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

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

**ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS  
 FOR THE SIX MONTHS ENDED 30 JUNE 2024 AND  
 INTERIM DIVIDEND**

**FINANCIAL HIGHLIGHTS**

	Unaudited Six months ended 30 June		Change %
	2024	2023	
<b>RESULTS (HK\$'000)</b>			
Revenue	<b>61,755,215</b>	55,110,712	12.1
Gross profit margin	<b>15.5%</b>	15.7%	-0.2
Profit attributable to owners of the Company	<b>5,465,038</b>	4,848,622	12.7
<b>FINANCIAL INFORMATION PER SHARE</b>			
Earnings – basic (HK cents)	<b>108.48</b>	96.25	12.7
Net assets (HK\$)	<b>15.39</b>	13.72	12.2

**INTERIM DIVIDEND**

The Board declared an interim dividend of HK33 cents per share.

## China State Construction International Holdings Limited

The board of directors (the “Board”) of China State Construction International Holdings Limited (the “Company”) hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2024 together with the unaudited comparative figures for the corresponding period ended 30 June 2023 as follows:

### UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30 June	
	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	3	61,755,215	55,110,712
Costs of sales		(52,200,953)	(46,484,974)
Gross profit		9,554,262	8,625,738
Investment income, other income and other gains/(losses), net	5	126,573	29,970
Administrative, selling and other operating expenses		(1,319,546)	(1,257,774)
Share of profits of			
Joint ventures		661,254	345,238
Associates		5,428	173,307
Finance costs		(1,607,430)	(1,554,068)
Profit before tax	6	7,420,541	6,362,411
Income tax expenses, net	7	(1,561,510)	(1,227,557)
Profit for the period		5,859,031	5,134,854
Profit for the period attributable to:			
Owners of the Company		5,465,038	4,848,622
Holders of perpetual capital securities		185,458	147,094
Non-controlling interests		208,535	139,138
		5,859,031	5,134,854
Earnings per share (HK cents)	9		
Basic		108.48	96.25
Diluted		108.48	96.25

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME**

	Six months ended 30 June	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Profit for the period	<b>5,859,031</b>	<u>5,134,854</u>
Other comprehensive income/(loss)		
<i>Items that may be reclassified to profit or loss in subsequent periods</i>		
Gain/(loss) on fair value changes of debt securities at fair value through other comprehensive income	<b>618</b>	(38,031)
Exchange differences on translation of subsidiaries	<b>(681,428)</b>	(1,884,875)
Exchange differences on translation of joint ventures	<b>(201,199)</b>	(512,282)
Exchange differences on translation of associates	<b>(32,639)</b>	(71,404)
Other comprehensive loss for the period, net of tax	<b>(914,648)</b>	<u>(2,506,592)</u>
Total comprehensive income for the period	<b>4,944,383</b>	<u>2,628,262</u>
Total comprehensive income for the period attributable to:		
Owners of the Company	<b>4,585,833</b>	2,384,433
Holder of perpetual capital securities	<b>185,458</b>	147,094
Non-controlling interests	<b>173,092</b>	96,735
	<b>4,944,383</b>	<u>2,628,262</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Notes	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
<b>Non-current Assets</b>			
Property, plant and equipment		5,889,788	5,664,826
Right-of-use assets		720,280	600,332
Investment properties		6,918,364	6,923,849
Interests in infrastructure project investments		3,533,643	3,651,302
Interests in joint ventures		17,126,514	16,916,238
Interests in associates		7,056,467	6,116,328
Concession operating rights		2,947,709	3,066,257
Deferred tax assets		108,898	123,170
Trademark, project backlogs and licences		205,974	216,116
Goodwill		577,664	577,664
Financial assets at fair value through other comprehensive income		389,281	388,709
Amounts due from investee companies		222,047	222,047
Trade and other receivables	10	56,817,239	55,600,846
Loans to joint ventures		950,662	1,283,721
		<b>103,464,530</b>	<b>101,351,405</b>
<b>Current Assets</b>			
Interests in infrastructure project investments		456,525	525,589
Inventories		557,265	522,852
Properties under development		5,638,707	6,289,737
Properties held for sale		4,141,584	4,078,986
Contract assets		25,533,988	21,593,655
Trade and other receivables	10	82,370,477	75,414,120
Deposits and prepayments		1,025,242	970,266
Amounts due from joint ventures		9,488,422	8,989,059
Amounts due from associates		544,324	564,697
Amounts due from related companies		103,445	106,870
Tax recoverable		453,899	404,560
Bank balances and cash		32,150,207	28,462,889
		<b>162,464,085</b>	<b>147,923,280</b>

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

		<b>30 June</b>	31 December
		<b>2024</b>	2023
	Notes	<b>HK\$'000</b>	HK\$'000
		<b>(unaudited)</b>	<b>(audited)</b>
<b>Current Liabilities</b>			
Contract liabilities		8,753,700	9,926,742
Trade payables, other payables and accruals	11	83,126,631	74,884,549
Deposits received		43,042	49,129
Amounts due to joint ventures		963,926	1,184,331
Amounts due to associates		175,102	134,637
Amounts due to related companies		347,966	352,565
Tax payables		6,552,196	6,136,831
Bank borrowings	12	13,965,616	16,515,007
Corporate bonds		4,304,348	2,753,304
Loan from a fellow subsidiary		652,174	660,793
Loan from a joint venture		-	2,643,172
Lease liabilities		121,179	114,435
		<b>119,005,880</b>	<b>115,355,495</b>
<b>Net Current Assets</b>		<b>43,458,205</b>	<b>32,567,785</b>
<b>Total Assets less Current Liabilities</b>		<b>146,922,735</b>	<b>133,919,190</b>
<b>Capital and Reserves</b>			
Share capital		125,940	125,940
Share premium and reserves		64,753,600	61,597,479
Equity attributable to owners of the Company		64,879,540	61,723,419
Perpetual capital securities		10,058,940	10,017,782
Non-controlling interests		2,603,216	2,536,418
		<b>77,541,696</b>	<b>74,277,619</b>
<b>Non-current Liabilities</b>			
Bank borrowings	12	60,594,725	51,310,456
Guaranteed notes payable and corporate bonds		7,418,779	7,008,591
Contract liabilities		537,961	591,473
Defined benefit obligations		23,555	23,555
Deferred tax liabilities		636,997	590,736
Lease liabilities		169,022	116,760
		<b>69,381,039</b>	<b>59,641,571</b>
		<b>146,922,735</b>	<b>133,919,190</b>

**NOTES:**

**(1) BASIS OF PREPARATION**

The interim condensed consolidated financial statements of the Group have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The interim condensed financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income (“FVOCI”) and investment properties, which are carried at fair value.

**(2) CHANGES IN ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following amendments to existing standards (hereinafter collectively referred as to the “revised Hong Kong Financial Reporting Standards (“HKFRSs”)”) effective for the financial year ending 31 December 2024.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

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

**(3) REVENUE**

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

An analysis of the revenue is as follows:

	Six months ended 30 June	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Revenue from construction contracts	<b>23,219,853</b>	18,673,338
Revenue from construction related investment projects (Note (a))	<b>33,768,745</b>	32,287,323
Revenue from facade contracting business	<b>2,536,190</b>	2,578,578
Revenue from infrastructure operation (Note (b))	<b>416,932</b>	463,939
Others (Note (c))	<b>1,813,495</b>	1,107,534
	<b>61,755,215</b>	<u>55,110,712</u>
Revenue from contracts with customers (Note (d))		
Timing of revenue recognition		
- Over time	<b>58,385,980</b>	52,208,108
- At a point in time	<b>1,408,888</b>	819,128
	<b>59,794,868</b>	<u>53,027,236</u>
Revenue from other sources		
- Interest income generated from construction related investment projects	<b>1,621,634</b>	1,862,355
- Others (Note (e))	<b>338,713</b>	221,121
	<b>1,960,347</b>	<u>2,083,476</u>
	<b>61,755,215</b>	<u>55,110,712</u>

**(3) REVENUE *(continued)***

Notes:

- (a) Revenue from construction related investment projects mainly comprises revenue generated from the provision of construction services under Public-Private-Partnership model and government targeted repurchase of resettlement housing project, and the corresponding interest income.
- (b) Revenue from infrastructure operation comprises revenue from thermoelectricity business and toll road operation.
- (c) Revenue from others mainly comprises revenue from industrial plant reconstruction, project consultancy services, sales of building materials, machinery leasing, insurance contracts and rental income from investment properties.
- (d) The revenue recognised for the six months ended 30 June 2024 and 2023 are recognised over time, except for toll road operation, sales of building materials and industrial plant reconstruction of approximately HK\$55,730,000 (Six months ended 30 June 2023: HK\$87,076,000), HK\$964,489,000 (Six months ended 30 June 2023: HK\$659,075,000) and HK\$388,669,000 (Six months ended 30 June 2023: HK\$72,977,000), respectively, which were recognised at a point in time.
- (e) The amount mainly comprises revenue from machinery leasing, insurance contracts and rental income from investment properties.



**(4) SEGMENT INFORMATION**

The Group’s reportable segments, based on information reported to the chief operating decision maker for the purposes of resources allocation and performance assessments, include (i) the Group’s share of revenue and results of joint ventures, and (ii) geographical locations where the Group’s subsidiaries operate, namely Chinese mainland (other than Hong Kong and Macau), Hong Kong and Macau.

China State Construction Development Holdings Limited (“CSC Development”), a limited liability company incorporated in the Cayman Islands and listed on the Main Board of The Stock Exchange of Hong Kong Limited, and its subsidiaries (collectively referred to as the “CSC Development Group”) are currently managed by a separate business team. The chief operating decision maker regards the CSC Development Group as a distinct reportable segment and assesses its performance based on its overall result.

Segment revenue and results for the six months ended 30 June 2024 and 2023 are as follows:

	<u>Segment revenue</u>		<u>Gross profit</u>		<u>Segment results</u>	
	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Reportable segments						
Chinese mainland	<b>35,118,859</b>	32,040,124	<b>7,134,879</b>	6,493,643	<b>6,336,347</b>	5,720,756
Hong Kong and Macau	<b>23,592,303</b>	19,937,594	<b>1,658,478</b>	1,454,560	<b>1,588,429</b>	1,515,985
Hong Kong	<b>18,173,708</b>	14,074,829	<b>953,848</b>	786,445	<b>932,897</b>	820,433
Macau	<b>5,418,595</b>	5,862,765	<b>704,630</b>	668,115	<b>655,532</b>	695,552
CSC Development Group	<b>3,044,053</b>	3,132,994	<b>760,905</b>	677,535	<b>645,669</b>	531,651
	<b>61,755,215</b>	55,110,712	<b>9,554,262</b>	8,625,738	<b>8,570,445</b>	7,768,392
Share of revenue/results of joint ventures	<b>1,919,585</b>	1,770,897			<b>661,254</b>	345,238
Total	<b>63,674,800</b>	56,881,609			<b>9,231,699</b>	8,113,630
Unallocated corporate expenses					<b>(277,103)</b>	(370,458)
Gain on disposal of subsidiaries					<b>67,947</b>	-
Share of profits of associates					<b>5,428</b>	173,307
Finance costs					<b>(1,607,430)</b>	(1,554,068)
Profit before tax					<b>7,420,541</b>	6,362,411

**China State Construction International Holdings Limited**

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

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Interest income on:		
Bank deposits	153,605	115,688
Debt securities at FVOCI	4,533	12,016
Loans to joint ventures	18,677	9,524
Loans to associates	-	173
Deposits with a fellow subsidiary	1,099	845
Dividend income from:		
Equity securities at FVOCI	14,563	11,650
Gain on disposal of:		
Property, plant and equipment, net	21,592	1,160
Subsidiaries	67,947	-
Service income	489	23,192
Others	(155,932)	(144,278)
	<b>126,573</b>	<b>29,970</b>

**(6) PROFIT BEFORE TAX**

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Profit before tax has been arrived at after charging:		
Depreciation of property, plant and equipment	285,461	278,166
Depreciation of right-of-use assets	63,759	55,072
Amortisation of concession operating rights (included in costs of sales)	78,896	82,498
Amortisation of trademark and licences (included in administrative, selling and other operating expenses)	8,633	8,780

(7) INCOME TAX EXPENSES, NET

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Current tax:		
Hong Kong profits tax	197,571	128,647
Other jurisdictions income tax	1,427,731	1,259,251
Chinese mainland land appreciation tax	18,205	13,891
	<u>1,643,507</u>	<u>1,401,789</u>
Overprovision in prior years:		
Hong Kong profits tax	(68,059)	(9,434)
Other jurisdictions income tax	(74,506)	(87,582)
	<u>(142,565)</u>	<u>(97,016)</u>
Deferred tax, net	60,568	(77,216)
Income tax expenses for the period, net	<u>1,561,510</u>	<u>1,227,557</u>

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits. Income taxes arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions.

(8) DIVIDENDS

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Dividends recognised as distributions during the period:		
2023 Final, declared – HK28.5 cents per share (2023: 2022 Final, declared – HK24 cents per share)	<u>1,435,721</u>	<u>1,209,028</u>

The Board declared the payment of an interim dividend of 2024 of HK33 cents (2023: HK27.5 cents) per share.

**(9) EARNINGS PER SHARE**

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

	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
<b>Earnings</b>		
Earnings for the purposes of basic and diluted earnings per share	<u>5,465,038</u>	<u>4,848,622</u>
	Six months ended 30 June	
	2024	2023
	'000	'000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>5,037,617</u>	<u>5,037,617</u>

Diluted earnings per share is the same as basic earnings per share as the Company did not have any dilutive potential ordinary shares during the six months ended 30 June 2024 and 2023.

**(10) TRADE AND OTHER RECEIVABLES**

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

	Notes	<b>30 June 2024 HK\$'000</b>	31 December 2023 HK\$'000
Trade receivables, net of allowance for doubtful debts, aged:			
0-30 days		<b>8,185,673</b>	5,124,691
31-90 days		<b>10,632,773</b>	8,655,847
Over 90 days	(a)	<b>99,223,088</b>	92,080,665
		<b>118,041,534</b>	105,861,203
Retention receivables		<b>5,768,653</b>	6,093,389
Other receivables		<b>15,377,529</b>	19,060,374
Trade and other receivables		<b>139,187,716</b>	131,014,966
Less: Current portion		<b>(82,370,477)</b>	(75,414,120)
Non-current portion	(b)	<b>56,817,239</b>	55,600,846

Notes:

- (a) Included in the receivables aged over 90 days are receivables attributable to the construction related investment projects in Chinese mainland amounting to approximately HK\$83,858,945,000 (31 December 2023: HK\$79,334,533,000).
- (b) The balances of non-current portion are mainly attributable to certain construction related investment projects in Chinese mainland. Certain balances are secured by the collateral from employers and interest bearing in accordance with the relevant contract terms. The amount is expected to be gradually and fully recovered from the second half of 2025 to 2034, with approximately HK\$13,470,422,000 in the second half of 2025, HK\$18,436,436,000 in 2026, HK\$8,266,876,000 in 2027 and HK\$16,643,505,000 in 2028 to 2034. As a result, they are classified as non-current.

Retention receivables are interest free and recoverable at the end of the retention period of individual construction contracts ranging from 1 to 2 years. At 30 June 2024, the amount of retention receivables expected to be recovered after more than one year is approximately HK\$3,467,956,000 (31 December 2023: HK\$3,309,066,000).

**(10) TRADE AND OTHER RECEIVABLES (continued)**

Except for the receivables arising from construction contracts, including construction related investment projects which are billed and payable in accordance with the terms of relevant agreements, the Group generally allows an average credit period of not exceeding 90 days to its trade customers and the retention receivables are recoverable upon the expiry of defect liability period of construction.

Other receivables

The analysis of the receivables is as follows:

	Notes	<b>30 June 2024 HK\$'000</b>	31 December 2023 HK\$'000
Payments for government targeted repurchase project	(a)	<b>11,188,412</b>	16,655,594
Bid and other deposits	(b)	<b>1,769,005</b>	1,671,975
Advances receivables	(c)	<b>1,768,687</b>	279,305
Others		<b>651,425</b>	453,500
		<b><u>15,377,529</u></b>	<u>19,060,374</u>

Notes:

- (a) The balance represents amounts paid to local governments for acquisitions of land for construction of government targeted repurchase projects. It will be charged to profit and loss over the period of the contract by reference to the progress towards completion satisfaction of that performance obligation.
- (b) The balance represents bid deposits, performance bonds, wage guarantee deposits and other deposits for construction related projects. These balances will be refunded upon completion of tender process or projects.
- (c) The balance represents construction and material purchase costs paid on behalf of sub-contractors and employers of construction related projects. It includes balances with fellow subsidiaries amounting to approximately HK\$98,183,000 (31 December 2023: HK\$95,371,000), which are unsecured, interest free and repayable on demand.

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

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

	<b>30 June 2024 HK\$'000</b>	31 December 2023 HK\$'000
Trade payables, aged:		
0-30 days	<b>52,179,017</b>	45,951,489
31-90 days	<b>4,777,345</b>	2,594,005
Over 90 days	<b>9,354,006</b>	9,524,192
	<b>66,310,368</b>	58,069,686
Retention payables	<b>6,984,319</b>	7,092,650
Other payables and accruals	<b>9,831,944</b>	9,722,213
	<b>83,126,631</b>	74,884,549

Other payables and accruals mainly comprise staff cost, other tax and other operating expenses payables.

The average credit period on trade and construction cost payables is 60 days. At 30 June 2024, the amount of retention payables expected to be settled after more than one year is approximately HK\$3,914,650,000 (31 December 2023: HK\$3,800,702,000).

(12) BANK BORROWINGS

	<b>30 June 2024 HK\$'000</b>	31 December 2023 HK\$'000
Bank borrowings, secured	<b>13,060,821</b>	12,089,475
Bank borrowings, unsecured	<b>61,499,520</b>	55,735,988
	<b>74,560,341</b>	67,825,463
Less: Current portion	<b>(13,965,616)</b>	(16,515,007)
Non-current portion	<b>60,594,725</b>	51,310,456
Carrying amount repayable:		
Within one year or on demand	<b>13,965,616</b>	16,515,007
More than one year but not exceeding two years	<b>17,781,052</b>	17,789,729
More than two years but not more than five years	<b>30,846,056</b>	27,643,613
More than five years	<b>11,967,617</b>	5,877,114
	<b>74,560,341</b>	67,825,463

The secured bank borrowings are secured by property, plant and equipment, interests in infrastructure project investments and trade receivables.

Bank borrowings are mainly denominated in Hong Kong dollar and Renminbi.



## **INTERIM DIVIDEND**

The Board declared an interim dividend of 2024 of HK33 cents per share (2023: interim dividend of HK27.5 cents per share) payable on or about Thursday, 10 October 2024 to shareholders whose names appear on the register of members of the Company at the record date and time on Tuesday, 17 September 2024 at 4:30 p.m..

In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 17 September 2024.

## **REVIEW OF OPERATION**

In the first half of 2024, the global economy generally tended to stabilize, but the overall growth rate has not returned to the level before 2020. Uncertainties such as geopolitics, inflation and monetary tightening still suppressed economic recovery. The interest rate cuts in developed economies have been delayed so the high-interest rate environment led to tightening global financial conditions, which brought greater pressure on the growth of developing economies. Despite the complex and volatile external environment, China's economy continued to recover and was on a positive upward trend in the first half of the year. With overall stable operation and steady progress, the export data was still better than expected, and the development of new quality productive forces achieved positive results, achieving a GDP growth rate of 5.0%, which laid a solid foundation for the full-year growth target. Goods exports, one of the main driving forces of Hong Kong's economy, performed strongly, retail sales stabilized, and the economy grew moderately in the first half of the year. Macau's tourism economy rose steadily due to the prosperous tourist flow. This year, measures to benefit Hong Kong and Macau in the fields of finance, cultural tourism and regional cooperation were introduced successively in Chinese mainland, which has boosted the economic momentum of Hong Kong and Macau more effectively.

Regardless of the changes of the external environment, the Group always took its high-quality development as a top priority. It actively responded to challenges, seized opportunities for high-quality development, vigorously cultivated and developed new momentum, and formed new competitive advantages. The Group won the bids for multiple large-scale projects in Hong Kong and Macau, demonstrating its market-leading position. The business structure in Chinese mainland continued to be optimized, and technology drove continuous new breakthroughs. The facade business continued to implement a differentiated competitive strategy and won a number of high-quality projects.

## **China State Construction International Holdings Limited**

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For the six months ended 30 June 2024, the Group's results registered steady growth with newly signed contracts amounted to HK\$125,130 million, representing a year-on-year increase of 29.2%. The unaudited revenue amounted to HK\$61,755 million, representing a year-on-year increase of 12.1%. The operating profit amounted to HK\$8,570 million, representing a year-on-year increase of 10.3%. The profit attributable to the shareholders increased by 12.7% to HK\$5,465 million, with basic earnings per share of HK108.48 cents and net asset value per share of HK\$15.39. The Board declared the distribution of an interim dividend of HK33 cents per share for the year of 2024, translating to a dividend payout ratio of about 30.4%, an increase of 1.8 percentage points compared to the same period last year.

### **Hong Kong and Macau Markets**

The Hong Kong government has actively improved the living environment of its citizens, promoted development plans such as the Northern Metropolis and expanded various livelihood infrastructure projects. The Group fully leveraged its rich experience in construction and its advantages in construction technology, and formed a consortium with the French Veolia Group to successfully win the bid for the West New Territories Landfill Extension ("WENTX"). The total contract amount of the project reached HK\$61.1 billion (with the Group's attributable contract value of approximately HK\$42.8 billion), making it the largest engineering project in the history of the Group. After the completion of WENTX, the waste disposal needs of Hong Kong will be addressed in the next few decades and provided an important foundation for urban development and population growth in the 'Northern Metropolis' of Hong Kong. The successful bidding of the Group, relying on its technological advantages in environmental engineering, especially in reducing carbon emissions during construction, represented an important step for the Group to enhance its competitiveness in environmental engineering and explore the path of green and low-carbon development. The Group also obtained the main contract for Phase 1A of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP), which is located in the Loop of Hong Kong and Shenzhen, and is also the core area of the Northern Metropolis. The project plays an important role in promoting the exchange and integration of innovative elements between Chinese mainland and Hong Kong and strengthening Hong Kong's competitiveness in science and technology innovation. In March of this year, the Group entered into a contract in relation to the Office for Attracting Strategic Enterprises (OASES) with the HKSAR Government, becoming its 'OASES partner' and the only construction enterprise among the current 49 contracted enterprises. The Group will actively promote the application of construction technology and digital transformation and assist in the innovative development of Hong Kong's construction industry.

In the Macau market, the Group continued to promote the construction of livelihood projects and maintain its market-leading position. Meanwhile, the Macau No.8 project, M8, which is located in the core area of the Historic Centre of Macau World Heritage, successfully completed and fully leased. The project won multiple awards and will be put into trial operation in September this year, bringing tourists a brand new cultural and commercial experience.

### Chinese Mainland Market

The Group focused on high-quality projects in Chinese mainland, continuously expanded its advantageous models and market share. In the first half of the year, investment-driven projects were concentrated in high-level economic regions such as the Yangtze River Delta and the Pearl River Delta, and project cycles were further optimized. The Group strengthened the management of ongoing projects, strengthened control over key nodes and continued to improve execution efficiency. The Group has always been committed to promoting the application of MiC technology to solve the problems of people's livelihood. Based on the two successful cases of Shenzhen Huazhang Xinzhu (深圳華章新築) and Beijing Huapichang No 8, (北京樺皮廠8號), MiC continued to rapidly penetrate the core cities of high-level economic regions this year. The models such as the original demolition and original construction + MiC were further promoted, and the project demonstration was further transformed into market promotion.

### Facade Market

China State Construction Development Holdings Limited (“CSC Development”), a subsidiary of the Group, leveraged its quality and technological advantages to consolidate its leading position in the facade market in Hong Kong. In the first half of the year, CSC Development won consecutive bids for commercial sites such as the Artist Square Towers Project at the West Kowloon Cultural District of Sun Hung Kai Properties and New Central Harbourfront Site 3 of Henderson Land. In the Chinese mainland, CSC Development focused on high-level economic regions such as the Yangtze River Delta and the Pearl River Delta. In the first half of the year, CSC Development won the bids for projects such as the metal roofing construction of the world’s largest indoor ski resort, Shenzhen Qianhai Huafa Ice and Snow World, and continued to maintain good cooperation with strategic customers including OPPO. CSC Development continued to vigorously cultivate BIPV as the key for its future business growth. Light A BIPV products have currently passed 54 certification tests of TÜV (German Technical Inspection Association), indicating that its quality and reliability were recognized by international authoritative institutions. As the applicability of the products increased, landowners’ confidence in BIPV products is also constantly increased.

### Sustainable Development Management

The Group takes the promotion of sustainable development as its responsibility, adheres to the sustainable development vision of ‘creating a world leading and sustainable international construction and infrastructure investment enterprise’ and integrates concepts of green and low-carbon, talent development, good governance and social contribution into the Group’s business and operations. To this end, the Group focused on future development trends and formulated a more forward-looking sustainable development roadmap. In the new version of the sustainable development roadmap, the Group expected to achieve the carbon peak target by 2030, realize the carbon neutrality earlier from 2060 to 2050 and prepare a series of initiatives to correspond to the

new goals. The Group disclosed more ESG information and released its first TCFD analysis report this year so that investors could gain understanding of the potential risks and impacts of climate change on the company. With the outstanding performance in the field of sustainable development, the Group received multiple honors and commendations. It was selected as a constituent of the FTSE4Good Index for the eighth consecutive year and was included in the Sustainability Yearbook 2024 (China edition) by S&P Global, with the highest score and ranked first in the industry. It also made breakthroughs in the ESG rating in Chinese mainland, with the ratings of AA from China Chengxin Green Finance and Wind ESG, both of which were the highest in the industry.

### **Risk Management**

The Group integrated risk management and compliance management throughout the entire process of business operations. It conducted annual risk identification and assessment, investigated various potential risks and improved the overall corporate risk management system. The audit department regularly reviewed the risk management and internal control systems of the Group to ensure their effectiveness. It participated in the meetings of the Audit Committee of the Board and reported on the internal audit of the Group, then gave advice for identified deficiencies and defects and addressed the problems. This year, the Group issued the Code of Business Ethics and organized relevant training to help employees improve their awareness when performing their duties, fulfill their responsibilities in a law-abiding, honest, fair and upright manner, and reduce compliance risks. It continued to conduct regular risk investigation, organize special investigation and provide corresponding work for external environmental risks.

### **Financial Management**

In the first half of 2024, the Group maintained a healthy financial situation and maintained positive operating cash flow. The Group actively took advantage of the low RMB interest rate and issued a number of RMB corporate bonds and medium term notes during the year. Good creditworthiness attracted institutions to participate actively, the interest rate of domestic financing instruments hit a record low.

The financial position of the Group remained sound, with sufficient cash on hand and available financial resources. As of 30 June 2024, cash on hand amounted to HK\$32,150 million, accounting for 12.1% of its total assets. The net gearing ratio was controlled at 69.8%, and unutilised bank credit facilities were HK\$59,830 million.

### **Human Resources**

Employees are valuable assets of the Group. Attracting and cultivating talents is the key to the prosperity and development of the Group. For the sake of rewarding the contributions of employees, the Group established a holistic employment system, a safe working environment and comprehensive training and development to share the development results of the Group with employees. The Group coordinated and organized recruitment events to recruit outstanding local and overseas talents. It focused on the talent team building, organized training courses such as financial cadre training and tailored MiC marketing training to facilitate employee development. The Group also actively communicated with all sectors of society with an open attitude. In June, the Secretary for Security of the HKSAR Government, Mr Tang Ping-keung, led members of the ‘Security Bureau Youth Uniformed Group Leaders Forum’ and students from Shenzhen University to visit the Zhuhai production bases of CSC Hailong and CSC Development to learn about advanced, innovative and environmental-friendly construction technology. This year, the Group awarded scholarships to more than 60 students from four institutions, including the Hong Kong University of Science and Technology, the Hong Kong Polytechnic University, the City University of Hong Kong and the Hong Kong Institute of Vocational Education, in order to better support the development of Hong Kong education and cultivate more young talents for the construction industry.

### **Technological Innovation**

The Group has been persistent in promoting technological innovation, strengthening core technologies, and cultivating new momentum for high-quality development. The Group continued to strengthen cooperation with academic experts, colleges and universities, and successfully entered into strategic cooperation agreements with the State Key Laboratory for Geomechanics and Deep Underground Engineering, the University of Macau, and the Macau University of Science and Technology. The two ‘14th Five-Year Plan’ national key R&D plans undertaken by the Group were smoothly promoted, and the modular integration project achieved phased results. The local standard ‘Methods for Quality Inspection and Acceptance of Prefabricated Building Components’ edited by CSC Hailong, a subsidiary of the Group, was officially released, and the national standard ‘Technical Requirements for Concrete Box Modular Units and Connecting Fittings for Buildings’ was approved. As the exclusive strategic partner of climate and low-carbon technology, the Group made its fourth appearance at BEYOND Expo and participated in the China Brand Fair 2024. A number of architectural technology achievements were showcased and received high praise from all parties. In May, the Group accepted an interview with the News Center of the State-owned Assets Supervision and Administration Commission of the State Council (SASAC). MiC and BIPV, as new quality productive forces in the construction industry, attracted much attention, and such report was published on the official website of the SASAC and the front page of People’s Daily. In June, at the 21th China International Exposition of Housing Industry & Products and Equipments of Building Industrialization, Ni Hong, Minister of the Ministry of Housing and Urban-Rural

Development, visited the Technology Exhibition Area of CSC Hailong to gain an understanding of the contents of the Group such as building houses like building cars and providing a one-stop ‘good house’ service throughout the life cycle like a car 4S store. He also visited the first prefabricated renovation project of dilapidated buildings in Beijing, the model room of Huapichang Hutong No 8 Building, Xicheng District (西城區樺皮廠胡同8號樓), and expressed his recognition of the technological innovation and successful practice of the modular integrated construction system developed originally by CSC Hailong. The Group won many awards at the 49th International Exhibition of Inventions Geneva, and various international prestigious awards such as the Luban Prize for Overseas Engineering, and the Huaxia Award. The technology label on the Group further firmly rooted in everyone’s heart.

### **REVIEW OF FINANCIAL PERFORMANCE**

#### **Overall performance**

For the six months ended 30 June 2024, the Group’s profit attributable to owners of the Company was HK\$5,465 million, up by 12.7% compared to HK\$4,849 million for the last period. The Group recorded revenue of HK\$61,755 million, up by 12.1% compared to HK\$55,111 million for the last period. Basic earnings per share was HK108.48 cents, representing an increase of 12.7% as compared with the same period of last year.

The Group's collection ability continues to be good, and it continues to maintain a net operating cash inflow from 2022 onwards.

The Board declared payment of an interim dividend of HK33 cents per share, the dividend payout ratio will be 30.4%.

As at 30 June 2024, the equity attributable to the owners of the Company was HK\$64,880 million (31 December 2023: HK\$61,723 million).

#### **Segment Result**

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

The Group won the bids for multiple large-scale projects in Hong Kong, demonstrating its market-leading position. Hong Kong’s revenue significant increased 29.1% to HK\$18,174 million as compared to HK\$14,075 million for corresponding period of 2023. Segment result amounted to HK\$933 million, grew by 13.7% as compared to HK\$820 million for the same period of last year.

In the Macau market, the Group continued to promote the construction of livelihood projects and maintain its market-leading position. Macau's revenue remains stable, amounting HK\$5,419 million, slightly dropped 7.6% as compared to HK\$5,863 million for the same period of last year. Segment result decreased 5.8% to HK\$656 million as compared to HK\$696 million for last period.

### **Construction Related Investment Projects and Other Businesses — Chinese Mainland**

The Group focused on high-quality projects in Chinese mainland, continuously expanded its advantageous models and market share. The Group's investment were concentrated in high-level economic regions such as the Yangtze River Delta and the Pearl River Delta, and project cycles were further optimised. The Group has always been committed to promoting the application of Modular Integrated Construction (MiC) technology and has continued to rapidly penetrate the core cities of high-level economic regions during the period under review.

Chinese mainland segment recorded a gradually growth in revenue to HK\$35,119 million, up by 9.6% as compared to HK\$32,040 million in last period. Segment result amounted to HK\$6,336 million, up by 10.8% as compared to HK\$5,721 million for the same period of last year, which was mainly contributed by the growth of Construction Related Investment Projects.

#### *Construction Related Investment Projects*

Our Construction Related Investment Projects spanned over different kinds of business, including investment and construction of toll road, toll bridge and a variety of housing project, such as affordable housing, hospital and school. The Group continued to optimise the project mix on hand, increased participation in government targeted repurchase (GTR) projects and other shorter cash payback cycle projects in order to accelerate capital turnover.

During the period under review, the Group received buy-back payment of HK\$20,699 million (2023: HK\$19,262 million) from Construction Related Investment Projects, including the attributable share of such payment received by our joint venture investments, with an increase of 7.5%.

Construction Related Investment Projects remained the core business and the major contributor of Chinese mainland. Revenue and result of this sector rose by 6.9% and 9.3% to HK\$34,064 million (2023: HK\$31,867 million) and HK\$5,779 million (2023: HK\$5,286 million), respectively.

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### *Operation Infrastructure Projects*

Operation Infrastructure Projects represents toll road operation, recorded revenue of HK\$56 million, decreased by 36.0% as compared to HK\$87 million of the same period of last year.

### *Other business*

Other business mainly represents contribution from industrial plant reconstruction, prefabricated construction industrialisation factories, MiC and other business. This sector recorded segment result amounted HK\$501 million (2023: HK\$438 million).

## **China State Construction Development Holdings Limited**

CSC Development Group focused on the facade contracting business, general contracting business and operating management business. CSC Development Group further solidified its leading position in the market of Hong Kong and Macau and continued to expand its market in Chinese mainland. During the period under review, both revenue and result continued to do well.

### **Cash Flows Analysis**

The Group continues to maintain positive operating cashflow, generated HK\$2 million (2023: HK\$168 million) during the period under review. The net cash outflow from investing activities were HK\$1,587 million (2023: net cash inflow HK\$1,097 million). The net cash inflow from financing activities were HK\$5,775 million (2023: HK\$5,211 million).



**UNAUDITED OPERATING INFORMATION**

For the six months ended 30 June 2024, the Group recorded an accumulated new contract value of HK\$125.13 billion.

As of 30 June 2024, the on-hand contract value of the Group amounted to approximately HK\$673.71 billion, among which the backlog was approximately HK\$407.55 billion.

**New Contracts Awarded & Project in Progress in the first half of 2024**

Market	New Contract Awarded for the Six Months ended 30 June 2024 (HK\$ Billion)	Project in Progress as of 30 June 2024	
		Total Value (HK\$ Billion)	Backlog (HK\$ Billion)
Chinese mainland	56.92	384.00	231.26
Hong Kong	57.64	196.19	141.30
Macau	4.53	62.06	17.71
CSC Development	6.04	31.46	17.28
Total	125.13	673.71	407.55

**BUSINESS OUTLOOK**

In the first half of the year, the Group achieved outstanding results in market expansion, project performance, financial management, scientific and technology research and development, and its comprehensive strength was further enhanced. Looking forward to the second half of the year, the positive factors and favorable conditions in the operation of China's economy will continue to accumulate, and the economies of Hong Kong and Macau will remain resilient and are expected to be more active. The Group will continue to pay attention to the macroeconomic conditions, comply with the national policies, set high-quality development goals, and strive for better results. In the Hong Kong and Macau markets, the Group will consolidate its leading position in housing construction and focus on preparing major infrastructure-related resources such as shield tunnels, viaducts, and railways. In the Chinese mainland market, the Group will continue to adhere to the investment map and centrally invest more resources on high-level cities and high-quality business models. The Group will implement the technology empowerment strategy to give full play to its multiplier effect and open up new momentum for the Group's development.

## **PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE GROUP**

### **Issue of Listed Securities**

During the six months ended 30 June 2024, a subsidiary of the Company completed the public issuance of the following listed securities:

<b>Issue Date</b>	<b>Securities</b>	<b>Principal Amount (RMB)</b>	<b>Coupon Rate per annum</b>	<b>Maturity</b>
28 February 2024	Medium-term notes issued and listed on the China Inter-bank Bond Market	2,000 million	2.84%	5 years
24 April 2024	Corporate bonds issued and listed on Shenzhen Stock Exchange	900 million	2.54%	5 years

### **Redemption of Listed Securities**

During the six months ended 30 June 2024, a subsidiary of the Company redeemed the following listed securities upon their maturity:

<b>Redemption Date</b>	<b>Securities</b>	<b>Principal Amount (RMB)</b>	<b>Coupon Rate per annum</b>	<b>Maturity</b>
31 May 2024	Medium-term notes issued and listed on the China Inter-bank Bond Market on 31 May 2021	1,000 million	3.52%	3 years

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Group during the six months ended 30 June 2024.

## **CORPORATE GOVERNANCE**

During the six months ended 30 June 2024, the Company has applied and complied with all the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a model code for securities transactions by directors and relevant employees (the “Securities Code”) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules. Directors and relevant employees of the Company are required to comply with the Securities Code. Reminders are sent to the directors and relevant employees that they should not deal in the securities of the Company during the “black-out-period” specified in the Securities Code and before publishing any inside information announcement. Directors and relevant employees are required to notify the Company and obtained a dated written acknowledgement before dealing in the securities of the Company. After making enquiries by the Company, all directors and relevant employees of the Company confirmed that they have complied with the Securities Code during the six months ended 30 June 2024.

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

The Group’s unaudited interim results for the six months ended 30 June 2024 have been reviewed by the Audit Committee of the Company.

## **ACKNOWLEDGEMENT**

With this opportunity, I would like to express my sincere gratitude to the Board for its brilliant leadership, to the shareholders for their trust and strong support, to other members of the society for their generous assistance, and to all our staff for their hard works.

By order of the Board  
**China State Construction  
International Holdings Limited**  
**Zhang Haipeng**  
*Chairman and Executive Director*

Hong Kong, 19 August 2024

*As at the date of this announcement, the Board comprises Mr. Zhang Haipeng as Chairman and Executive Director; Mr. Yan Jianguo as Non-executive Director; Mr. Wang Xiaoguang (Chief Executive Officer) and Mr. Hung Cheung Shew as Executive Directors; and Ms. Wong Wai Ching, Mr. Chan Tze Ching Ignatius and Mr. Chan Fan as Independent Non-executive Directors.*