INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS**

**FINANCIAL HIGHLIGHTS**

	Unaudited		Change %
	Six months ended 30 June 2016	2015 (restated)	
<b>RESULTS (HK\$'000)</b>			
Group revenue	<b>18,845,053</b>	17,017,498	10.7
Gross profit	<b>2,307,432</b>	2,545,854	-9.4
Gross profit margin	<b>12.2%</b>	15.0%	-18.7
Profit attributable to owners of the Company	<b>2,253,309</b>	1,871,359	20.4
<b>FINANCIAL INFORMATION PER SHARE</b>			
Earnings – basic (HK cents)	<b>55.32</b>	46.64	18.6
Net assets (HK\$)	<b>5.56</b>	5.71	-2.6

**INTERIM DIVIDEND**

The Board declared an interim dividend of HK15.00 cents per share.

**BANK BALANCES AND CASH**

As at 30 June 2016, the Group had bank balances and cash of approximately HK\$14,096 million.

The board of directors (the “Board”) of China State Construction International Holdings Limited (the “Company”) hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2016 together with the unaudited comparative figures for the corresponding period ended 30 June 2015 as follows:

## UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Six months ended 30 June	
		2016 HK\$'000	2015 HK\$'000 (restated)
Group revenue		18,845,053	17,017,498
Share of revenue of joint ventures		1,423,928	588,865
	3	<b>20,268,981</b>	<b>17,606,363</b>
Group revenue	3	18,845,053	17,017,498
Costs of sales		(16,537,621)	(14,471,644)
Gross profit		2,307,432	2,545,854
Investment income, other income and other gains, net	5	1,089,615	255,394
Administrative, selling and other operating expenses		(645,732)	(450,814)
Share of profits of			
Joint ventures		239,963	167,906
Associates		9,197	12,766
Finance costs		(323,952)	(304,591)
Profit before tax	6	2,676,523	2,226,515
Income tax expenses, net	7	(433,028)	(353,818)
Profit for the period		<b>2,243,495</b>	<b>1,872,697</b>
Profit/(loss) for the period attributable to:			
Owners of the Company		2,253,309	1,871,359
Non-controlling interests		(9,814)	1,338
		<b>2,243,495</b>	<b>1,872,697</b>
Earnings per share (HK cents)	9		
Basic		55.32	46.64
Diluted		55.32	46.05

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	<b>2016</b>	2015
	<b>HK\$'000</b>	HK\$'000
		(restated)
Profit for the period	<b>2,243,495</b>	1,872,697
<b>Other comprehensive income/(loss)</b>		
<i>Items that may be reclassified to profit and loss</i>		
Gain on fair value changes of available-for-sale investments, net of tax	7,179	1,863
Release of investment revaluation reserve to income statement upon disposal of available-for-sale investments	(1,124)	-
Exchange differences on translation of foreign operations	(779,626)	(5,243)
Other comprehensive loss for the period, net of tax	(773,571)	(3,380)
Total comprehensive income for the period, net of tax	<b>1,469,924</b>	1,869,317
Total comprehensive income/(loss) attributable to:		
Owners of the Company	1,474,018	1,870,289
Non-controlling interests	(4,094)	(972)
	<b>1,469,924</b>	1,869,317

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2016 HK\$'000 (unaudited)	31 December 2015 HK\$'000 (restated)
<b>Non-current Assets</b>			
Property, plant and equipment		2,638,250	2,786,916
Investment properties		4,232,134	3,050,468
Interests in infrastructure project investments		1,556,183	1,536,372
Prepaid lease payments		298,032	269,816
Interests in joint ventures		4,285,009	3,573,662
Interests in associates		4,215,722	3,800,193
Concession operating rights		5,577,892	6,044,202
Deferred tax assets		279,335	280,951
Trademark, project backlogs and licenses		180,607	186,025
Goodwill		577,664	577,664
Available-for-sale investments		228,041	239,503
Amounts due from investee companies		193,431	281,858
Trade and other receivables	10	18,100,394	17,949,961
Deposit paid for an investment		-	108,043
		<b>42,362,694</b>	<b>40,685,634</b>
<b>Current Assets</b>			
Interests in infrastructure project investments		35,817	35,817
Inventories		77,558	108,835
Properties held for sale		414,307	418,915
Amounts due from customers for contract work		3,082,242	2,421,715
Trade and other receivables	10	16,640,021	18,173,525
Deposits and prepayments		524,790	523,673
Loan to a joint venture		451,401	1,104,082
Amounts due from joint ventures		1,490,355	1,564,404
Tax recoverable		11,288	41,271
Bank balances and cash		14,095,883	8,026,224
		<b>36,823,662</b>	<b>32,418,461</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION** *(continued)*

	Note	<b>30 June 2016 HK\$'000 (unaudited)</b>	31 December 2015 HK\$'000 (restated)
<b>Current Liabilities</b>			
Amounts due to customers for contract work		5,232,107	4,669,015
Trade payables, other payables and accruals	11	24,133,588	21,926,978
Deposits received and advances from customers		532,876	722,595
Amounts due to fellow subsidiaries		-	937,542
Amounts due to joint ventures		631,711	625,844
Current tax payables		2,157,615	2,015,547
Dividend payables		730,137	-
Borrowings		1,281,981	808,197
Obligations under finance leases		893	951
		<b>34,700,908</b>	<b>31,706,669</b>
<b>Net Current Assets</b>		<b>2,122,754</b>	<b>711,792</b>
<b>Total Assets less Current Liabilities</b>		<b>44,485,448</b>	<b>41,397,426</b>
<b>Capital and Reserves</b>			
Share capital		112,203	101,408
Share premium and reserves		24,717,602	23,083,146
Equity attributable to owners of the Company		24,829,805	23,184,554
Non-controlling interests		102,135	100,262
		<b>24,931,940</b>	<b>23,284,816</b>
<b>Non-current Liabilities</b>			
Borrowings		14,598,833	13,085,694
Guaranteed notes payable		3,884,068	3,879,322
Deferred income		721,591	738,610
Deferred tax liabilities		346,627	406,265
Obligations under finance leases		2,389	2,719
		<b>19,553,508</b>	<b>18,112,610</b>
		<b>44,485,448</b>	<b>41,397,426</b>

## **NOTES:**

### **(1) BASIS OF PREPARATION**

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

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment properties, which are measured at fair values.

#### **(i) Acquisition of Precious Deluxe Global Limited (“Precious Deluxe”)**

In June 2016, Total Joy Global Limited (“Total Joy”), a wholly-owned subsidiary of the Company, completed the acquisition of Precious Deluxe, from China Overseas Land & Investment Limited (“COLI”), a fellow subsidiary of the Company, including a shareholder’s loan to Precious Deluxe for a total consideration of HK\$4,824,843,318. Precious Deluxe and its subsidiaries are engaged in investment holding and property investment in Hong Kong.

The transfer of the entire interests in Precious Deluxe, together with its subsidiaries (together the “Precious Deluxe Group”), was considered as business combinations under common control. Accordingly, the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2016, together with the comparative figures, were prepared using the principle of Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the HKICPA, as if they had been combined from the date when the Precious Deluxe Group first came under the control of the controlling party of the Group and Precious Deluxe Group.

(1) **BASIS OF PREPARATION** (*continued*)

(ii) **Changes of the measurement of investment properties**

During the period, the Group changed its accounting policy with respect to the measurement of investment properties. The Group now applies the fair value model, under which investment properties were stated at fair value and recognises the fair value changes to the statement of profit or loss in which they arise. Prior to this change in policy, the Group applied the cost model, under which investment properties were stated at cost less subsequent accumulated depreciation and any accumulated impairment losses.

The Group believes the new policy is preferable as it is more suitable to reflect the value of the investment properties and will aid comparability. The change has been applied retrospectively and the comparative amounts have been restated accordingly.

**Effect of application of common control combination and change of measurements of investment properties**

The effect of application of common control combination, in accordance with Accounting Guideline 5, and change of measurements of investment properties on the Group's results for the six months ended 30 June 2016 and 2015 by line items presented in the unaudited condensed consolidated income statement (extracts) are as follows:

	At 30 June 2016 HK\$'000	Effect of acquisition of Precious Deluxe HK\$'000	Effect of changes of measurement of investment properties HK\$'000	At 30 June 2016 (as presented) HK\$'000
Group revenue	18,797,659	47,394	-	18,845,053
Costs of sales	(16,534,905)	(2,716)	-	(16,537,621)
Investment income, other income and other gains, net	(93,502)	1,183,117	-	1,089,615
Administrative, selling and other operating expenses	(644,591)	(1,642)	501	(645,732)
Finance costs	(312,153)	(11,799)	-	(323,952)
Income tax expenses, net	<u>(427,542)</u>	<u>(5,248)</u>	<u>(238)</u>	<u>(433,028)</u>
Earnings per share (HK cents)				
Basic	<u>25.63</u>	<u>29.68</u>	<u>0.01</u>	<u>55.32</u>
Diluted	<u>25.63</u>	<u>29.68</u>	<u>0.01</u>	<u>55.32</u>

**(1) BASIS OF PREPARATION (continued)**

**Effect of application of common control combination and changes of measurements of investment properties (continued)**

	At 30 June 2015 (as previously presented) HK\$'000	Effect of acquisition of Precious Deluxe HK\$'000	Effect of changes of measurement of investment properties HK\$'000	At 30 June 2015 (as restated) HK\$'000
Group revenue	16,975,732	41,766	-	17,017,498
Costs of sales	(14,469,237)	(2,407)	-	(14,471,644)
Investment income, other income and other gains, net	167,386	88,008	-	255,394
Administrative, selling and other operating expenses	(444,211)	(7,106)	503	(450,814)
Finance costs	(293,580)	(11,011)	-	(304,591)
Income tax expenses, net	<u>(350,077)</u>	<u>(3,702)</u>	<u>(39)</u>	<u>(353,818)</u>
Earnings per share (HK cents)				
Basic	<u>44.00</u>	<u>2.63</u>	<u>0.01</u>	<u>46.64</u>
Diluted	<u>43.44</u>	<u>2.60</u>	<u>0.01</u>	<u>46.05</u>



(1) **BASIS OF PREPARATION** (continued)

**Effect of application of common control combination and changes of measurements of investment properties** (continued)

The effect of application of common control combination, in accordance with Accounting Guideline 5, and changes of measurements of investment properties on the unaudited condensed consolidated statement of financial position of the Group (extracts) as at 30 June 2016 and 31 December 2015 by line items are as follows:

	At 30 June 2016 HK\$'000	Effect of acquisition of Precious Deluxe HK\$'000	Effect of changes of measurement of investment properties HK\$'000	At 30 June 2016 (as presented) HK\$'000
<b>Non-current Assets</b>				
Property, plant and equipment	2,623,557	14,693	-	2,638,250
Investment properties	36,463	3,990,400	205,271	4,232,134
Total non-current assets	38,152,330	4,005,093	205,271	42,362,694
<b>Current Assets</b>				
Trade and other receivables	16,636,960	3,061	-	16,640,021
Deposits and prepayments	528,051	(3,261)	-	524,790
Bank balance and cash	14,073,846	22,037	-	14,095,883
Total current assets	36,801,825	21,837	-	36,823,662
<b>Current Liabilities</b>				
Trade payables, other payables and accruals	24,132,579	1,009	-	24,133,588
Deposits received and advances from customers	508,525	24,351	-	532,876
Current tax payable	2,152,808	4,807	-	2,157,615
Total current liabilities	34,670,741	30,167	-	34,700,908
<b>Net current assets/(liabilities)</b>	<b>2,131,084</b>	<b>(8,330)</b>	<b>-</b>	<b>2,122,754</b>
<b>Total assets less current liabilities</b>	<b>40,283,414</b>	<b>3,996,763</b>	<b>205,271</b>	<b>44,485,448</b>
<b>Non-current Liabilities</b>				
Deferred tax liabilities	306,982	26,989	12,656	346,627
Total non-current liabilities	19,513,863	26,989	12,656	19,553,508
<b>Capital and Reserves</b>				
Share premium and reserves	20,555,213	3,969,774	192,615	24,717,602
Total equity	20,769,551	3,969,774	192,615	24,931,940

(1) **BASIS OF PREPARATION** (continued)

**Effect of application of common control combination and changes of measurements of investment properties** (continued)

	At 31 December 2015 (as previously presented) HK\$'000	Effect of acquisition of Precious Deluxe HK\$'000	Effect of changes of measurement of investment properties HK\$'000	At 31 December 2015 (as restated) HK\$'000
<b>Non-current Assets</b>				
Property, plant and equipment	2,771,990	14,926	-	2,786,916
Investment properties	36,991	2,807,600	205,877	3,050,468
Total non-current assets	<u>37,657,231</u>	<u>2,822,526</u>	<u>205,877</u>	<u>40,685,634</u>
<b>Current Assets</b>				
Trade and other receivables	18,170,163	3,362	-	18,173,525
Deposits and prepayments	526,915	(3,242)	-	523,673
Bank balance and cash	8,015,187	11,037	-	8,026,224
Total current assets	<u>32,407,304</u>	<u>11,157</u>	<u>-</u>	<u>32,418,461</u>
<b>Current Liabilities</b>				
Trade payables, other payables and accruals	21,926,222	756	-	21,926,978
Deposits received and advances from customers	698,194	24,401	-	722,595
Amounts due to fellow subsidiaries	-	937,542	-	937,542
Total current liabilities	<u>30,743,970</u>	<u>962,699</u>	<u>-</u>	<u>31,706,669</u>
<b>Net current assets/(liabilities)</b>	<u>1,663,334</u>	<u>(951,542)</u>	<u>-</u>	<u>711,792</u>
<b>Total assets less current liabilities</b>	<u>39,320,565</u>	<u>1,870,984</u>	<u>205,877</u>	<u>41,397,426</u>
<b>Non-current Liabilities</b>				
Deferred tax liabilities	367,242	26,605	12,418	406,265
Total non-current liabilities	<u>18,073,587</u>	<u>26,605</u>	<u>12,418</u>	<u>18,112,610</u>
<b>Capital and Reserves</b>				
Share premium and reserves	21,045,308	1,844,379	193,459	23,083,146
Total equity	<u>21,246,978</u>	<u>1,844,379</u>	<u>193,459</u>	<u>23,284,816</u>

(1) **BASIS OF PREPARATION** *(continued)*

**Effect of application of common control combination and changes of measurements of investment properties** *(continued)*

The effect of application of common control combination, in accordance with Accounting Guideline 5, and changes of measurements of investment properties on the consolidated statement of cash flows on the Group (extracts) for the period ended 30 June 2015 are as follows:

	At 30 June 2015 (as previously presented) HK\$'000	Effect of acquisition of Precious Deluxe HK\$'000	Effect of changes of measurement of investment properties HK\$'000	At 30 June 2015 (as presented) HK\$'000
Net cash from operating activities	437,166	29,263	-	466,429
Net cash (used in)/from investing activities	(666,257)	8	-	(666,249)
Net cash from financing activities	2,516,639	-	-	2,516,639

## **(2) APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS, INTERPRETATION AND IMPROVEMENT TO EXISTING STANDARDS**

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2015 except for the changes of measurement of investment properties. The revised standard and improvements to existing standards, which are mandatory for the financial year beginning on or after 1 January 2016, are either currently not relevant to the Group or had no material impact on the Group's condensed consolidated financial statements.

The Group has not early applied the following new standards and amendments to existing standards that have been issued but are not yet effective.

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>1</sup>
HKFRS 16	Leases <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>3</sup> To be determined

The Group has not early adopted the above new standards and amendments to existing standards, and is not in a position to state whether there is substantial changes to the Group's accounting policies and presentation of the Group's condensed consolidated financial statements.

### (3) GROUP REVENUE AND SHARE OF REVENUE OF JOINT VENTURES

Group revenue represents the revenue arising from construction contracts, infrastructure investment projects, facade contracting business, infrastructure operation, project consultancy services, sales of building materials, machinery leasing, logistics services, insurance contracts and rental income from investment properties.

In addition, the Group presents its proportionate share of revenue of joint ventures. Revenue of associates is not presented.

An analysis of the revenue is as follows:

	Six months ended 30 June	
	2016 HK\$'000	2015 HK\$'000 (restated)
Revenue from construction contracts	11,352,252	9,384,331
Revenue from infrastructure investment projects (note (a))	5,896,534	5,971,082
Revenue from facade contracting business	887,073	814,102
Revenue from infrastructure operation (note (b))	433,655	411,176
Others (note(c))	275,539	436,807
Group revenue	18,845,053	17,017,498
Share of revenue of joint ventures	1,423,928	588,865
	<b>20,268,981</b>	<b>17,606,363</b>

Notes:

- (a) Revenue from infrastructure investment projects mainly comprise of revenue generated from the provision of construction services under "build-transfer" ("BT") model and the corresponding interest income.
- (b) Revenue from infrastructure operation comprise of revenue from thermoelectricity business and toll road operation.
- (c) Revenue from others mainly comprise of revenue from project consultancy services, sales of building materials, machinery leasing, logistics services, insurance contracts and rental income from investment properties.

#### (4) SEGMENTAL INFORMATION

The Group's reportable segments, based on information reported to the chief operating decision maker for the purposes of resources allocation and performance assessments, include (i) the Group's share of revenue and results of joint ventures, and (ii) geographical locations where the Group's subsidiaries operate, namely Mainland China (other than Hong Kong and Macau), Hong Kong, Macau and Overseas (mainly in the United Arab Emirates and India) for the period ended 30 June 2016 and 2015.

Far East Global Group Limited, a limited liability company, incorporated in the Cayman Islands and listed on the Main Board of The Stock Exchange of Hong Kong Limited, and its subsidiaries (together, the "FEG Group") is currently managed by a separate business team. The chief operating decision maker regards the FEG Group as a distinct reportable segment and assesses its performance based on its overall result.

Segment revenue and results for the six months ended 30 June 2016 and 2015 are as follows:

	<u>Segment revenue</u>		<u>Gross profit/(loss)</u>		<u>Segment results</u>	
	<b>2016</b> <b>HK\$'000</b>	2015 HK\$'000 (restated)	<b>2016</b> <b>HK\$'000</b>	2015 HK\$'000 (restated)	<b>2016</b> <b>HK\$'000</b>	2015 HK\$'000 (restated)
Reportable segments						
Mainland China	<b>6,590,392</b>	6,780,305	<b>1,460,447</b>	1,784,593	<b>1,242,071</b>	1,687,897
Hong Kong and Macau	<b>11,367,588</b>	9,423,091	<b>723,305</b>	645,957	<b>646,769</b>	626,052
Hong Kong	<b>7,206,277</b>	7,546,935	<b>421,923</b>	568,079	<b>384,460</b>	513,665
Macau	<b>4,161,311</b>	1,876,156	<b>301,382</b>	77,878	<b>262,309</b>	112,387
Overseas	-	-	<b>(9,979)</b>	(10,269)	<b>(19,267)</b>	(15,223)
FEG Group	<b>887,073</b>	814,102	<b>133,659</b>	125,573	<b>53,002</b>	42,970
	<b>18,845,053</b>	17,017,498	<b>2,307,432</b>	2,545,854	<b>1,922,575</b>	2,341,696
Share of revenue/results of joint ventures	<b>1,423,928</b>	588,865			<b>239,963</b>	167,906
Total	<b>20,268,981</b>	17,606,363			<b>2,162,538</b>	2,509,602
Unallocated corporate expenses					<b>(124,060)</b>	(80,733)
Unallocated corporate income					<b>952,800</b>	89,471
Share of profits of associates					<b>9,197</b>	12,766
Finance costs					<b>(323,952)</b>	(304,591)
Profit before tax					<b>2,676,523</b>	2,226,515

**(5) INVESTMENT INCOME, OTHER INCOME AND OTHER GAINS, NET**

	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
		(restated)
Interest income on:		
Bank deposits	19,920	35,821
Debt securities	2,768	2,768
Imputed interest on amounts due from investee companies	3,387	5,711
Loan to a joint venture	36,199	55,969
Dividend income from:		
Unlisted available-for-sale investments	25,194	9,619
Gain on disposal of:		
Listed available-for-sale investments	1,124	-
Property, plant and equipment, net	18,577	4,008
Properties held for sale	9,434	24,269
Gain on fair value changes of investment properties	1,182,800	88,000
Impairment loss on concession operating rights	(230,000)	-
Service income	9,766	15,428
Others	10,446	13,801
	<b>1,089,615</b>	<b>255,394</b>

**(6) PROFIT BEFORE TAX**

	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
		(restated)
Profit before tax has been arrived at after charging:		
Depreciation of property, plant and equipment	68,278	66,711
Amortisation of prepaid lease payments	4,320	2,438
Amortisation of concession operating rights	111,755	71,128
Amortisation of trademark and project backlogs	5,418	9,198

**(7) INCOME TAX EXPENSES, NET**

	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
		(restated)
Current tax:		
Hong Kong	62,299	73,287
Other jurisdictions	430,530	306,833
	<u>492,829</u>	<u>380,120</u>
(Over)/underprovision in prior years:		
Hong Kong	(556)	1,209
Other jurisdictions	(37)	8,295
	<u>(593)</u>	<u>9,504</u>
Deferred tax, net	<u>(59,208)</u>	<u>(35,806)</u>
Income tax expenses for the period, net	<u><u>433,028</u></u>	<u><u>353,818</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the current and the last periods. Income taxes arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions.

**(8) DIVIDENDS**

	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
Dividends recognised as distributions during the period	<u>730,137</u>	<u>601,863</u>

In July 2016, the Company distributed 2015 final dividends of HK18.00 cents per share (2015: HK15.00 cents per share), amounting to approximately HK\$730,137,000 (2015: HK\$601,863,000).

The Board declared the payment of an interim dividend of 2016 of HK15.00 cents per share (2015: interim dividend of HK13.00 cents per share and a special dividend of HK2.00 cents per share).



## (9) EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Six months ended 30 June	
	<b>2016</b>	2015
	<b>HK\$'000</b>	HK\$'000
		(restated)
<b>Earnings</b>		
Earnings for the purposes of basic and diluted earnings per share	<b>2,253,309</b>	<u>1,871,359</u>
	<b>2016</b>	2015
	<b>'000</b>	<b>'000</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>4,072,923</b>	4,012,418
Effect of dilutive potential ordinary shares in respect of share options	-	<u>51,213</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b>4,072,923</b>	<u>4,063,631</u>

## (10) TRADE AND OTHER RECEIVABLES

The analysis of trade and other receivables, including the aging analysis of trade receivables, net of allowance for doubtful debts, presented based on the invoice date or the terms of the related contracts, is as follows:

	<b>30 June 2016 HK\$'000</b>	31 December 2015 HK\$'000 (restated)
Trade receivables, net of allowance for doubtful debt, aged:		
0-30 days	<b>9,974,891</b>	10,699,099
31-90 days	<b>5,009,708</b>	4,449,776
Over 90 days	<b>15,634,402</b>	17,230,944
	<b>30,619,001</b>	32,379,819
Retention receivables	<b>2,814,703</b>	2,577,509
Other receivables	<b>1,306,711</b>	1,166,158
Trade and other receivables	<b>34,740,415</b>	36,123,486
Current portion	<b>(16,640,021)</b>	(18,173,525)
Non-current portion (note (a))	<b>18,100,394</b>	17,949,961

Notes:

- (a) The balances of the non-current portion were mainly attributable to certain infrastructure investment projects (trading under BT model) on Mainland China. The balances are secured by certain assets from employers as collaterals and are interest bearing in accordance with the relevant contract terms. The amount is expected to be gradually and fully recovered from the second half of 2017 to 2020, with approximately HK\$5,792,924,000 in the second half of 2017, HK\$10,550,366,000 in 2018, HK\$1,715,651,000 in 2019 and HK\$41,453,000 in 2020. As a result, they are classified as non-current.
- (b) Included in the receivables aged over 90 days were receivable attributable to the infrastructure investment projects amounting to HK\$14,984,166,000 (31 December 2015: HK\$16,704,856,000).
- (c) Retention receivables are interest-free and recoverable at the end of the retention period of individual construction contracts ranging from 1 to 2 years. At 30 June 2016, the amount of retention receivables expected to be recovered after more than one year was approximately HK\$1,351,174,000 (31 December 2015: HK\$1,305,526,000).
- (d) Except for the receivables arising from construction contracts, including infrastructure investment projects trading under BT model which are billed and payable in accordance with the terms of relevant agreements, the Group generally allows an average credit period of not exceeding 90 days (2015: 90 days) to its trade customers and the retention receivables are recoverable upon the expiry of defect liability periods of construction.

## (11) TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

An analysis of trade payables, other payables and accruals, including the aging analysis of trade payables, presented based on the invoice date, is as follows:

	<b>30 June 2016 HK\$'000</b>	31 December 2015 HK\$'000 (restated)
Trade payables, aged:		
0-30 days	<b>7,107,452</b>	8,073,021
31-90 days	<b>2,709,134</b>	2,056,945
Over 90 days	<b>3,709,587</b>	3,740,657
	<b>13,526,173</b>	13,870,623
Retention payables	<b>6,405,803</b>	5,986,535
Other payables and accruals (Note)	<b>4,201,612</b>	2,069,820
	<b>24,133,588</b>	21,926,978

Note: Included in other payables and accruals are approximately HK\$2,419,580,000 related to the balance payable to COLI for the acquisition of Precious Deluxe.

The average credit period on trade and construction cost payables is 60 days (2015: 60 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit time-frame.

## **REVIEW OF OPERATION**

In the first half of the year, the global economic recovery remained slow due to various unfavourable factors, including low demand and inflation rate, slow growth, high unemployment rate, huge debt and credit bubbles. International Monetary Fund and World Bank lowered their forecasted global economic growth for 2016 by 0.3% and 0.5%, respectively. The economic recovery in US has been stable while UK has faced increasing uncertainties brought by “Brexit”. Economies of Japan and Europe were still lacklustre despite stimulative monetary policies. China’s economy was supported and suppressed by various factors at the same time.

During the year, the Group has adopted an operating strategy of “prudent and innovative operation to expand our markets and manage our brand”. In face of complicated and ever-changing market environment, we have pursued our “Dual Core Driving Strategy of Construction Engagement and Infrastructure Investment”, so as to retain our advantages and consolidate our business scale and brand recognition in construction industry in Hong Kong and Macau. By grasping opportunities brought by the increasing investments in infrastructure projects in China, we have been innovating our investment and financing channels and building up our brand recognition. Through strengthening our management and control capability, we are able to maintain our sound and stable development.

### **Market Conditions**

Driven by infrastructure and livelihood-related projects launched by governments, the scale of construction market in Hong Kong and Macau has remained stable. However, the industry resources have been increasingly inadequate. In face of the slow economic growth, the State has proactively implemented a series of fiscal policies to boost up investments. As such, infrastructure investments have faced a “window phase”. In addition, as commercial buildings in various regions are going to be launched, the business opportunities in glass curtain wall market will increase accordingly.

### **1. Hong Kong and Macau**

Hong Kong maintained a slow and moderate economic growth, while Macau’s economy showed a slowdown due to the consolidation of the gambling industry. The Group further implemented differentiated and competitive strategies including internal interaction, investment-driven contracting and brand management. Our business has expanded despite the adverse market conditions. New contracts in Hong Kong and Macau amounted to HK\$17,740 million in the first half of the year. Key projects under construction were under smooth operation. The Group actively followed up the investment-driven general contracting business. A number of investment projects were carried out progressively.

## **2. Mainland China**

As mainland China was under the pressure of economic downturn, various stabilisation policies have been implemented and the development of investment projects was accelerated. Since financing has been improved, infrastructure investments have maintained a strong growth. The Group achieved new breakthroughs on the expansion of investment scope and innovation of business models and secured new contracts of HK\$23,390 million in aggregate in the first half of the year. The Group won the bid of a batch of Public-Private-Partnership (“PPP”) infrastructure projects with greater significance. Adhering closely to the state policy, the Group recorded satisfactory results in underground utility tunnel business and successively won the bid of construction industrialisation projects of affordable housing.

## **3. Curtain Wall**

Curtain wall market in Hong Kong continued to be robust whereas that in Macau was gradually shrinking. With the market in North America recovering steadily and by maintaining a sizeable presence in Asia Pacific markets, business opportunities have increased accordingly. Adhering to an operating strategy of “Big Market, Major Client, Large-scale Project”, Far East Global Group Limited (“FEG”) achieved significant results in market expansion, securing new contracts of HK\$1,850 million in the first half of the year. It was awarded various quality projects with better brand effect, higher expected gross profit and controllable risk by private developers. Projects under construction were operating smoothly.

## **Corporate Governance**

The Group strictly complied with the laws and regulations. With effective monitoring by the Board and enhanced communication with investors, information is promptly released to enhance the transparency of operation, so as to improve the corporate governance standards. The Board is committed to maintaining a high standard of business ethics, a healthy corporate culture and a good corporate practice. The Group established an all-round corporate system and optimised corporate governance to regulate its business operations. The Group also adjusted its strategies in line with market changes to better capitalise on the function and role of each dedicated decision-making team. The Group also strengthened the regional and specialised management capabilities of each business unit to enhance management efficiency.

## **Risk Management**

Based on its general operation target, the Group has established a sound risk management system. Through formulating a risk management strategy, it has basic risk management procedures in place for each operation management unit. With effective coordination among its information system, organisational function system and internal control system, the Group was able to nurture excellent risk management culture and implement comprehensive risk management with standardised system guarantee.

In respect of fluctuations in the financial market in the first half of the year, the Group adopted effective measures on asset structure to mitigate foreign exchange rate risks, including further consolidating the financing platform in mainland China and increasing the proportion of Renminbi loans; ensuring the smooth cash flow between China and Hong Kong and retrieving Renminbi funds from Mainland China; and increasing the proportion of overseas assets pegged with US dollars, including the acquisition of China Overseas Building.

## **Financial Management**

Adhering to its prudent financial management principle, the Group accelerated the turnover rate of assets and continued to refine the loan structure to strengthen the capability of securing resources. The Mainland investment business has entered into a virtuous cycle of development. The settlement progress of infrastructure project in the first half of the year was beyond our expectation. Momentum of internal growth has enhanced significantly. In the first half of the year, the Group secured new loans of RMB1,600 million in Mainland China, with drawdown of loans in Mainland China of RMB910 million and drawdown of loans in Hong Kong of HK\$1,350 million. At 30 June 2016, the Group had bank deposits of HK\$14,096 million and total borrowings of HK\$19,765 million, and a net gearing ratio of 22.7%, with total drawdown of bank loans amounting to HK\$2,548 million, and committed but unutilised credit facilities amounting to HK\$18,914 million.

## **Human Resources**

The Group formulated differentiated strategies of talents according to different characteristics of each business segment and progressively carried out training and building of talents under the 13th Five Year Plan. The Group facilitated the balanced development of each management task as well as the reasonable and effective allocation of human resources and strengthened the fundamental works to enhance performance and efficiency of the staff. These efforts provided a solid talent pool for the sustainable development of each business segment. In addition, the Mainland investment business of the Group has implemented an innovative mechanism of human resources and moderately delegated its power to regional companies for their team building so as to meet the growing demand for talents.

## **Capital Operation**

In January 2016, the long-term credit rating and senior unsecured note rating of the Group has been raised by Fitch from “BBB” to “BBB+” with outlook of “stable”, reflecting the recognition from the capital market regarding the order growth and strong financial position of the Group amid the adverse environment.

In June 2016, the Group has successfully placed shares to the parent company with net proceeds raised of HK\$4,810 million which has expanded our share capital, optimised our financial structure and provided a stronger financial position for the Group’s development on infrastructure and investment business. In addition, the Group acquired China Overseas Building, an A-graded office building in Wan Chai, Hong Kong. The acquisition has further enhanced the brand reputation and the financial structure of the Group, and brought stable investment returns and potential increase in revenue.

## **Technology Innovation**

In the first half of the year, the Group has received approval from the PRC government for one application of invention patent and three applications of utility model patent. In addition, three applications of technological innovation have been appraised by provincial authorities as internationally advanced technological invention. The Group has also participated in the preparation of “Technological Guideline for the Examination of Prefabricated Concrete Structures in Anhui Province”, which was the first technological guideline for the examination of prefabricated concrete structures in the PRC and complemented the deficiency in the industry.

The supply chain information system developed by the Group has been successfully applied to business segments such as industrialised construction and glass curtain wall construction. With such system, a comprehensive operation and monitoring has been achieved in all processes, including resources requesting, purchasing, warehousing, inventory management, materials picking, as well as inventory management, sales and transportation of finished products. Our management has been significantly strengthened by shortening the turnover of cash flow, effectively coordinating the allocation of resources and satisfying the business development needs of analysis, estimation, risk control and management of replicated business.

### **Social Responsibility**

The Group issues a corporate social responsibility report every year, striving to maintain open and transparent communication to enable stakeholders to fully understand the sustainable development of the Group. In pursuit of good corporate citizenship, the Group has been widely recognised and has been awarded the “Caring Company” logo by the Hong Kong Council of Social Service since 2008.

As for charities, the Group has organised “China State Environmental Protection Day” for consecutive 10 years in order to enhance the awareness of environmental protection of employees in response to “World Environment Day”. The Group also organised the “Guide Tour to Mai Po Nature Reserve” on 3 June as an opportunity for its employees to experience the conservation work in the wetland and observe birds in the nature reserve area. Such activity demonstrated contributions of the Group for the promotion of eco-cultural protection.

### **Key Awards**

In January 2016, the construction sites of HOS flats at Sha Tsui Road, Tsuen Wan and Ching Hong Road, Tsing Yi first won gold awards in Good Housekeeping Competition (Construction Category) jointly organised by Occupational Safety and Health Council and Construction Industry Council.

In March 2016, the Group won bronze award in Building Sites (Public Sector), merit award in Civil Engineering Sites, gold award in Safety Teams and two merit awards in “Safety Teams in Construction Industry Safety Award Scheme 2015/2016” organised by Labour Department and other government authorities.

Leveraging on its excellent operating results, stable growth and sound corporate governance, the Group ranked 59th among “Top 100 HK” jointly organised by QQ.com and Finet in April 2016. In the same month, in Construction Safety Award Scheme organised by Labour Affairs Bureau of Macau, the Group won two silver awards in Best Occupational Health and Safety (Building Site Category) (no golden award was presented), silver award in special construction projects (no golden award was presented), silver award in Best Safety Management, silver award in Safety Enhancement Program, two silver awards in Best Safety Management Personnel and silver award in Outstanding Occupational Health and Safety Employee.

In May 2016, the Group won two bronze awards and one merit award in “Innovative Safety Initiative Award 2016” in Construction Safety Week organised by Development Bureau. The Group won one gold award and four merit awards in Considerate Contractor Award and two bronze awards and one merit award in Outstanding Environmental Management and Performance Award in the “22nd Considerate Contractors Site Award Scheme”.

In July 2016, in the annual poll of “The Best Listed Companies in Asia” organised by “Institutional Investor”, the Group ranked top among six categories in the industrial sector and ranked first in “Most Honored Companies” and “Best CEO” in Asia for two consecutive years, which are indicatives of the international capital market’s continual affirmation in respect of the Group’s investor relations.

## **REVIEW OF FINANCIAL PERFORMANCE**

The Group recorded revenue of HK\$18,845 million, and profit attributable to the owners of the Company amounted to HK\$2,253 million for the six months ended 30 June 2016, representing 10.7% and 20.4% growth respectively. Basic earnings per share was HK55.32 cents, representing an increase of 18.6% as compared with the same period of last year. Net cash inflow from operating activities was HK\$2,091 million (2015: HK\$466 million).

### **Segment Result**

#### **Construction and related business — Hong Kong**

Hong Kong segment continued to provide stable cash flow to the Group. Revenue derived from Hong Kong segment amounted to HK\$7,206 million during the period under review, compared with HK\$7,547 million for the corresponding period of 2015. Segment result amounted to HK\$384 million, compared with HK\$514 million for the same period of last year. The declines are due to several major projects were firstly recognised profit in last period, which push up the performance for the corresponding period of 2015.

#### **Construction and related business — Macau**

To undertake several mega projects which were in full swing from last year, Macau segment reported a notable increase of revenue and result to HK\$4,161 million and HK\$262 million, representing a growth of 121.8% and 133.4% year-on-year. With the effective management, this segment has provided substantial operating cash flow to the Group.



## **Infrastructure Investment Projects and Construction Related Businesses — Mainland**

### **China**

Further to the stable growth in 2015, Mainland China segment recorded encouraging results in cash flow during the period, received buy-back payment of HK\$8,106 million (2015: HK\$2,819 million) (including the attributable share of such payment received by our joint venture investment), which already exceeded the full year receipts in 2015. Mainland China segment reported revenue and result of HK\$6,590 million and HK\$1,242 million, compared with HK\$6,780 million and HK\$1,688 million respectively for the corresponding period in last year. The decline is mainly due to the slower kick off procedures of the new Public-Private-Partnership (“PPP”) projects awarded. Under the traditional Build-Transfer (“BT”) model, the major category of project awarded was affordable housing which could be started very quickly once signed the contract. Comparatively, new PPP projects mainly include highway, bridge, community infrastructure which require longer preparation time to commence the construction procedure. Accordingly, the revenue recognition was slower than last year during such transitional period. However, it is expected that segment result of Mainland China can pick up the growth momentum again soon after the model transition.

### Infrastructure Investment Projects

Our investments in infrastructure projects span over different kinds of business, including investment and construction of affordable housing, toll road and toll bridge. We participated in these infrastructure projects by way of BT, Build-Operate-Transfer (“BOT”), Transfer-Operate-Transfer (“TOT”) and PPP models.

With the growing trend of infrastructure investment in Mainland China, the Group is poised to capture this opportunities, and have awarded a number of sizeable projects during the period. These projects are expected to provide significant contribution to the Group once kick off gradually from the second half of 2016. Infrastructure investment sector reported total revenue and result of HK\$5,897 million and HK\$1,198 million, compared with HK\$5,971 million and HK\$1,450 million respectively for the corresponding period in 2015. The performance of this sector was impacted upon the completion of the construction of several major projects in last year and several new projects awarded in last year was operated in form of joint venture.

### Operating Infrastructure Projects

The contribution from operating infrastructure projects, including thermoelectric plant and toll road remained relatively stable, excluding contribution from joint venture, this sector recorded revenue and result of HK\$434 million and HK\$25 million respectively.

### Construction related business

In order to enhance the financial capacity to the Group for the development of its infrastructure investment business, less resources was allocated to other construction related business, the revenue of this sector have decreased to HK\$260 million (2015: HK\$398 million).

### **Facade Contracting — Far East Global Group Limited (“FEG”)**

The curtain wall business is expected to see steady growth in the foreseeable future, sustained by the ongoing private building work. As a result of effective resources allocation and cost control, FEG reported satisfactory performance in terms of turnover and result for the period under review.

### **Cash Flows Analysis**

The Group recorded its first time net operating cash inflow from its investment in infrastructure projects under BT model amounting HK\$1,512 million (2015: net cash outflow HK\$1,746 million), which push up the net cash generated from operating activities to HK\$2,091 million (2015: HK\$466 million). The net cash outflow from investing activities was HK\$2,444 million (2015: HK\$666 million), and the net cash inflow from financing activities was HK\$6,567 million (2015: HK\$2,517 million).

## BUSINESS PROSPECTS

In the second half of the year, the global economy will continue its fluctuation and slow recovery. Economic growth of developed countries will further differ while emerging economies will experience slowdown in general. Interest rate hike by the Federal Reserve Board, the effectiveness of monetary stimulus of Japan and Europe, development of international trade, trend of commodity prices, geopolitical turmoil and debt of developing countries will increase the uncertainties of the global economic recovery. The Group will precisely act on the macroeconomic trend, formulate forward-looking operational strategies, improve market judgment and adaptability, and adopt measures to confront the external changes in operation environment.

### Market Expectation

Facing many challenges in the Hong Kong and Macau economies, the government will steadily promote infrastructure construction, livelihood-related projects and housing supply to boost economy and improve people's livelihood. As such, the prospect of the construction industry remains promising, but will still face risks of labour shortage and political bickering.

Under the pressure of a slowdown in economic growth in Mainland China, investment in infrastructure projects will continue to be used as a means to maintain economic growth. As a vital measure of Structural Reform on the Supply Front, the PPP model has been adopted by the central government to boost social capital. As at the end of June, investment demand for stock-in PPP projects amounted to RMB10.6 trillion. With accelerated completion of the stock-in projects, the future of the infrastructure investment market driven by the PPP model will be promising.

With the curtain wall market in North America steadily recovering, the Hong Kong market has remained positive while the scale of the Macau market has decreased. Driven by the growing number of mega-high-rise buildings in Mainland China, market scale of curtain walls will continue to increase.

### Operation Strategies

Committed to the operation strategy of “**Cost-effective Competition and High-quality Management**”, the Group strives for its goals and opportunities while mitigating different risks under complicated international and domestic economic conditions. The Group also endeavours to enhance its integrated management and safeguard level and puts great efforts in its core business of construction and infrastructure investment so as to further strengthen its corporate value and market competitiveness.

The construction projects of the Group in Hong Kong and Macau have fully capitalised on its synergy effects. The Group has placed its focus on upcoming large-scale infrastructure projects with reasonable deployment, integrated assessment and higher bidding efficiency and profitability. Efforts will be made to consolidate management and introduce new subcontracting model. The successful launch of key projects will be the result of effective training of its outstanding management team. Emphasis will also be placed on strengthening brand awareness and basic management. It will ensure construction quality by preventing progress, quality, safety and environmental risks. While strengthening its principal construction business, the Group will continue to grasp contracting opportunities arising from new investments.

In respect of the Mainland investment business, the Group will implement its business strategy of focusing on major market operation while extending its business coverage to nearby areas. Efforts will be made to refine its investment and financing model to expand its investment business. It will also carry out research and introduce new construction projects such as utility tunnels, sponge cities and railway transportations so as to gain market recognition with its innovative projects. Stronger brand initiatives will be adopted to establish marketing confidence. It will carry out differentiated competition with its unique advantages as an enterprise supported by the central government, foreign investment as well as its experience in Hong Kong and Macau. To exert synergy effects for better competitive edges, the Group will strengthen its cooperation with China State Construction Engineering Corporation Limited and Engineering Division. Externally, it will enhance the cooperation with local high-end platform companies to design the best PPP model and cope with intense competition of small projects by means of high-end marketing.

FEG will strive to further expand its business coverage in the overseas and domestic curtain wall markets. Stronger synergy collaboration will be made with the internal divisions of China State Construction. Its focus will be on customers' high-end projects with sound reputation in order to increase its domestic market share. It will enhance management of projects on hand, strengthen core competence in design, production and installation and increase professional level. Meanwhile, it will actively explore opportunities of investment transformation in pursuit of a stable and feasible development model.

## **Management Model**

According to its strategic control and management model, the Group will further optimise the allocation of duties, clearly define the scope of authorities and modify business flows to strengthen the leadership, services and supervision of the headquarters and encourage proactive business management by regional teams. The Group will refine the internal cooperation mechanism so as to enlarge the general business scale, strengthen the profitability and consolidate and expand the foundation of construction contracts and investment businesses.

## **COMPANY MISSION**

The Group is dedicated to its longstanding operation philosophy of **“Exercise Caution in Details and Implementation; Build a Strong Foundation to Seek Greater Success”**. The Group will proactively adhere to its core value of **“Good Quality and Value Creation”**. Incorporating personal aspirations into its long-term corporate development, the Group will improve its service quality and efficiency while facing different difficulties and challenges. It will strive to achieve a **“win-win situation”** with the shareholders, cooperative partners, employees and society and become a new role model in the new era. The Group will endeavour to develop into a **“leading corporation with competitive international complex construction and infrastructure investment”**.

## **INTERIM DIVIDEND**

The Board declared an interim dividend of HK15.00 cents per share (2015: HK13.00 cents per share) to shareholders whose names appear on the register of members of the Company on Wednesday, 21 September 2016. The interim dividend will be payable on Wednesday, 5 October 2016.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed and no transfer of shares will be registered on Wednesday, 21 September 2016, for the purpose of determining shareholders' entitlement to the interim dividend.

In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Tuesday, 20 September 2016.

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

During the six months ended 30 June 2016, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## **CORPORATE GOVERNANCE**

During the six months ended 30 June 2016, the Company has applied and complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for the deviation as specified and explained below with considered reason for such deviation:

Under code provision A.2.1 (the roles of chairman and chief executive officer should be separate and should not be performed by the same individual). Mr. Zhou Yong has acted as Executive Director, Chairman and Chief Executive Officer of the Company since August 2013. The Company considered that both positions of chairman and chief executive officer require persons with in-depth knowledge and experience of the Group's business. If the positions occupied by unqualified persons, the Group's performance may be affected. At this time, the Company believed that vesting both of the roles in the same person enable more effective and efficient overall strategic planning for the Group; and will not impair the balance of power and authority of the Board. The Company will review the structure from time to time and shall adjust the situation when suitable circumstance arises.

## **REVIEW OF INTERIM REPORT BY AUDIT COMMITTEE**

The Group's unaudited interim results for the six months ended 30 June 2016 have been reviewed by the Audit Committee which comprises four Independent Non-executive Directors.

### **APPRECIATION**

I would like to take this opportunity to express my gratitude to the Board for its brilliant leadership, to the shareholders for their strong support, and to the community for their enthusiastic help, and last but not least, to our staff for their dedicated efforts.

By order of the Board  
**China State Construction  
International Holdings Limited**  
**Zhou Yong**  
*Chairman and Chief Executive Officer*

Hong Kong, 15 August 2016

*As at the date of this announcement, the Board comprises Mr. Zhou Yong (Chairman and Chief Executive Officer), Mr. Tian Shuchen, Mr. Zhou Hancheng, Mr. Pan Shujie, Mr. Hung Cheung Shew and Mr. Wu Mingqing as Executive Directors; and Dr. Raymond Ho Chung Tai, Mr. Adrian David Li Man Kiu, Dr. Raymond Leung Hai Ming and Mr. Lee Shing See as Independent Non-executive Directors.*