
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China State Construction Development Holdings Limited**, you should at once hand this circular together with the enclosed form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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中國建築興業集團有限公司

CHINA STATE CONSTRUCTION DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 830)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO COLI WORKS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**

ALTUS CAPITAL LIMITED

A letter from the Board is set out on pages 4 to 14 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 15 to 16 of this circular. A letter from the Independent Financial Adviser containing its advice and recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 17 to 31 of this circular.

A notice convening the EGM to be held at Unit Nos 1507 to 1512, 15th Floor, Eight Commercial Tower, 8 Sun Yip Street, Chai Wan, Hong Kong on Tuesday, 25 June 2024 at 11:00 a.m. is set out on pages 36 to 37 of this circular.

Whether or not you are able to attend the EGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event no later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. The form of proxy can be downloaded from the Company's website at www.cscd.com.hk (under the "Investor Relations" section) and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish.

No drinks, refreshments or souvenirs will be served or provided at the EGM.

In case of any inconsistency, the English version of this circular shall prevail over the Chinese version.

29 May 2024

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	15
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	17
APPENDIX – GENERAL INFORMATION	32
NOTICE OF EGM	36

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“associate(s)”, “connected persons”, “continuing connected transactions”, “controlling shareholder”, “holding company”, “percentage ratios” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“COHL”	China Overseas Holdings Limited, a company incorporated in Hong Kong with limited liability, being a wholly-owned subsidiary of CSCECL and a controlling shareholder of both COLI and the Company
“COLI”	China Overseas Land & Investment Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 688)
“COLI Group”	COLI and its subsidiaries (excluding subsidiary(ies) listed on the Stock Exchange and their respective subsidiaries) from time to time
“COLI Works”	provision of exterior facade works for the respective property development projects of the COLI Group and the Minority Controlled Group, and provision of project supervision service for the respective property development projects of the COLI Group and the Minority Controlled Group in the PRC
“Company”	China State Construction Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange (stock code: 830)
“CSC”	China State Construction International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3311), and a controlling shareholder of the Company
“CSCEC”	中國建築集團有限公司 (China State Construction Engineering Corporation*), a limited liability company organised and existing under the laws of the PRC, and the ultimate holding company of each of COHL, COLI and the Company

DEFINITIONS

“CSCECL”	中國建築股份有限公司 (China State Construction Engineering Corporation Limited), a joint stock limited company established in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 601668) and a non-wholly owned subsidiary of CSCEC and the holding company of COHL
“Director(s)”	director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, approve the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps)
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company comprising all independent non-executive Directors to advise the Independent Shareholders in respect of the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps)
“Independent Financial Adviser”	Altus Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps)
“Independent Shareholder(s)”	shareholders of the Company, other than COHL and its associates
“Latest Practicable Date”	22 May 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	The Macao Special Administrative Region of the PRC
“Minority Controlled Group”	the companies held as to 30%-50% by the COLI Group, and their respective subsidiaries from time to time (excluding those companies listed on any stock exchange and their subsidiaries)

DEFINITIONS

“New COLI Framework Agreement”	the framework agreement entered into between COLI and the Company on 29 April 2024 in respect of the engagement of the Group by each of the COLI Group and the Minority Controlled Group as contractor or service provider (as the case may be) for the COLI Works from time to time for a term of three years commencing from 1 July 2024 and ending on 30 June 2027 (both dates inclusive)
“New COLI Works Cap(s)”	the maximum total contract sums of contracts in respect of the COLI Works that may be awarded by the COLI Group and the Minority Controlled Group to the Group for the three-year period commencing from 1 July 2024 and ending on 30 June 2027 (both dates inclusive) under the New COLI Framework Agreement
“PRC”	The People’s Republic of China which, and for the purpose of this circular, excluding Hong Kong, Macau and Taiwan
“Previous COLI Framework Agreement”	the framework agreement entered into between COLI and the Company on 29 March 2021 in respect of the engagement of the Group by each of the COLI Group and the Minority Controlled Group as contractor or service provider (as the case may be) for the provision of contracting and engineering works, project management, supervision and consultancy services in relation to the respective construction works of the COLI Group and the Minority Controlled Group for a term of three years commenced from 1 July 2021 and ending on 30 June 2024 (both dates inclusive)
“Previous COLI Works Caps”	the maximum total contract sums of contracts in respect of the provision of contracting and engineering works, project management, supervision and consultancy services that may be awarded to the Group for the term under the Previous COLI Framework Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company
“Shareholder(s)”	holder(s) of Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

* *for identification purpose only*

LETTER FROM THE BOARD



中國建築興業集團有限公司

CHINA STATE CONSTRUCTION DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 830)

Chairman and Non-executive Director:

Mr. Zhang Haipeng

Executive Directors:

Mr. Wu Mingqing

(Vice Chairman and Chief Executive Officer)

Mr. Wang Hai

Mr. Wong Man Cheung

Non-executive Director:

Mr. Huang Jiang

Independent Non-executive Directors:

Mr. Zhou Jinsong

Ms. Chan Man Ki Maggie

Mr. Zhang Xinyu

Registered office:

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

16th Floor, Eight Commercial Tower

8 Sun Yip Street

Chai Wan

Hong Kong

29 May 2024

To the Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO COLI WORKS

INTRODUCTION

Reference is made to the announcement jointly issued by CSC and the Company dated 29 April 2024 in respect of the entering into of the New COLI Framework Agreement between COLI and the Company on 29 April 2024 to renew the Previous COLI Framework Agreement. Pursuant to the New COLI Framework Agreement, for a term of three years commencing from 1 July 2024 and ending on 30 June 2027 (both dates inclusive), each of the COLI Group and the Minority Controlled Group may engage the Group, and the Group may act as contractor or service provider (as the case may be), for the COLI Works from time to time, subject to the New COLI Works Caps.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things:

- further particulars of the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps);
- the letter from the Independent Board Committee with its view on the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps);
- the letter from the Independent Financial Adviser with its advice on the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps) to the Independent Board Committee and the Independent Shareholders,

as well as to seek the approval of the Independent Shareholders in respect of the entering into of the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps).

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO COLI WORKS

Reference is made to the announcement jointly issued by CSC and the Company dated 29 March 2021 and the circular of the Company dated 23 April 2021 in relation to, among other things, the Previous COLI Framework Agreement entered into between COLI and the Company which is due to expire on 30 June 2024.

It is anticipated that the COLI Group will continue to invite the Group to participate in competitive tender for the COLI Works. As such, on 29 April 2024, COLI and the Company entered into the New COLI Framework Agreement to renew the Previous COLI Framework Agreement. Pursuant to the New COLI Framework Agreement, for a term of three years commencing from 1 July 2024 and ending on 30 June 2027 (both dates inclusive), each of the COLI Group and the Minority Controlled Group may engage the Group, and the Group may act as contractor or service provider (as the case may be), for the COLI Works from time to time, subject to the New COLI Works Caps.

THE NEW COLI FRAMEWORK AGREEMENT

Date	29 April 2024
Parties	1. COLI; and 2. the Company.

LETTER FROM THE BOARD

Continuing Connected Transactions in relation to the COLI Works

Subject to the fulfillment of the conditions precedent set out below, the New COLI Framework Agreement will commence on 1 July 2024 and end on 30 June 2027 (both dates inclusive) whereby the parties agreed that:

- (a) each of the COLI Group and the Minority Controlled Group may invite the Group to participate in competitive tender for the COLI Works as contractor or service provider (as the case may be) from time to time. The Group may tender for the COLI Works in accordance with the tendering procedures of the COLI Group or the Minority Controlled Group (as the case may be) and on the same and normal terms as offered to other independent third party contractors or service providers of the COLI Group or the Minority Controlled Group (as the case may be);
- (b) if any contract is awarded to the Group as a result of the above tender, the Group may act as contractor or service provider (as the case may be) of the COLI Group or the Minority Controlled Group (as the case may be) for the COLI Works based on the terms of the tender proposal accepted provided that the maximum total contract sums of contracts in respect of the COLI Works that may be awarded by the COLI Group and the Minority Controlled Group to the Group shall not exceed (i) HK\$505 million for the period between 1 July 2024 and 31 December 2024; (ii) HK\$110 million for the year ending 31 December 2025; (iii) HK\$660 million for the year ending 31 December 2026; and (iv) HK\$110 million for the period between 1 January 2027 and 30 June 2027 (i.e. the New COLI Works Caps);
- (c) the contract amount in respect of the COLI Works payable by the COLI Group or the Minority Controlled Group (as the case may be) will be settled pursuant to the payment terms set out in the specific contracts; and
- (d) the Company will ensure that all transactions to be entered into with the COLI Group and the Minority Controlled Group which constitute continuing connected transactions for the Company for the purpose of the Listing Rules will be entered into on the terms set out in the New COLI Framework Agreement, and in the ordinary and usual course of its business within the limit of the New COLI Works Caps, on a non-exclusive basis as and when reasonably required.

Condition precedent

The New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps) are conditional upon the Company having obtained the approval of the Independent Shareholders at the EGM by way of poll.

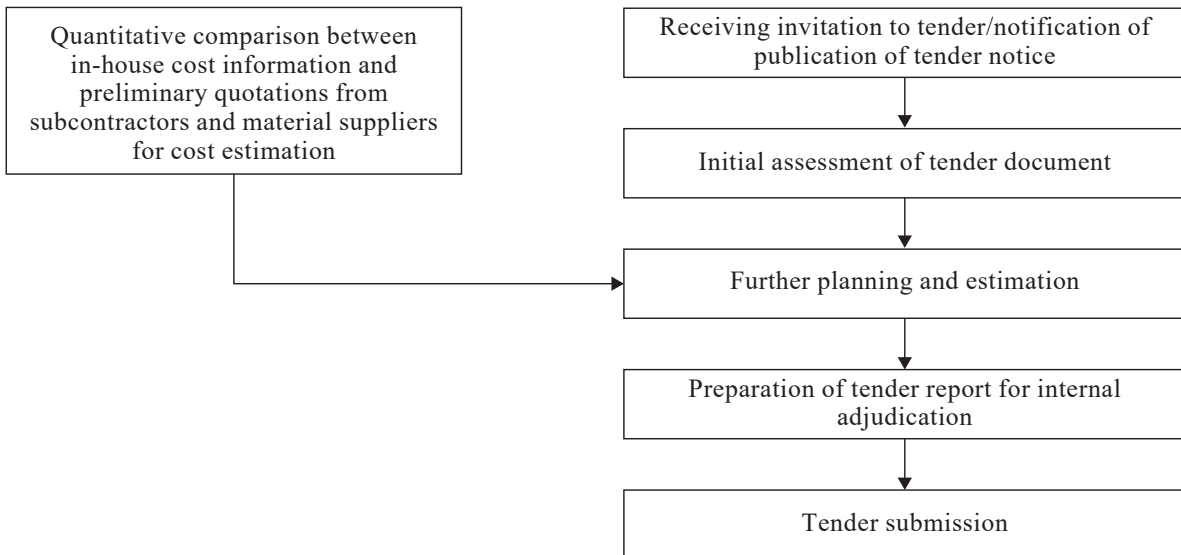
LETTER FROM THE BOARD

Pricing basis of the Group in respect of the COLI Works

As a general principle, the prices and terms of the contracts shall be determined in the ordinary course of business and on normal commercial terms, negotiated on an arm's length basis and at prices and on terms no less favourable to the Group than those provided to the independent third parties of the Group.

The Group will normally need to go through a tender or similar process before being selected and engaged by the COLI Group or the Minority Controlled Group (as the case may be) for the COLI Works. The prices and terms of the tenders submitted by the Group to the COLI Group and the Minority Controlled Group for the COLI Works are subject to the standard and systematic tender submission procedures of the Group, which apply to tenders submitted to both connected persons and independent third parties, in order to ensure that the prices and terms of the proposed tenders submitted by the Group to the COLI Group and the Minority Controlled Group are no less favourable to the Group than those submitted to independent third parties.

The standard and systematic tender submission procedures generally involve (i) receiving invitation to tender/notification of publication of tender notice; (ii) initial assessment of tender document; (iii) further planning and estimation; (iv) preparation of tender report for internal adjudication; and (v) tender submission. The procedures, as illustrated in the following diagram, will enable the Group to review the feasibility and profitability of a prospective tender and decide the scope of work, work program and pricing terms of the tender for submission.



The Group from time to time receives invitations to tender/notification of publication of tender notices from employers. After receiving a tender document, the Group will conduct an initial assessment of the tender document on the technical requirements, quantity specifications and expected completion time of the project, customer's expectations and possible risks associated with the project. The Group will then perform site inspection, formulate a tentative work program and conduct quantitative costs analysis and risk assessment.

LETTER FROM THE BOARD

In determining the pricing terms, the Group will conduct quantitative comparison between the cost information maintained in its in-house database for material and labour costs, and subcontractors' quotations, and the preliminary quotations from subcontractors and material suppliers for cost estimation. The Group will also take into account the contract value of the previous winning bids, relevant market information such as material price trends, and the chance of winning a bid. The Group will review and compare the prices of at least two previous tender proposals submitted to independent third parties and previous tender proposals submitted to connected persons (subject to availability), so as to ensure that the tender price is no less favourable to the Group than those offered to independent third parties. The Group will then prepare a tender report containing the price and major terms of the tender for adjudication by its tender board. The tender board will then meet to deliberate and after the tender price and terms have been approved by the tender board, the Group will submit the tender to the tenderee.

If any contract is awarded to the Group as a result of the competitive tender, the relevant project owner of the COLI Group or the Minority Controlled Group (as the case may be) will issue a letter of award to the Group and the Group will act as contractor or service provider (as the case may be) of the COLI Group or the Minority Controlled Group (as the case may be) for the COLI Works based on the terms of the tender proposal accepted by the COLI Group or the Minority Controlled Group (as the case may be). The Company may provide the relevant employer with a performance guarantee to guarantee the performance of the relevant contract by the Group as per industry practice.

Calculation of the New COLI Works Caps

The New COLI Works Caps are calculated with reference to the following factors:

- (a) the maximum total contract sums of contracts that might be awarded to the Group under the Previous COLI Framework Agreement, being (i) HK\$310 million for the period between 1 July 2021 and 31 December 2021; (ii) HK\$310 million for the year ended 31 December 2022; (iii) HK\$510 million for the year ended 31 December 2023; and (iv) HK\$155 million for the period between 1 January 2024 and 30 June 2024 (i.e. the Previous COLI Works Caps);
- (b) the historical total contract sums of contracts awarded to the Group under the Previous COLI Framework Agreement of approximately HK\$42 million for the period between 1 July 2021 and 31 December 2021, approximately HK\$8.4 million for the year ended 31 December 2022 and nil for the year ended 31 December 2023, representing approximately 13.5%, 2.7% and nil of the corresponding Previous COLI Works Caps, respectively;

LETTER FROM THE BOARD

- (c) for the period between 1 July 2024 and 31 December 2024, the estimated total contract sum of HK\$505 million of the COLI Works is estimated based on (i) tenders in the total amount of approximately HK\$450 million planned to be submitted to the COLI Group with reference to, among others, the letter of invitation received; and (ii) potential projects available for tenders by the Group according to the discussion between the Group and the COLI Group, where the COLI Group had indicated potential invitation to tender of certain projects in the total amount of approximately HK\$55 million from the COLI Group; for the year ending 31 December 2025, the estimated total contract sum of HK\$110 million of the COLI Works is estimated based on a pro-rata basis using the same estimation basis for the potential projects available for tenders as for the period between 1 July 2024 and 31 December 2024; for the year ending 31 December 2026, the estimated total contract sum of HK\$660 million of the COLI Works is estimated primarily based on the same estimation basis (and according to the discussion between the Group and the COLI Group as set out in (ii) above) for the general potential projects available for tenders by the Group from the COLI Group for half of the year, amounting to approximately HK\$55 million for the six months ending 31 December 2024, together with potential projects that may be available for tenders by the Group for the other half of 2026, with an estimated total contract sum of HK\$600 million; for the period between 1 January 2027 and 30 June 2027, the estimated total contract sum of HK\$110 million of the COLI Works is partly estimated using the same estimation basis for the potential projects available for tenders as for the six months ending 31 December 2024 (i.e. HK\$55 million) and has also taken into account the general potential projects available for tenders for the year ending 31 December 2026 of HK\$55 million, if upon successful tender, could be awarded during the six months ending 30 June 2027 as the invitation for tendering of such potential projects could only be possibly received during the last quarter of 2026. In relation to the potential projects that may be available for tenders by the Group with an estimated total contract sum of HK\$600 million as mentioned above, based on the information available to the management of the Company, the contractor of these sizeable projects are likely to be selected within 2026 and hence, the New COLI Works Caps for the six months ending 30 June 2027 shall not take into account these projects; and
- (d) other factors such as inflation.

The total contract sum of COLI Works for the year ending 31 December 2025 and for the period between 1 January 2027 and 30 June 2027 are estimated based on pro-rata basis, having considered (i) the current outlook of the PRC property market remains positive; (ii) the COLI Group's business expansion as reflected in its enhanced financial results; and (iii) the COLI Group's potential development projects based on its land reserves. In addition, it is impracticable to identify potential contracts for tendering beyond 2026 and the general potential projects for tender for the year ending 31 December 2026 can only be awarded during the six months ending 30 June 2027 as the invitation for tendering of such potential projects could only be possibly received during the last quarter of 2026, save for the potential projects that may be available for tenders by the Group with an estimated total contract sum of HK\$600 million for the year ending 31 December 2026, in which the contractor of such projects are likely to be selected within 2026. Based on the above, the Group expects that potential invitations to tender from the COLI Group (a) for the year ending 31 December 2025 will remain at a similar level as compared to the six months ending 31 December 2024; and (b) for the six months ending 30 June 2027 will remain at a similar level as compared to the year ending 31 December 2025.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Group has identified the following potential tenders/projects:

- (1) a potential tender planned to be submitted to the COLI Group for the period between 1 July 2024 and 31 December 2024, which is located in Chengdu, the PRC, with a total construction area of approximately 550,000 square meters, of which approximately 353,000 square meters would involve COLI Works;
- (2) a potential project available for tender by the Group for the period between 1 July 2024 and 31 December 2024, which relate to a project in Beijing, the PRC, and requiring COLI Works for an area of approximately 30,000 square meters; and
- (3) potential projects that may be available for tenders by the Group with an estimated total contract sum of HK\$600 million for the year ending 31 December 2026, which relate to projects located in Suzhou, the PRC, and are related to a landmark tower with a total construction area of over 300,000 square meters.

REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW COLI FRAMEWORK AGREEMENT

The Directors consider that being able to participate in the COLI Works allows the Group to secure a more diverse base of customers for facade contracting and operating management businesses, thereby expanding the Group's market reach. In addition, despite the low utilisation rates of the Previous COLI Works Caps due to lack of suitable projects for tender in relation to general contracting works in Hong Kong (which contributed a significant portion in estimation of the Previous COLI Works Caps), the same has not affected the determination of the New COLI Works Caps given (i) the satisfactory co-operation between the COLI Group and the Group pursuant to the Previous COLI Framework Agreement, as evidenced from the fact that the COLI Group has demonstrated its credit-worthiness by providing timely payments while providing revenue of approximately HK\$50.4 million for the Group from the contracts awarded over the period from 1 July 2021 to 31 December 2023 under the Previous COLI Framework Agreement; (ii) the potential projects that the COLI Group may invite the Group to tender; (iii) the industry outlook as further detailed in the "Letter from the Independent Financial Adviser" as set out in this circular; and (iv) the flexibility for the Group to undertake all potential projects which can possibly generate additional stream of income, the continuation of the longstanding and established business relationship can generate steady flow of project pipelines and income and potentially enable the Group to secure a more diverse base of customers for facade contracting and operating management businesses, which will facilitate the expansion of the Group's businesses and it would be appropriate and beneficial to the Shareholders to set the New COLI Works Caps with reference to their best estimation based on all construction projects that may be secured by the COLI Group.

The Directors (including the independent non-executive Directors whose views have been set out in this circular together with the advice of the Independent Financial Adviser) are of the view that the transactions contemplated under the New COLI Framework Agreement are expected to be entered into in the ordinary and usual course of the business of the Group and on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New COLI Framework Agreement (including the New COLI Works Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, COHL is a controlling shareholder of COLI and the Company by virtue of it being interested in approximately 56.10% of the number of shares of COLI in issue and approximately 70.78% of the issued share capital of the Company. Accordingly, members of the COLI Group and the Minority Controlled Group are connected persons of the Company and the transactions contemplated under the New COLI Framework Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since all the applicable percentage ratios in respect of the highest New COLI Works Cap exceed 5%, the transactions contemplated under the New COLI Framework Agreement (including the New COLI Works Caps) are subject to the annual review, reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors has any material interest in the New COLI Framework Agreement or the transactions contemplated thereunder and no Director is required to abstain from voting on the Board resolution(s) approving the entering into of the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps). However, Mr. Zhang Haipeng, being the chairman and non-executive director of the Company and a director of COHL, has voluntarily abstained from voting on the Board resolution(s) approving the entering into of the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps).

Shareholders should note that the New COLI Works Caps represent the best estimates by the Directors of the amount of the relevant transactions based on the information currently available. The New COLI Works Caps bear no direct relationships to, nor should be taken to have any direct bearings to, the financial or potential financial performance of the Group.

GENERAL

The COLI Group is principally engaged in property development, commercial property operations and other businesses.

The Group is principally engaged in general contracting business, facade contracting business (including design, engineering, manufacture, installation of curtain wall systems) and operating management business.

CSCEC is the ultimate holding company of each of COHL, COLI and the Company. CSCEC, together with its subsidiaries (excluding those listed on any stock exchange), is a conglomerate principally engaged in building construction, international contracting, real estate development and investment, infrastructure construction and investment and design and prospecting.

LETTER FROM THE BOARD

INTERNAL CONTROL MEASURES

The Company has put in place a series of internal control measures to monitor the transactions contemplated under the New COLI Framework Agreement, as well as to ensure that the agreed prices of these transactions are in compliance with the pricing policies mentioned above.

Apart from the Group's standard and systematic tender submission procedure described above, the Company's project tendering committee and, procurement and sub-contracting committee are responsible for reviewing and approving the terms and prices of all transactions to ensure they are in compliance with the applicable policies and procedures of the Group (such as the Group's procurement procedure (the "**Procurement Procedure**"), tender submission procedure (the "**Tender Submission Procedure**") and contract management policy (the "**Contract Management Policy**")).

In addition, the audit committee of the Board (the "**Audit Committee**") has been provided with details of the specific contracts in relation to the transactions entered into by the Group on a half-yearly basis to ensure the transactions have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better, and their agreed prices are in compliance with the pricing policies or mechanisms as set out in the New COLI Framework Agreement. Annual review has also been conducted by the finance and treasury department of the Company to review the processes and systems of internal control to ensure that the policies and procedures are being followed and that the systems are effective. Besides, the Audit Committee will regularly conduct assessment on the internal control system of the Group in order to ensure the effectiveness of the same. External auditors are also engaged to report on the continuing connected transactions entered into by the Group during the year, with their findings and conclusions being reported to the Audit Committee in accordance with the relevant standards and practice notes.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the transactions contemplated under the New COLI Framework Agreement (including the New COLI Works Caps). Altus Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this connection.

EGM

The notice convening the EGM is set out on pages 36 to 37 of this circular.

The EGM will be convened and held at Unit Nos 1507 to 1512, 15th Floor, Eight Commercial Tower, 8 Sun Yip Street, Chai Wan, Hong Kong on Tuesday, 25 June 2024 at 11:00 a.m. for the Independent Shareholders to consider and, if thought fit, approve the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps).

LETTER FROM THE BOARD

Whether or not you are able to attend the EGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event no later than 48 hours before the time appointed for holding the extraordinary general meeting or any adjournment thereof. The form of proxy can be downloaded from the Company's website at www.cscd.com.hk (under the "Investor Relations" section) and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the EGM or any adjournment thereof if they so wish.

In accordance with Rule 13.39(4) of the Listing Rules, voting at the EGM will be conducted by way of poll. As at the Latest Practicable Date, CSC, through its wholly-owned subsidiary Add Treasure Holdings Limited, holds 1,596,403,279 Shares, representing approximately 70.78% of the issued share capital of the Company and CSC is, in turn, a subsidiary of COHL. Add Treasure Holdings Limited, as an associate of COHL, will abstain from voting at the EGM on the resolution relating to the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps). Apart from Add Treasure Holdings Limited, no other Shareholder (i) has a material interest in; and (ii) will abstain from voting at the EGM on the resolution relating to, the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps).

To the extent that the Directors are aware having made all reasonable enquiries, as at the Latest Practicable Date:

- (i) there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon Add Treasure Holdings Limited;
- (ii) Add Treasure Holdings Limited was not subject to any obligation or entitlement whereby it had or it might have temporarily or permanently passed control over the exercise of the voting right in respect of its shares in the Company to a third party, either generally or on a case-by-case basis; and
- (iii) it was not expected that there would be any discrepancy between Add Treasure Holdings Limited's beneficial shareholding interest in the Company as disclosed in this circular and the number of shares in the Company in respect of which it would control or would be entitled to exercise control over the voting right at the EGM.

The results of the voting will be announced in the manner prescribed under Rule 13.39(5) of the Listing Rules after the EGM.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the identity of members who are entitled to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 20 June 2024 to Tuesday, 25 June 2024, both days inclusive, during which period no transfers of shares will be effected.

In order to qualify for attending and voting at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 19 June 2024.

RECOMMENDATIONS

Your attention is drawn to the letter of advice from the Independent Board Committee set out on pages 15 to 16 of the circular which contains its recommendation to the Independent Shareholders in relation to the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps).

Your attention is also drawn to the letter from the Independent Financial Adviser set out on pages 17 to 31 of the circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps).

The Board considers that the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps) are expected to be entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiations between the parties, and the term of the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular and the notice of the EGM.

Yours faithfully

For and on behalf of the Board of

China State Construction Development Holdings Limited

Zhang Haipeng

Chairman and Non-executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



中國建築興業集團有限公司

CHINA STATE CONSTRUCTION DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 830)

29 May 2024

To the Independent Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO COLI WORKS

We refer to the circular of the Company dated 29 May 2024 (the “**Circular**”) of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members to form the Independent Board Committee to advise the Independent Shareholders as to consider whether, in its opinion, the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps) are fair and reasonable, on normal commercial terms or better to the Group, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and as to how the Independent Shareholders should vote on the proposed resolution to approve the same at the EGM. Altus Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

Details of the letter of advice from the Independent Financial Adviser, together with the principal factors taken into consideration in arriving at such advice, are set out on pages 17 to 31 of the Circular. Your attention is also drawn to the letter from the Board set out on pages 4 to 14 of the Circular and the additional information set out in the Appendix to the Circular.

Having taken into account (i) the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps); (ii) the advice of Altus Capital Limited; and (iii) the relevant information contained in the letter from the Board, we consider that the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps) are on normal commercial terms following arm’s length negotiations between the parties thereto and in the ordinary and usual course of business of the Group, and that the terms thereunder are fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM.

Yours faithfully,
For and on behalf of
the Independent Board Committee of
China State Construction Development Holdings Limited

Zhou Jinsong
Independent
Non-executive Director

Chan Man Ki Maggie
Independent
Non-executive Director

Zhang Xinyu
Independent
Non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the New COLI Framework Agreement (including the New COLI Works Caps), which has been prepared for the purpose of incorporation in this circular.

ALTUS.

Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong

29 May 2024

To the Independent Board Committee and the Independent Shareholders

China State Construction Development Holdings Limited
16th Floor,
Eight Commercial Tower
8 Sun Yip Street
Chai Wan
Hong Kong

Dear Sir/Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO COLI WORKS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions contemplated under the New COLI Framework Agreement (including the New COLI Works Caps). Details of which are set out in the “Letter from the Board” contained in the circular dated 29 May 2024 (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise defined herein or required by the context.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Previous COLI Framework Agreement and the New COLI Framework Agreement

On 29 March 2021, COLI and the Company entered into the Previous COLI Framework Agreement, pursuant to which the COLI Group may engage the Group for the provision of the COLI Works from time to time for the period commencing from 1 July 2021 and ending on 30 June 2024, subject to the Previous COLI Works Caps. As the Previous COLI Framework Agreement will expire on 30 June 2024, COLI and the Company intend to renew the Previous COLI Framework Agreement for another term of three years for the COLI Works.

On 29 April 2024, COLI and the Company entered into the New COLI Framework Agreement to renew the Previous COLI Framework Agreement. Pursuant to the New COLI Framework Agreement, for a term of three years commencing from 1 July 2024 and ending on 30 June 2027 (both dates inclusive), each of the COLI Group and the Minority Controlled Group may engage the Group, and the Group may act as contractor or service provider (as the case may be), for the COLI Works from time to time, subject to the New COLI Works Caps.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, COHL is a controlling shareholder of COLI and the Company by virtue of it being interested in approximately 56.10% of the number of shares of COLI in issue and approximately 70.78% of the issued share capital of the Company. Accordingly, members of the COLI Group and the Minority Controlled Group are connected persons of the Company and the transactions contemplated under the New COLI Framework Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since all the applicable percentage ratios in respect of the highest New COLI Works Cap exceed 5%, the transactions contemplated under the New COLI Framework Agreement are subject to the annual review, reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee consisting of Mr. Zhou Jinsong, Ms. Chan Man Ki Maggie and Mr. Zhang Xinyu, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the transactions contemplated under the New COLI Framework Agreement as to (i) whether the entering into of the New COLI Framework Agreement is in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole; (ii) whether the terms of the New COLI Framework Agreement are on normal commercial terms, and are fair and reasonable as far as the Independent Shareholders are concerned; (iii) whether the New COLI Works Caps have been fairly and reasonably arrived at; and (iv) how the Independent Shareholders should vote in respect of the resolution relating thereto to be proposed at the EGM, taking into account the recommendation of the Independent Financial Adviser.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

THE INDEPENDENT FINANCIAL ADVISER

As the Independent Financial Adviser to the Independent Board Committee, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders as to (i) whether the entering into of the New COLI Framework Agreement is in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole; (ii) whether the terms of the New COLI Framework Agreement are on normal commercial terms, and are fair and reasonable as far as the Independent Shareholders are concerned; (iii) whether the New COLI Works Caps have been fairly and reasonably arrived at; and (iv) how the Independent Shareholders should vote in respect of the resolution relating thereto to be proposed at the EGM.

We had acted as the independent financial adviser for the Company with regard to (i) the proposed disposal of the entire equity interest in a subsidiary, details of which are set out in the announcement of the Company dated 11 October 2023; and (ii) its renewal of continuing connected transactions with CSCECL and with CSC, details of which are set out in the circular of the Company dated 30 November 2023.

Save for the aforesaid transactions, we have not acted as the independent financial adviser in relation to any transactions of the Company in the last two years prior to the date of the Circular. Pursuant to Rule 13.84 of the Listing Rules, and given that remuneration for our engagement to opine on the New COLI Framework Agreement is at market level and not conditional upon successful passing of the resolution at the EGM, and that our engagement is on normal commercial terms, we are independent of, and not associated with the Company, its controlling shareholder(s) or connected person(s).

BASIS OF OUR ADVICE

In formulating our opinion, we have reviewed, amongst others, (i) the New COLI Framework Agreement; (ii) the annual report of the Company for the year ended 31 December 2023 (“**2023 Annual Report**”); (iii) the annual report of COLI for the year ended 31 December 2023; and (iv) other information as contained in the Circular.

We have also relied on the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us by the Company, the Directors and the management of the Company (the “**Management**”). We have assumed that all statements, information, opinions and representations contained or referred to in the Circular and/or provided to us were true, accurate and complete at the time they were made and will continue to be so up to the Latest Practicable Date. The Directors collectively and individually accept full responsibility, including particulars given in compliance with the Listing Rules for the purpose of giving information with regards to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in the Circular misleading.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading.

We consider that we have been provided with, and have reviewed, sufficient information to reach an informed view and provide a reasonable basis for our opinion. We have not, however, conducted an independent investigation into the business, financial conditions and affairs or future prospects of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation, we have considered the principal factors and reasons set out below:

1. Background information of the Group and its relationship with the COLI Group

1.1 Principal activities of the Group and the COLI Group

The Group is principally engaged in general contracting business, facade contracting business (including design, engineering, manufacture, installation of curtain wall systems) and operating management business.

The COLI Group is principally engaged in property development, commercial property operations and other businesses.

1.2 Operating results of the Group

Set out below is a summary of the operating results of the Group for each of the year ended 31 December 2022 and 2023 as extracted from the 2023 Annual Report.

	For the year ended 31 December	
	2023 ("FY2023") (audited) HK\$'000	2022 ("FY2022") (audited) HK\$'000
Revenue	8,665,765	7,668,983
Gross Profit	973,063	825,305
Profit attributable to owners of the Company	580,420	421,852

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Revenue in FY2023 was approximately HK\$8,665.8 million, representing an increase of approximately 13.0% from approximately HK\$7,669.0 million in FY2022. The Group's construction business leveraged a strong market in Hong Kong and delivered promising results. The Group's facade contracting business in Hong Kong continued to benefit from the good progress on existing projects and achieved record-high revenue and profit during FY2023. The profit attributable to owners of the Company was HK\$580.4 million, representing an increase of 37.6% as compared approximately HK\$421.9 million in FY2022.

1.3 Outlook of the economy and building construction activities

PRC

The Management noted the property market remained strong over the past five years. The table below set out statistics of the property market in the PRC as extracted from the National Bureau of Statistics at <http://data.stats.gov.cn>:

	2019	2020	2021	2022	2023
Amount invested into property development	RMB13.2 trillion	RMB14.1 trillion	RMB14.8 trillion	RMB12.8 trillion	RMB11.1 trillion
Total area of properties under construction (square meter)	8.9 billion	9.3 billion	9.8 billion	9.0 billion	8.4 billion

We noted that according to the statistics in the table above, investment amount into property development remain steady, with annual investment amounts ranging from RMB11.1 trillion to RMB14.8 trillion during the five years ended 2023. Similarly, the total area of properties under construction also remained steady, ranging from 8.4 billion square meters to 9.8 billion square meters during the said five years.

In addition, according to the National Bureau of Statistics of the PRC, the gross domestic product (“GDP”) for 2023 was approximately RMB126.0 trillion, of which approximately RMB8.6 trillion and RMB7.4 trillion was contributed by the construction industry and the real estate industry respectively. The GDP of the PRC in 2023 recorded a steady increase of approximately 4.6%. The GDP growth rate of the PRC is expected to be 4.6 % in 2024 and 4.1% in 2025 according to the World Economic Outlook Updated issued by the International Monetary Fund in January 2024.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Hong Kong

According to the data published by the Census and Statistics Department of Hong Kong Government (“C&SD”), Hong Kong GDP in 2023 recorded a year-on-year increase of approximately 3.2% in real terms. In addition, the gross value of construction works performed by main contractors increased by approximately 8.8% in nominal terms in 2023 compared with 2022, showing a pace of recovery in the Hong Kong’s construction market.

The Group anticipates the global trade and investment landscape to remain weak, leading to a continuous slowdown in the global economy. Nonetheless, it is expected that the China’s economy will improve steadily. The deep integration of the Hong Kong and Macau regions with the Guangdong-Hong Kong-Macau Greater Bay Area, along with the implementation of various development projects by countries along the Belt and Road, such as Singapore and the Middle East countries, will bring forth numerous project opportunities. The Group will continue to focus on high-end markets and provide high-quality services to enhance its operational and management models by taking into account the characteristics of divers markets, thereby optimizing its global business deployment.

Going forward, the Management believes there will be plenty of business opportunities for the Group and the Group is set to benefit from the PRC economy and PRC property market.

2. Reasons for and benefits of the entering into of the New COLI Framework Agreement

The Group is principally engaged in general contracting business, facade contracting business (including design, engineering, manufacture, installation of curtain wall systems) and operating management business, which are similar to the COLI Works.

The Management considers the co-operation under the Previous COLI Framework Agreement was satisfactory as the COLI Group has demonstrated its credit-worthiness by providing timely payments while providing revenue of approximately HK\$50.4 million for the Group from the contracts awarded over the period from 1 July 2021 to 31 December 2023 under the Previous COLI Framework Agreement.

In addition to the established business relationship, the Management also takes into consideration that the COLI Group is actively engaged in the property development industry in the PRC and have a sizeable land bank (as at 31 December 2023 and 2022, the COLI Group had a land reserve of approximately 54.0 million square meters and 68.4 million square meters respectively).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Management understands that the COLI Group is satisfied with the Group's performance for the transactions as contemplated under the Previous COLI Framework Agreement and will continue to invite the Group to participate in competitive tender for the COLI Works. In order to strengthen the business co-operation with the COLI Group in relation to the COLI Works, the Group have actively participated in the COLI Group's projects as a strategic partner. The Management expects such relationship can generate steady flow of project pipelines and income, which will in turn facilitate the expansion of the Group's businesses for its general contracting, facade contracting and operating management businesses. Also, the participation in the COLI Works allows the Group to potentially secure a more diverse bases of customers for façade contracting and operating management businesses, thereby expanding the Group's market reach.

Considering the above, we are of the view that the entering into of the New COLI Framework Agreement is in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

3. Principal terms of the New COLI Framework Agreement

3.1 Duration of the New COLI Framework Agreements

The New COLI Framework Agreement will commence on 1 July 2024 and end on 30 June 2027 (both dates inclusive). Each of the COLI Group and the Minority Controlled Group may invite the Group to participate in competitive tender for the COLI Works as contractor or service provider (as the case may be) from time to time. The Group may tender for the COLI Works in accordance with the tendering procedures of the COLI Group or the Minority Controlled Group (as the case may be) and on the same and normal terms as offered to other independent third party contractors or service providers of the COLI Group or the Minority Controlled Group (as the case may be).

Further details of the terms of the New COLI Framework Agreement are set out in the section headed "The New COLI Framework Agreement" in the "Letter from the Board" contained in the Circular.

3.2 Pricing of the New COLI Framework Agreement

Under the New COLI Framework Agreement, the prices and payment terms of the works contracts shall be determined in the ordinary course of business and on normal commercial terms, negotiated on an arm's length basis and at prices and on terms no less favourable to the Group than those provided to the independent third party customers of the Group.

Prior to the selection and engagement of a contractor or service provider by the COLI Group or Minority Controlled Group for the provision of COLI Works, the Group will go through a tender or similar process. For details of the tender process, please refer to the "Letter from the Board" contained in the Circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have reviewed the internal procedure manual of the Group governing the tendering process which covers, among others, procedures pertaining to (i) receipt of tender invitation; (ii) initial assessment of tender document; (iii) further planning and estimation; (iv) preparation of tender report for internal adjudication; and (v) tender submission (together, the “**Tender Procedures**”). We noted that the same Tender Procedures apply to both the tenders to be submitted to the COLI Group and independent third parties.

To ascertain the Tender Procedures had been effectively implemented, we have obtained the full tender list from the Group for the period from July 2021 to April 2024 (“**Review Period**”), being a period falling within the Previous COLI Framework Agreement, and have selected and reviewed in 11 sets of tender assessment forms in relation to the projects undertaken by the Group (the “**Sample Transactions**”), which contain, amongst others, the details of each project, such as the type of work required, estimated area, estimated total contract sum and written record from various departments, including the marketing department, technical services department, projects department and technology management department, documenting the decision on whether or not to proceed with the tender.

The Sample Transactions were randomly selected based on the following criteria: (i) tenders covering both of the facade contracting business and operating management business; (ii) tenders with both independent third parties and the COLI Group covering each of the period during the six months ended 31 December 2021, year ended 31 December 2022, year ended 31 December 2023 and four months ended 30 April 2024, which fall within the top 10 tenders in terms of tender value during the respective period. Five of the Sample Transactions were tenders submitted to the COLI Group, while six of the Sample Transactions were tenders submitted to independent third parties. The selection of the Sample Transactions allowed us to compare the Tender Procedures for projects submitted to independent third parties and the Tender Procedures for projects submitted to the COLI Group during the aforementioned period. We consider the Review Period and the Sample Transactions are sufficient and are a good representation of the past transactions under the Previous COLI Framework Agreement.

Having reviewed the documents of the Sample Transactions, (i) we are of the view that the tenders were assessed and handled in accordance with the Tender Procedures; and (ii) and we noted that the pricing basis provided to the COLI Group and to independent third parties are the same and that the tenders submitted to the COLI Group were either within or above the estimated profit margin ranges of those charged to independent third parties.

Taking into consideration the above, we are of the view that the terms and conditions of the New COLI Framework Agreement are on normal commercial terms, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

4. The New COLI Works Caps

4.1 Basis for determining the New COLI Works Caps

The New COLI Works Caps, being the maximum total contract sums of contracts in respect of the COLI Works that may be awarded to the Group by the COLI Group and the Minority Controlled Group for the six months ending 31 December 2024, for each of the two years ending 31 December 2026 and the six months ending 30 June 2027 are as follows:

	For the six months ending 31 December 2024	For the year ending 31 December 2025	For the year ending 31 December 2026	For the six months ending 30 June 2027
Transactions under the New COLI Framework Agreement	HK\$505 million	HK\$110 million	HK\$660 million	HK\$110 million

For details of the basis for determining the New COLI Works Caps, please refer to the “Letter from the Board” in this Circular.

4.2 Fairness and reasonableness of the New COLI Works Caps

To assess the fairness and reasonableness of the New COLI Works Caps, we have considered the following factors:

Historical utilisation rate of the Previous COLI Works Caps

As set out in the “Letter from the Board” contained in the Circular, the historical total contract sums awarded by the COLI Group to the Group amounted to approximately HK\$42 million for the period between 1 July 2021 and 31 December 2021, approximately HK\$8.4 million for the year ended 31 December 2022 and nil for the year ended 31 December 2023, representing approximately 13.5%, 2.7% and nil of the corresponding Previous COLI Works Caps respectively.

As advised by the Management, due to lack of suitable projects for tender in relation to general contracting works in Hong Kong (which contributed a significant portion in estimation of the Previous COLI Works Caps), the Group did not submit as many tenders as anticipated and hence, resulting in the low utilisation rate of the Previous COLI Works Caps.

Despite the low utilisation rates of the Previous COLI Works Caps, taking into consideration the potential projects that the COLI Group may invite the Group to tender as well as the industry outlook (as further explained below), the Management considers, and we concur that, in order to maintain flexibility for the Group to undertake all potential projects, it would be appropriate and beneficial to the Shareholders of the Group to set the New COLI Works Caps with reference to their best estimation based on all construction projects may be secured by the COLI Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The New COLI Works Caps

The Management estimated the New COLI Works Caps in relation to the New COLI Framework Agreement based on the potential projects that the COLI Group may invite the Group to tender. Such potential projects were estimated by the marketing team of the Group based on (i) the land reserve of the COLI Group; (ii) property development projects of the COLI Group; (iii) received invitation to tender for project(s); and (iv) the Group's understanding from past experience on the types and/or location of the project that the COLI Group may engage the Group for the provision of facade contracting works and/or operational management works in various cities in the PRC and Hong Kong.

The New COLI Works Cap for the six months ending 31 December 2024

For the six months ending 31 December 2024, the Management's estimated total value of COLI Works amounting to HK\$505 million is projected based on (i) tenders in the total amount of approximately HK\$450 million planned to be submitted to the COLI Group; (ii) potential projects available for tenders by the Group from the COLI Group amounting to approximately HK\$55 million.

In assessing the fairness and reasonableness of the New COLI Works Cap for the six months ending 31 December 2024, in relation to the tender of HK\$450 million planned to be submitted to the COLI Group, we have (i) obtained and reviewed the letter of invitation to tender; and (ii) conducted desktop researches on the validity and existence of such project. We noted from PRC news websites that such project is located in Chengdu, PRC, with a total construction area of approximately 550,000 square meters, of which approximately 353,000 square meters would involve COLI Works. In addition, we noted that the marketing team of the Group had made reference to the tender unit price of other projects as well as inflationary costs in arriving at the estimated tender price of HK\$450 million. We understand that the Group is in the process of preparing the tender documents as at the Latest Practicable Date.

In relation to the potential projects with estimated tender amounts totaling approximately HK\$55 million, we understand that such estimate was based on discussion between the Group and the COLI Group, where the COLI Group had indicated potential invitation to tender of certain projects. In particular, such amount mainly relates to a project in Beijing, PRC, requiring COLI Works for an area of approximately 30,000 square meters. The marketing team of the Group had made reference to the tender unit price of other projects in deriving the estimated tender amounts. As such, we are of the view that the New COLI Works Cap for the six months ending 31 December 2024 are determined on a fair and reasonable basis.

The New COLI Works Cap for the year ending 31 December 2025

For the year ending 31 December 2025, the estimated total contract sum of HK\$110 million of the COLI Works is estimated based on a pro-rata basis using the same estimation basis for the potential projects available for tender as for the period between 1 July 2024 and 31 December 2024 (i.e. HK\$55 million).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

To assess the reasonableness of determining the New COLI Works Cap for the year ending 31 December 2025 on a pro-rata basis using the same estimation basis for the potential projects available for tender for the six months ending 31 December 2024, we have considered (i) outlook of the industry; and (ii) COLI Group's operational results.

In relation to the outlook of the industry as mentioned under the paragraph headed "1.3 Outlook of the economy and building construction activities" above, we have reviewed and assessed the data of the industry trend, in particular, we noted that (i) annual investment into property development amounted to over RMB10 trillion as well as the annual total area of properties under construction amounted to over 8 billion square meters during the past five year in the PRC; and (ii) the expected GDP growth of the PRC is 4.6% in 2024 and 4.1% in 2025. Such data is in-line with the Management's view that the PRC property market will continue to grow in the near future.

With regard to the COLI Group's operational results, we have reviewed COLI's annual report for the year ended 31 December 2023. We noted that for the year ended 31 December 2023, the COLI Group had recorded growth in revenue and profit for the year of approximately 12.3% and 10.2% respectively as compared to the year ended 31 December 2022. Furthermore, the COLI Group had been acquiring new land reserve, of which approximately 7.64 million square meters and 7.39 million square meters was acquired in 2023 and 2022 respectively; as at 31 December 2023 and 2022, the COLI Group's land reserve amounted to approximately 54.0 million square meters and 68.4 million square meters respectively.

Taking into account (i) the outlook of the PRC property market remains positive; and (ii) the COLI Group's business expansion as reflected in its enhanced financial results as well as the COLI Group's potential development projects based on its land reserves, we are of the view that it is reasonable for the Management to expect potential invitations to tender from the COLI Group at similar levels as compared to the six months ending 31 December 2024. Therefore, we are of the view that the estimation of the COLI Works for the year ending 31 December 2025 on a pro-rata basis using the same estimation basis for the potential projects available for tender as for the period between 1 July 2024 and 31 December 2024 to be fair and reasonable.

The New COLI Works Cap for the year ending 31 December 2026

For the year ending 31 December 2026, the estimated total contract sum of HK\$660 million of the COLI Works is estimated (i) based on the same estimation basis for the general potential projects available for tenders by the Group from the COLI Group for half of the year of 2026, amounting to approximately HK\$55 million for the six months ending 31 December 2024; as well as (ii) sizeable potential projects that may be available for tender by the Group for the other half of 2026, with estimated total contract sum of HK\$600 million.

Our assessment on the reasonableness of determining the New COLI Works Cap for the year ending 31 December 2026, partially using the same estimation basis for the potential projects available for the period between 1 July 2024 and 31 December 2024, is

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

based on the (i) outlook of the industry; and (ii) COLI Group's operational results as mentioned above. Taking into account (i) the current outlook of the PRC property market remains positive; and (ii) the COLI Group's potential development projects based on its land reserves, we are of the view that it is reasonable for the Management to expect potential invitations to tender from the COLI Group to remain at a similar level as those anticipated for the six months ending 31 December 2024.

In relation the sizeable potential projects that may be available for tender by the with estimated total contract sum of HK\$600 million, we conducted desktop researches on the validity and existence of such projects. We noted from PRC news websites that such projects are located in Suzhou, PRC, and are related to a landmark tower, with a total construction area of over 300,000 square meters. We noted that this is one of the COLI Group's development project and have discussed with the Management and understand that based on their understanding from past experience on the types and/or location of the project that the COLI Group may invite the Group for tendering, the COLI Group shall invite the Group for tendering at the appropriate time.

The New COLI Works Cap for the six months ending 30 June 2027

For the period between 1 January 2027 and 30 June 2027, the estimated total contract sum of HK\$110 million of the COLI Works is partly estimated using the same estimation basis for the general potential projects available for tenders as for the six months ending 31 December 2024 (i.e. HK\$55 million). In addition, the estimated COLI Works for the six months ending 30 June 2027 have also taken into account the general potential projects for tender for the year ending 31 December 2026 of HK\$55 million, if upon successful tender, could be awarded during the six months ending 30 June 2027 as the invitation for tendering of such potential projects could possibly only be received during the last quarter of 2026. In relation to the sizeable projects with estimated tender amounts of HK\$600 million as mentioned above, based on the information available to the Management, the contractor of these sizeable projects are likely to be selected within 2026 and hence, the New COLI Works Caps for the six months ending 30 June 2027 shall not take into account of these projects.

Our assessment on the reasonableness of determining the New COLI Works Cap for the six months ending 30 June 2027, using the same estimation basis for the potential projects available for tenders as for the year ending 31 December 2025, is based on the (i) outlook of the industry; and (ii) COLI Group's operational results as mentioned above.

Furthermore, we understand from the Management that the tenders for construction contracts typically relate to construction works to be carried out in the forthcoming 12 to 24 months, and based on the current available information, the Management advised that it is impractical to identify potential contracts for tendering beyond 2026.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notwithstanding that it is impracticable to identify potential contracts for tendering beyond 2026, taking into account (i) the current outlook of the PRC property market remains positive; and (ii) the COLI Group's potential development projects based on its land reserves, we are of the view that it is reasonable for the Management to expect potential invitations to tender from the COLI Group to remain at a similar level as those anticipated for the year ending 31 December 2025. Furthermore, as the potential projects for tender during the year ending 31 December 2026 could only be awarded during the six months ending 30 June 2027, we concur with the Management's view that it is reasonable to estimate the COLI Works for the six months ending 30 June 2027 taking into account of such factor. As such, we are of the view that the New COLI Works Cap for the six months ending 30 June 2027 is determined on a fair and reasonable basis.

Section summary

Taking into consideration that (i) the New COLI Works Caps are made reference to publicly announced potential construction projects; (ii) secured property development projects of the COLI Group; (iii) the discussion and indication between the Group and the COLI Group in relation to potential projects for tendering; (iv) the prosperous outlook of the industry as illustrated by the aforementioned investment amounts into the property development industry and total area of properties under construction from 2019 to 2023; (v) the COLI Group's operational scale as well as its land reserve; and (vi) despite the low utilisation rates of the Previous COLI Works Caps, the Group shall maintain the flexibility to undertake all potential projects which can possibly generate additional stream of income and facilitate the expansion of the Group's businesses, we are of the view that the New COLI Works Caps have been determined on a fair and reasonable basis.

4.3 Internal procedures of the Group in respect of the New COLI Framework Agreement

As mentioned above in the paragraph headed "3.2 Pricing of the New COLI Framework Agreement", we understand that the Group has adopted a set of internal control measures to monitor the transactions contemplated under the New COLI Framework Agreement.

In addition, we noted that the Company's project tendering committee and procurement and sub-contracting committee are responsible for reviewing and approving the terms and prices of all transactions to ensure they are in compliance with the applicable policies and procedures of the Group (such as the procurement procedure, the Tender Procedures and the contract management policy).

In relation to the 11 Sample Transactions as mentioned under the paragraph headed "3.2 Pricing of the New COLI Framework Agreement" above, we had randomly selected five samples, of which three samples relate to tenders submitted to the COLI Group and two samples relate to tenders submitted to independent third parties, and noted that approval was obtained from member(s) of the Company's project tendering committee, including the vice chairman, vice president and general manager of the Company. As such, we are of the view that the Company had adhered to its internal control measures where the Company's project tendering committee and procurement and sub-contracting committee conducted review on the Group's transactions.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In addition, the audit committee of the Board (the “**Audit Committee**”) has been provided with details of the specific contracts in relation to the transactions entered into by the Group on a half-yearly basis to ensure the transactions have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better, and their agreed prices are in compliance with the pricing policies or mechanisms as set out in the New COLI Framework Agreement.

Annual review has also been conducted by the finance and treasury department of the Company to review the processes and systems of internal control to ensure that the policies and procedures are being followed and that the systems are effective. Besides, the Audit Committee will regularly conduct assessment on the internal control system of the Group in order to ensure the effectiveness of the same. External auditors are also engaged to report on the continuing connected transactions entered into by the Group during the year, with their findings and conclusions being reported to the Audit Committee in accordance with the relevant standards and practice notes. During the period from 1 July 2021 to 31 December 2023, we understand that five Audit Committee meetings had been held in relation to the assessment of continuing connected transactions. As such, we have randomly selected two minutes of the Audit Committee meetings, of which one was conducted in 2022 and one was conducted in 2023, and noted that the aforementioned assessment were conducted.

Given the above, we consider that there exist appropriate procedures to ensure that the transactions contemplated under the New COLI Framework Agreement will be conducted (i) on terms that are fair and reasonable; (ii) in the interests of the Company and the Shareholders as a whole; and (iii) on normal commercial terms and in the ordinary and usual courses of business of the Group.

RECOMMENDATION

Having considered the above principal factors, we are of the view that (i) the entering into of the New COLI Framework Agreement is in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole; (ii) the terms and conditions of the New COLI Framework Agreement are on normal commercial terms, and are fair and reasonable; and (iii) the New COLI Works Caps are fair and reasonable.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolution approving the New COLI Framework Agreement and the transactions contemplated thereunder (including the New COLI Works Caps) at the EGM.

Yours faithfully,
For and on behalf of
Altus Capital Limited
Jeanny Leung **Leo Tam**
Responsible Officer *Responsible Officer*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

*Ms. Jeanny Leung (“**Ms. Leung**”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. She is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Ms. Leung has over 30 years of experience in corporate finance advisory and commercial field in Greater China, in particular, she has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance transactions.*

*Mr. Leo Tam (“**Mr. Tam**”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. He has over nine years of experience in corporate finance and advisory in Hong Kong, in particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance transactions. Mr. Tam is a certified public accountant of the Hong Kong Institute of Certified Public Accountants.*

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and 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 (i) 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 (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) 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:

Long position in the Shares

Name of Director	Capacity	Number of Shares held	Approximate percentage of Shares in issue ^(Note)
Mr. Zhang Haipeng	Beneficial owner	4,100,000	0.182%
Mr. Wu Mingqing	Beneficial owner	5,700,000	0.253%
Mr. Huang Jiang	Beneficial owner	3,000,000	0.133%

Note: The percentage is based on the total number of Shares in issue as at the Latest Practicable Date (i.e. 2,255,545,000 Shares)

Long positions in the shares, underlying shares and debentures of the associated corporations of the Company

As at the Latest Practicable Date: (i) Mr. Zhang Haipeng had personal interests in 50,000 shares in CSC (representing approximately 0.001% of the then issued share capital of CSC and 240,000 A-shares in CSCECL (representing approximately 0.001% of the then issued voting shares in CSCECL), held in his capacity as beneficial owner; and (ii) Mr. Wang Hai had personal interests in 300,000 A-shares in CSCECL (representing approximately 0.001% of the then issued voting shares in CSCECL), held in his capacity as beneficial owner.

The Company was informed that all the interests in A-shares in CSCECL held by the Directors as set out above were granted to them by CSCECL pursuant to its share award scheme.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company held any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) 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 (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) 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.

As at the Latest Practicable Date, save as disclosed below, 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:

Name of Director	Name of companies which had such discloseable interest or short position	Position within such companies
Mr. Zhang Haipeng	COHL	Director
	CSC	Chairman and Executive Director
Mr. Wu Mingqing	Add Treasure Holdings Limited	Director

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, Messrs. Zhang Haipeng, Wu Mingqing and Huang Jiang held directorships and/or senior management positions in the Company's holding companies and/or their subsidiaries. These companies are engaged in building construction and related businesses.

The Board is independent of the boards of directors of the Company's holding companies and their subsidiaries. With the presence of appropriate portion of independent non-executive Directors in the Board, the Group is capable of carrying on its business independently of, and at arm's length from, the businesses of its holding group.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, proposed Directors or their respective associate(s) (as if each of them were treated as a controlling shareholder under Rule 8.10 of the Listing Rules) had or are considered to have interests in business which compete or are likely to compete, either directly or indirectly, with the business of the Group which require disclosure under the Listing Rules.

5. MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse change in the financial position or trading position of the Group since 31 December 2023, being the date to which the latest published audited financial statements of the Group was made up.

6. INTERESTS IN CONTRACTS, ASSETS AND ARRANGEMENT OF SIGNIFICANCE

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

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2023, the date to which the latest published audited financial statements of the Group were made up.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given an opinion or advice contained in this circular:

Name	Qualification
Altus Capital Limited	A licensed corporation to carry on Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO

Altus Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, Altus Capital Limited did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Altus Capital Limited did not have any direct or indirect interests in any assets which have been acquired or disposed of by or leased to, any member of the Group, or which are proposed to be acquired or disposed of by or leased to, any member of the Group.

8. DOCUMENTS ON DISPLAY

The following documents are published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.cscd.com.hk from the date of this circular to and including the date of the EGM, being a period of not less than 14 days:

- (a) the Previous COLI Framework Agreement;
- (b) the New COLI Framework Agreement;
- (c) the letter from the Independent Board Committee, the text of which is set out on pages 15 to 16 of this circular;
- (d) the letter from the Independent Financial Adviser, the text of which is set out on pages 17 to 31 of this circular; and
- (e) the written consent referred to in the section headed “7. EXPERT AND CONSENT” in this Appendix.

NOTICE OF EGM



中國建築興業集團有限公司

CHINA STATE CONSTRUCTION DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 830)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of China State Construction Development Holdings Limited (the “**Company**”) will be held at Unit Nos 1507 to 1512, 15th Floor, Eight Commercial Tower, 8 Sun Yip Street, Chai Wan, Hong Kong on Tuesday, 25 June 2024 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution to be proposed as ordinary resolution of the Company:

ORDINARY RESOLUTION

1. “**THAT:**

- (A) (i) the New COLI Framework Agreement (as defined in the circular of the Company dated 29 May 2024 of which this notice forms part (the “**Circular**”)) (a copy of which is tabled at the Meeting and marked “**A**” and initialled by the chairman of the Meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (ii) the New COLI Works Caps (as defined in the Circular) for the three-year period commencing from 1 July 2024 and ending on 30 June 2027 (both dates inclusive) be and are hereby approved; and
- (B) any one director of the Company (or any two directors of the Company or one director and the secretary of the Company, in the case of execution of documents under seal) be and is hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the New COLI Framework Agreement and the transactions contemplated thereunder and the implementation thereof including the affixing of seal thereon.”

By Order of the Board

China State Construction Development Holdings Limited

Zhang Haipeng

Chairman and Non-executive Director

Hong Kong, 29 May 2024

NOTICE OF EGM

*Head Office and Principal Place of
Business in Hong Kong:*
16th Floor, Eight Commercial Tower
8 Sun Yip Street
Chai Wan
Hong Kong

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

Notes:

1. The form of proxy for the Meeting can be downloaded from the Company's website at www.cscd.com.hk (under the "Investor Relations" section) and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.
2. Only members are entitled to attend and vote at the Meeting (or at any adjournment thereof).
3. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint one or more proxies (who must be an individual) to attend and vote instead of him. A proxy need not be a member of the Company.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.
5. In order to be valid, the completed and signed form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).
6. Completion and return of a form of proxy shall not preclude a member from attending and voting in person at the meeting or any adjournment thereof (as the case may be) should the member so wish, and in such event, the form of proxy shall be deemed to be revoked.
7. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
8. The register of members of the Company will be closed from Thursday, 20 June 2024 to Tuesday, 25 June 2024 (both days inclusive) for the purpose of determining Shareholder's right to attend and vote at the Meeting. In order to qualify for attending and voting at the Meeting, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 19 June 2024.
9. No drinks, refreshments or souvenirs will be served or provided at the Meeting.
10. In case of any inconsistency, the English version of this notice shall prevail over the Chinese version.