BuildKing

BUILD KING HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00240)

ANNOUNCEMENT OF INTERIM RESULTS FOR SIX MONTHS ENDED 30 JUNE 2013

FINANCIAL PERFORMANCE HIGHLIGHTS

Percentage of increase in equity** per share	3%
Equity	HK$284 million
Equity per share	HK23 cents
Group revenue and share of revenue of joint ventures	HK$1,009 million
Profit attributable to owners of the Company	HK$6 million

** *equity refers to equity attributable to owners of the Company*

RESULTS

The board of directors (the "Board") of Build King Holdings Limited (the "Company") announces the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2013 together with the comparative figures for the last corresponding period as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2013

	Notes	**Six months ended 30 June 2013 (Unaudited) HK$'000**	2012 (Unaudited) HK$'000
Revenue	3	**621,312**	785,087
Cost of sales		**(577,867)**	(735,567)
Gross profit		**43,445**	49,520
Investments and other income	5	**8,067**	29,396
Increase in fair value of held-for-trading investments		**1,584**	1,538
Administrative expenses		**(60,239)**	(54,007)
Finance costs	6	**(1,754)**	(842)
Other expenses		**-**	(14,799)
Share of results of joint ventures		**13,277**	6,310
Share of results of associates		**424**	245
Profit before tax	7	**4,804**	17,361
Income tax expense	8	**(17)**	(894)
Profit for the period		**4,787**	16,467
Profit for the period attributable to:			
Owners of the Company		**6,493**	16,256
Non-controlling interests		**(1,706)**	211
		4,787	16,467
		HK cents	HK cents
Earnings per share	9		
- Basic		**0.5**	1.3

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2013

	Six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Profit for the period	**4,787**	16,467
Other comprehensive income (expense)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	**1,258**	(666)
Total comprehensive income for the period	**6,045**	15,801
Total comprehensive income for the period attributable to:		
Owners of the Company	**7,705**	15,615
Non-controlling interests	**(1,660)**	186
	6,045	15,801

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2013

	Notes	**30 June 2013 (Unaudited) HK$'000**	31 December 2012 (Audited) HK$'000
Non-current assets			
Property, plant and equipment		**45,317**	42,675
Intangible assets		**64,907**	65,095
Goodwill		**30,554**	30,554
Interests in joint ventures		**34,529**	27,963
Available-for-sale investment		**-**	-
Other financial asset		**52,219**	52,295
		227,526	218,582
Current assets			
Amounts due from customers for contract work		**194,828**	138,152
Debtors, deposits and prepayments	10	**463,432**	527,995
Amounts due from fellow subsidiaries		**3,138**	-
Amounts due from associates		**7,571**	7,552
Amounts due from joint ventures		**85,664**	74,671
Held-for-trading investments		**42,608**	41,024
Tax recoverable		**722**	-
Pledged bank deposits		**6,262**	10
Bank balances and cash		**61,427**	55,340
		865,652	844,744
Current liabilities			
Amounts due to customers for contract work		**72,100**	125,957
Creditors and accrued charges	11	**549,386**	507,372
Amount due to an intermediate holding company		**6,652**	5,149
Amounts due to fellow subsidiaries		**-**	654
Amount due to an associate		**12,159**	11,052
Amounts due to joint ventures		**45,735**	12,465
Amounts due to non-controlling interests		**3,094**	3,094
Bank loans		**77,023**	74,387
Tax liabilities		**-**	899
		766,149	741,029
Net current assets		**99,503**	103,715
Total assets less current liabilities		**327,029**	322,297

	30 June 2013 (Unaudited) HK$'000	31 December 2012 (Audited) HK$'000
Capital and reserves		
Ordinary share capital	**124,188**	124,188
Reserves	**159,951**	152,246
Equity attributable to owners of the Company	**284,139**	276,434
Non-controlling interests	**13,945**	15,605
Total equity	**298,084**	292,039
Non-current liabilities		
Deferred tax liabilities	**5,750**	5,750
Obligations in excess of interests in associates	**17,371**	17,795
Amount due to an associate	**5,824**	6,713
	28,945	30,258
	327,029	322,297

Notes:

1. **BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

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

2. **PRINCIPAL ACCOUNTING POLICIES**

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

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2013 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2012 except as described below.

In the current interim period, the Group has applied, for the first time, the following new and revised HKAS(s), Hong Kong Financial Reporting Standards ("HKFRS(s)"), amendments and interpretations ("HK(IFRIC) - Int") (hereinafter collectively referred to as the "new and revised HKFRSs") issued by the HKICPA:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 - 2011 Cycle
Amendments to HKFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HK(IFRIC) - Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except for as described below, the application of the new and revised HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

HKFRS 10 "Consolidated Financial Statements"

HKFRS 10 replaces the requirements in HKAS 27 "Consolidated and Separate Financial Statements" relating to the preparation of consolidated financial statements and HK-SIC 12 "Consolidation - Special Purpose Entities". It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 January 2013.

HKFRS 11 "Joint Arrangements"

HKFRS 11, which replaces HKAS 31 "Interests in Joint Ventures", divides joint arrangements into joint operations and joint ventures. Entities are required to determine the type of an arrangement by considering the structure, legal form, contractual terms and other facts and circumstances relevant to their rights and obligations under the arrangement. Joint arrangements which are classified as joint operations under HKFRS 11 are recognised on a line-by-line basis to the extent of the joint operator's interest in the joint operation. All other joint arrangements are classified as joint ventures under HKFRS 11 and are required to be accounted for using the equity method in the Group's consolidated financial statements. Proportionate consolidation is no longer allowed as an accounting policy choice.

As a result of the adoption of HKFRS 11, the Group has changed its accounting policy with respect to its interests in joint arrangements and re-evaluated its involvement in its joint arrangements. The Group has reclassified the investment from jointly controlled entity to joint venture. The investment continues to be accounted for using the equity method and therefore this reclassification does not have any material impact on the financial position and the financial result of the Group.

HKFRS 13 "Fair Value Measurement"

HKFRS 13 replaces existing guidance in individual HKFRSs with a single source of fair value measurement guidance. HKFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial instruments. Some of the disclosures are specifically required for financial instruments in the interim financial reports. The Group's major financial instruments are the investments held for trading, which are measured at fair value at recurring basis, by reference to market bid price in active market and classified under Level 1. The adoption of HKFRS 13 does not have any material impact on the fair value measurements of the Group's assets and liabilities.

Amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income"

The amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income" introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income" and an "income statement" is renamed as a "statement of profit or loss". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis - the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

Annual Improvements to HKFRSs 2009-2011 Cycle

This cycle of annual improvements contains amendments to five standards with consequential amendments to other standards and interpretations. Among them, HKAS 34 has been amended to clarify that total assets for a particular reportable segment are required to be disclosed only if the amounts are regularly provided to the chief operating decision maker and only if there has been a material change in the total assets for that segment from the amount disclosed in the last annual financial statements. The amendment also requires the disclosure of segment liabilities if the amounts are regularly provided to the chief operating decision maker and there has been a material change in the amounts compared with the last annual financial statements. The amendment does not have any impact on the segment disclosure of the Group because the Group does not have any reportable segments with total assets or total liabilities materially different from the amounts reported in the last annual financial statements.

3. **REVENUE**

The Group's revenue represents mainly the revenue on construction contracts recognised during the period.

4. **SEGMENTAL INFORMATION**

The Group is mainly engaged in civil engineering work. Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of performance is focused on geographical location of its customers including Hong Kong, the People's Republic of China ("PRC") and the Middle East. The Group's reportable segments under HKFRS 8 are as follows:

Six months ended 30 June 2013

	Hong Kong	The PRC	Middle East	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Results				
Group revenue	**612,003**	**9,309**	**-**	**621,312**
Share of revenue of joint ventures	**387,520**	**-**	**-**	**387,520**
Segment revenue	**999,523**	**9,309**	**-**	**1,008,832**
Group results	**(11,068)**	**3,373**	**(1,499)**	**(9,194)**
Share of results of joint ventures	**13,277**	**-**	**-**	**13,277**
Segment profit (loss)	**2,209**	**3,373**	**(1,499)**	**4,083**
Unallocated expenses				**(1,212)**
Investments income				**1,679**
Increase in fair value of held-for-trading investments				**1,584**
Share of results of associates				**424**
Finance costs				**(1,754)**
Profit before tax				**4,804**

Other segment information:

Six months ended 30 June 2013

	Hong Kong	The PRC	Middle East	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Amounts included in the measure of segment profit or loss:				
Gain on disposal of property, plant and equipment	**-**	**-**	**49**	**49**

Six months ended 30 June 2012

	Hong Kong	The PRC	Middle East	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Results				
Group revenue	772,341	8,462	4,284	785,087
Share of revenue of joint ventures	260,886	-	-	260,886
Segment revenue	1,033,227	8,462	4,284	1,045,973
Group results	9,550	8,755	(7,274)	11,031
Share of results of joint ventures	6,310	-	-	6,310
Segment profit (loss)	15,860	8,755	(7,274)	17,341
Unallocated expenses				(2,355)
Investments income				1,434
Increase in fair value of held-for-trading investments				1,538
Share of results of associates				245
Finance costs				(842)
Profit before tax				17,361

Other segment information:

Six months ended 30 June 2012

	Hong Kong	The PRC	Middle East	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Amounts included in the measure of segment profit or loss:				
Expenses incurred in towing certain vessels	-	-	(14,799)	(14,799)
Gain on disposal of a subsidiary	-	4,080	-	4,080
Gain on disposal of property, plant and equipment	17	-	13,937	13,954

There are no inter-segment sales for both periods.

All of the segment revenue reported above is from external customers.

5. INVESTMENTS AND OTHER INCOME

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Investments and other income include:		
Service income from joint ventures	**3,341**	8,967
Gain on disposal of property, plant and equipment	**49**	13,954
Gain on disposal of a subsidiary	**-**	4,080
Dividends from held-for-trading investments	**900**	720
Interest on bank deposits	**182**	107
Interest on other financial asset	**696**	728
Interest on held-for-trading investments	**733**	714

6. FINANCE COSTS

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Interest on:		
Bank borrowings wholly repayable within five years	**1,537**	644
Imputed interest expense on non-current interest free amount due to an associate	**217**	198
	1,754	842

7. **PROFIT BEFORE TAX**

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Profit before tax has been arrived at after charging:		
Amortisation of intangible assets	**641**	620
Depreciation of property, plant and equipment	**4,917**	4,401
Expenses incurred in towing certain vessels from Middle East to Hong Kong (included in other expenses)	**-**	14,799

8. **INCOME TAX EXPENSE**

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Underprovision in prior years:		
Hong Kong	**-**	894
Other jurisdiction	**17**	-
	17	894

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated weighted average annual tax rate used is 16.5% (six months ended 30 June 2012: 16.5%) for the six months ended 30 June 2013.

Taxation arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdiction.

No provision for Hong Kong Profits Tax for both periods has been made in the condensed consolidated financial statements as the estimated assessable profit has been wholly absorbed by tax losses brought forward.

9. **EARNINGS PER SHARE**

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

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Profit for the period attributable to the owners of the Company and earnings for the purpose of basic earnings per share	**6,493**	16,256

	Number of shares	
	'000	'000
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,241,878**	1,241,878

The Company has no potential ordinary shares outstanding during both periods.

10. **DEBTORS, DEPOSITS AND PREPAYMENTS**

The following is an aged analysis of trade receivables net of allowances for doubtful debts presented based on the invoice date at the end of the reporting period:

	30 June	31 December
	2013	2012
	HK$'000	HK$'000
Trade receivables analysed by age:		
0 to 60 days	**315,610**	385,152
Over 90 days	**118**	118
	315,728	385,270
Retention receivables	**98,751**	94,527
Other debtors, deposits and prepayments	**48,953**	48,198
	463,432	527,995
Retention receivables		
Due within one year	**74,406**	45,033
Due more than one year	**24,345**	49,494
	98,751	94,527

The Group allows an average credit period of 60 days to its trade customers. For retention receivables in respect of construction contracts, the due dates are usually one year after the completion of the construction work.

11. CREDITORS AND ACCRUED CHARGES

The following is an aged analysis of trade payables presented based on invoice date at the end of the reporting period:

	30 June 2013 HK$'000	31 December 2012 HK$'000
Trade creditors analysed by age:		
0 to 60 days	**83,869**	89,136
61 to 90 days	**20,064**	4,384
Over 90 days	**10,272**	3,453
	114,205	96,973
Retention payables	**107,169**	102,447
Accrued project costs	**306,459**	295,435
Other creditors and accrued charges	**21,553**	12,517
	549,386	507,372
Retention payables		
Repayable within one year	**85,716**	43,006
Repayable more than one year	**21,453**	59,441
	107,169	102,447

For retention payables in respect of construction contracts, the due dates are usually one year after the completion of the construction work.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

Operating Results

For the six months ended 30 June 2013, the Group recorded a turnover, including our share of joint ventures, of HK$1,009 million representing a decrease of 4% compared with HK$1,046 million for the corresponding period in 2012.

The profit for the period was HK$5 million (2012: HK$16 million) comprising profit of HK$2 million (2012: HK$13 million) from construction and a gain of HK$3 million (2012: HK$3 million profit) from investment in listed securities.

The group results of the past six months were hit by cost overrun on two government projects when they approached to their final stage. Portion C4 of Central Wanchai Bypass over existing MTR Tsuen Wan line encountered unexpected delay in China during the final stages of constructing the 45,000 tonnes concrete box structure. Extra resources were employed to solve the issues and finally, the box structure arrived on site in mid July. In order to meet the tight schedule for opening the project for the Bus Interchange on Tuen Mun Road to public in July, we were required to accelerate the works with increased resources. Both projects are now close to substantial completion and all additional costs have been allowed for in the interim results. Under both these contracts, we of course will endeavor to recover the extra cost to which we are entitled.

Hong Kong

Since January 2013, the Group has been awarded 4 projects with total contract value of HK$3.4 billion. The total outstanding value of contracts on hand at the date of this announcement was increased to HK$7.5 billion.

We anticipate that the prospect for civil engineering construction as well as that for the Group remains very promising. The Hong Kong Government is continuing with their plans for implementation of an enormous amount of infrastructure works and tendering opportunities are expected to continue to be abundant for some time. The contracts for the second phase of MTR Shatin Central Link are also expected to be out for tender later this year. However, we will not relax our cautious attitude towards pricing the tenders and we will continue to be selective and focus only on those projects which we believe will be profitable with healthy cashflows and where we have an edge.

The Group currently has about twenty active solo projects of various sizes and eight major joint venture projects. Except for the two projects mentioned above, all the projects are progressing on programme and forecasted to achieve satisfactory results on completion.

Projects awarded in 2011 or earlier are approaching completion steadily. The construction of the sewage treatment plants on Lamma Island for DSD, and the infrastructure work for Kai Tak Development for CEDD will be complete in the second half of this year. The reconstruction, improvement and rehabilitation of Kai Tak River in Wong Tai Sin, two projects for the Harbour Area Treatment Scheme and the upgrading work for the promenades of Aberdeen Harbour have all entered into a mature stage, progressing well and within budget.

On building projects, following the success of timely handover in last September of the first block in the development for Hang Seng Management College, we are on target to meet the tight programme which demands completion of the second block in this September and remaining facilities in early 2014. Both of the two building projects commenced in late last year, namely Disciplined Services Quarter in Tuen Mun for ASD and a student hostel for HKUST, have completed foundation on time and will complete super-structure in 2014.

All the major joint venture projects also moved forward steadily during the period. The joint venture at Central Wanchai Bypass Portion C1, at Hong Kong Convention and Exhibition Centre, was pushing hard to keep up with the programme and within the budget. The tunneling work for Contract 824 of Express Rail Link has improved and the delays being suffered due to underground conditions overcome but with the budget under pressure. The critical pipe laying work across the harbor – part of the contract for a new twin cross harbor gas mains for the Hong Kong and China Gas Company are nearing completion leaving the land works portion for completion in 2014. The joint venture projects on Shatin Central Link including Diamond Station, Hung Hom North Approach Tunnel and Kai Tak Station have commenced satisfactorily together with Central Wanchai Bypass Package C3 at West Wanchai.

PRC

The operation of the sewage treatment plant in Wuxi City sustained steady growth and income during the period. By the end of June, the treated volume had increased to an average of 37,000 tonnes per day (tpd), exceeding the design capacity of 35,000 tpd. The Group has invested a further RMB5 million in new facilities to increase the plant capacity to 50,000 tpd and the new facilities will be ready for operation in the third quarter of 2013. Leveraging on the experience of this project, we are actively seeking further opportunities for investment in environmental projects in China.

Employees and Remuneration Policies

At 30 June 2013, the Group had a total of 1,024 employees and total remuneration for the six months ended 30 June 2013 was approximately HK$129 million. Competitive remuneration packages are structured for each employee commensurate with individual responsibility, qualifications, experience and performance. In addition, discretionary bonuses may be paid depending upon the financial performance of the Group as well as that of the individual.

FINANCIAL REVIEW

Liquidity and Financial Resources

At 30 June 2013, the Group had liquid assets of HK$104 million (at 31 December 2012: HK$96 million) comprising held-for-trading investments of HK$43 million (at 31 December 2012: HK$41 million) and bank balances and cash of HK$61 million (at 31 December 2012: HK$55 million).

At 30 June 2013, the Group had a total of interest bearing borrowings of HK$77 million (at 31 December 2012: HK$74 million) with following maturity profile:

	At 30 June 2013 HK$ million	At 31 December 2012 HK$ million
Borrowings due within one year	**77**	74
	77	74

The Group's borrowings, bank balances and cash and held-for-trading investments were principally denominated in Hong Kong dollars. Hence, there is no exposure to foreign exchange rate fluctuations. During the period, the Group had no significant borrowings at fixed interest rate and had no financial instrument for hedging purpose.

Capital Structure and Gearing

At 30 June 2013, total equity was HK$298 million comprising ordinary share capital of HK$124 million, reserves of HK$160 million and non-controlling interests of HK$14 million.

At 30 June 2013, the gearing ratio, representing total interest bearing borrowings as a percentage of total equity, was 26% (at 31 December 2012: 25%).

Pledge of Assets

At 30 June 2013, bank deposits of the Group amounting to HK$6 million (at 31 December 2012: HK$10,000) were pledged to banks for securing the banking facilities granted to the Group.

At 30 June 2013, certain equity securities with market value of HK$22 million (at 31 December 2012: HK$20 million) were pledged to a bank to secure general facilities granted to the Group.

Contingent Liabilities

	At 30 June 2013 HK$ million	At 31 December 2012 **HK$ million**
Outstanding tender/performance/retention bonds in respect of construction contracts	**322**	243

AUDIT COMMITTEE

The Audit Committee has reviewed with the management, internal auditor and external auditor the accounting policies adopted by the Group and the unaudited interim financial information for the six months ended 30 June 2013.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions on Corporate Governance Code set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the six months ended 30 June 2013, except for code provision A.2.1 in respect of the separate roles of the chairman and chief executive officer.

Mr. Zen Wei Peu, Derek has been both the Chairman and Chief Executive Officer of the Company. In addition to his responsibilities as Chairman overseeing the function of the Board and formulating overall strategies and polices of the Company, Mr. Zen has taken up the management of the Group's business and overall operation. However, the day-to-day running of the Company has been delegated to the divisional heads responsible for the different aspects of the business.

The Board considers that this structure will not impair the balance of power and authority between the board and the management of the business of the Group given that there are a strong and independent non-executive directorship element on the Board and a clear division of responsibility in running the business of the Group. The Board believes that the structure outlined above is beneficial to the Company and its business.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2013.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2013.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the Company's website (www.buildking.hk) and the Stock Exchange's website (www.hkexnews.hk). The Interim Report 2013 containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange, and despatched to the shareholders in due course.

APPRECIATION
I would like to take this opportunity to express my hearty gratitude to our shareholders, our business partners, directors and loyal and dedicated colleagues.

By Order of the Board
Zen Wei Peu, Derek
Chairman

Hong Kong, 15 August 2013

As at the date hereof, the Board comprises two executive Directors, namely Mr. Zen Wei Peu, Derek and Mr. Chang Kam Chuen, Desmond, three non-executive Directors, namely Mr. David Howard Gem, Dr. Cheng Chi Pang, Leslie and Mr. Chan Chi Hung, Anthony, and three independent non-executive Directors, namely Dr. Chow Ming Kuen, Joseph, Mr. Ng Chi Ming, James and Mr. Ho Tai Wai, David.