



# 亞洲聯合基建控股有限公司

## ASIA ALLIED INFRASTRUCTURE HOLDINGS LIMITED

(Incorporated in Bermuda with Limited Liability)  
(Stock Code: 00711.HK)

[For Immediate Release]

### ASIA ALLIED INFRASTRUCTURE ANNOUNCES 2020/21 INTERIM RESULTS

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#### BUSINESSES REMAINED RESILIENT AMID CHALLENGING ENVIRONMENT TO STAY PRUDENT WHILE FURTHER EXPANDING BUSINESS FOOTPRINT

##### Highlights

- Revenue amounted to HK\$3.83 billion
- Net profit attributable to the shareholders amounted to HK\$56.3 million
- Continue to look for suitable opportunities with a prudent approach

(Hong Kong, 27 November 2020) — **Asia Allied Infrastructure Holdings Limited** (“**Asia Allied Infrastructure**” or the “**Group**”) (stock code: 00711.HK) announced today its interim results for the six months ended 30 September 2020 (“**Review Period**”).

Due to lower contributions from the construction operation and slowdown in project approvals, total revenue of approximately HK\$3.83 billion was recorded by the Group during the Review Period. Net profit attributable to the shareholders amounted to HK\$56.3 million.

**Mr. Dominic Pang, Chairman of Asia Allied Infrastructure**, said, “Impacted by the COVID-19 pandemic, the Review Period has been an exceptionally challenging one. Construction and infrastructure projects experienced persistent delays, weakening the overall results by the Group. Nevertheless, the Group believes its business has been relatively less impacted by the pandemic compared to many other industries, and in fact the Group has won several new projects with significant contract values that will result in long-term income streams. The Group will continue to explore suitable opportunities for contributing to people’s livelihoods and the communities.”

##### **Construction**

As the core business of the Group, the construction segment generated revenue totalling HK\$3.35 billion and recorded a segmental profit of HK\$23.7 million. As at 30 September 2020, the total value of contracts on hand has reached HK\$29.03 billion, with HK\$12.34 billion worth of contracts that are ongoing.

During the Review Period, the Group has been awarded several new major projects, which mainly include Fanling North New Development Area, Phase 1: Fanling Bypass Eastern Section (Shek Wu San Tsuen North to Lung Yeuk Tau); and In-situ Reprovisioning of Sha Tin Water Treatment Works (South Works) – Water Treatment Works and Ancillary Facilities.

The Group is also engaging in 39 major projects, including Site Formation and Infrastructure Works for Development of Anderson Road Quarry Site; Shek Wu Hui Effluent Polishing Plant — Main Works Stage 1 — Civil Works for Sludge Treatment Facilities and 132kV Primary Substation; Kwu Tung North New Development Area, Phase 1 — Roads and Drainage between Kwu Tung North New Development Area and Shek Wu Hui; Construction of Public Housing Development at Hiu Ming Street; Hong Kong Disneyland Resort Project — Arendelle Completion Package; Tseung Kwan O — Lam Tin Tunnel — Tseung Kwan O Interchange and Associated Works; and Hong Kong International Airport — Terminal 2 Foundation and Substructure Works.

The Group is confident that the persistent housing supply shortage as well as public works projects in the pipeline, such as MTR's Tung Chung Line Extension and the Northern Link, will continue to create opportunities for the construction industry. It will continue to keep an eye on the market for investment opportunities involving peripheral construction-related businesses, so as to reinforce its position as a leading member in the construction industry and also bolster its market position.

### **Property Development and Assets Leasing**

The property development and assets leasing segment contributed HK\$32.6 million in profit during the Review Period, representing a year on year increase of 215%, which included the result of disposal of the Group's interest in a residential development site located at Prince Edward Road West, Ho Man Tin.

The Group has continued to take a prudent approach towards property development in view of the challenging market conditions. With the sales of various projects, including the premium residential development, "The Cavaridge" at Kau To Shan, and the presale of the luxury residential development, "128 Waterloo" at Ho Man Tin in Hong Kong, as well as the presale of Phase 3 of the Shijiazhuang commercial development project in Hebei Province of the PRC, the overall performance of the segment was in line with the management's expectations. Other projects under development by the Group in Hong Kong include a commercial development at Nos. 35 and 37 Cameron Road, Tsim Sha Tsui, and a residential land parcel in Tung Chung with land exchange application in progress.

### **Professional Services**

The professional services segment recorded satisfactory performance from both the security and facility management business and the tunnel management operation, with revenue amounted to HK\$485.7 million and segmental profit of HK\$82.6 million generated during the Review Period. The inclusion of the tunnel management business to the professional services segment in recent years perfectly illustrates how the Group's strategic efforts have not only enhanced the operating performance, but have also added value to its overall long-term development.

During the Review Period, the Group has continued to manage six tunnels in Hong Kong, comprising the Cross-Harbour Tunnel, the Shing Mun Tunnels, the Tseung Kwan O Tunnel, the Kai Tak Tunnel, the Lion Rock Tunnel and the Central-Wan Chai Bypass Tunnel.

## **Non-Franchised Bus Services**

The non-franchised bus services segment operated by Chun Wo Bus Services Limited performed satisfactorily, and recorded a segmental profit of HK\$3.0 million during the Review Period. Despite a drop in the number of visitors to Hong Kong due to COVID-19 which severely affected the business segment, nevertheless, the management was able to respond quickly by switching its strategic focus from tourist-related business to scheduled services (provision of shuttle bus services for students, employees and residents), and consequently securing sizeable contracts with various renowned organisations, schools and property management companies. While keeping business development as a top priority, the non-franchised bus services segment continued to deliver quality services, and had achieved the ISO 9001:2015 certification during the Review Period.

## **Outlook and Prospects**

Apart from consolidating the Group's position in existing businesses, it has also been exploring the market for merger and acquisition opportunities. While taking a cautious approach, the Group is looking at expanding its footprint to the medical technology and healthcare sector by acquiring a major local radiopharmaceutical manufacturer. As markets near and far gradually recover, the Group will capitalise on relevant developments, with its depth of experience, breadth of expertise, sound fundamentals and solid leadership to forge ahead in existing business segments and beyond.

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### **Asia Allied Infrastructure Holdings Limited (stock code: 00711.HK)**

**Asia Allied Infrastructure** Holdings Limited (“Asia Allied Infrastructure”) is listed on the Main Board of the Hong Kong Stock Exchange under stock code 00711. The Group operates businesses such as construction engineering and management, property development and assets leasing, security and facility management, tunnel management, as well as non-franchised bus services. Its subsidiary “Chun Wo” is a renowned construction contractor and property developer in Hong Kong. Chun Wo's solid construction experience and professional capabilities have enabled the Group to seize suitable development opportunities, allowing the Group to enhance its overall profitability and investment value.

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