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Stock Code: 601668

Abbreviation: CSCEC



China State Construction Engineering Corporation Limited

Report for 1st Quarter of 2020

April 29, 2020

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1. Important Notes

- 1.1 The Company's Board of Directors, Board of Supervisors and Directors, Supervisors and Senior Management guarantee that information contained in the Quarterly Report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly accept legal responsibility thereof.
- 1.2 All the Company's Directors deliberated on the Quarterly Report at the board meeting.
- 1.3 Zhou Naixiang, Head of the Company (Chairman); Wang Yunlin, Head of Accounting (Chief Financial Officer); and Tian Wei, Head of the Accounting Office (Chief Accounting Officer) guarantee that the financial report set out in this Quarterly Report is true, accurate and complete.
- 1.4 The Company's 2020Q1 quarterly report is unaudited.

2. Company Profile

2.1 Key financial data

Unit: '000 yuan Currency: RMB

	As of the end of current reporting period	At the end of 2019	Change (%)
Total assets	2,073,222,309	2,034,451,929	1.9%
Net assets attributable to shareholders of the Company	263,062,674	277,197,681	-5.1%
	Jan.-March 2020	Same period of last year	Change YoY (%)
Net cash flow from operating activities	-90,976,368	-98,116,699	/
	Jan.-March 2020	Same period of last year	Change YoY (%)
Operating income	263,830,618	297,576,769	-11.3%
Net profit attributable to shareholders of the Company	7,572,374	8,857,917	-14.5%
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	7,419,483	8,572,289	-13.4%
Weighted average return on net assets (%)	2.68	3.54	- 0.86 ppt
Basic earnings per share (RMB/share)	0.18	0.21	-14.29%
Diluted earnings per share (RMB/share)	0.18	0.21	-14.29%
Net asset per share attributable to ordinary shareholders (RMB/share)	6.27	5.50	14.0%

Explanation on the key accounting data and financial indicators of the Company:

- ① When calculating earnings per share, the restricted shares that have not yet met the unlocking conditions and become invalid are deducted from the weighted average number of ordinary shares issued by the Company.
- ② According to relevant accounting requirements, when calculating earnings per share, the dividends or interests of other equity instruments such as preference shares and perpetual bonds and restricted shares shall be excluded from the net profit attributable to shareholders of the Company.
- ③ The net assets per share attributable to ordinary shareholders are the net assets attributable to shareholders of the parent company deducting other equity instruments, and then divided the balance by the total number of issued shares as at the end of the Reporting Period.

Statement of Non-Recurring Profit or Loss

"√ Available" "□ N/A"

Unit: '000 yuan Currency: RMB

Item	Amount of current reporting period	Remarks
Gain/loss on disposal of non-current assets	3,045	/
Government grants recognised through profit or loss, except government grants which are closely related to the Company's normal business operations, which comply with national policies and can be enjoyed continuously based on a fixed amount or a fixed quantity.	13,701	/
Fund possession fees charged on non-financial enterprises, which are recorded as profit or loss	24,216	/
In addition to the normal operation of the Company's effective hedging business, income/losses arising from changes in fair value and from disposal/redemption of the financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investments	-4,212	/
Reversal of the provision on receivables and contract assets for impairment on an individual basis	29,793	/
Non-operating income and expenses other than the above items	85,571	/
Impact on non-controlling interests (after tax)	1,305	/
Impact on income tax	-528	/
Total	152,891	/

Total number of shareholders, and shareholding of top 10 shareholders and top 10 holders of circulating shares (or holders of shares not subject to trading moratorium) as at the end of the Reporting Period

Unit: Share

Total number of shareholders	567,629				
Shareholding of top 10 shareholders					
Name of shareholder (full name)	Number of shares held as	Percentage (%)	Number of shares held	Pledged or frozen	Nature of Shareholder

	at the end of the period		subject to trading moratorium	Status	Number	
China State Construction Engineering Corporation	23,630,695,997	56.30	0	Nil	0	State-owned corporate entity
Anbang Life Insurance Co., Ltd. - Conservative Investment Portfolio	2,946,174,665	7.02	0	Nil	0	Other
China Securities Finance Corporation Limited	1,258,300,998	3.00	0	Nil	0	Other
Hong Kong Securities Clearing Company Limited	1,213,092,224	2.89	0	Nil	0	Other
Central Huijin Asset Management Company Limited	596,022,420	1.42	0	Nil	0	State-owned corporate entity
GIC PRIVATE LIMITED	287,864,145	0.69	0	Nil	0	Foreign corporate entity
Bank of Communications - E Fund 50 Index Securities Investment Fund	169,642,126	0.40	0	Nil	0	Securities investment fund
Industrial and Commercial Bank of China – SSE Index 50 Trading Open-end Index Securities Investment Fund	169,370,292	0.40	0	Nil	0	Securities investment fund
China Merchants Bank Co., Ltd.- Bosera CSI Central-SOEs Technological Innovation Index ETF	80,997,708	0.19	0	Nil	0	Securities investment fund
Industrial and Commercial Bank of China Limited- Huatai-Pinebridge CSI 300 ETF	67,187,745	0.16	0	Nil	0	Securities investment fund
Shareholdings of the top 10 holders of circulating shares not subject to trading moratorium						
Name of shareholder	Number of circulating shares not subject to trading moratorium	Class and number of shares				
		Class	Number			
China State Construction Engineering Corporation	23,630,695,997	RMB ordinary shares	23,630,695,997			
Anbang Life Insurance Co., Ltd. - Conservative Investment Portfolio	2,946,174,665	RMB ordinary shares	2,946,174,665			
China Securities Finance Corporation Limited	1,258,300,998	RMB ordinary shares	1,258,300,998			
Hong Kong Securities Clearing Company Limited	1,213,092,224	RMB ordinary shares	1,213,092,224			
Central Huijin Asset Management Company Limited	596,022,420	RMB ordinary shares	596,022,420			
GIC PRIVATE LIMITED	287,864,145	RMB ordinary shares	287,864,145			
Bank of Communications - E Fund 50 Index Securities Investment Fund	169,642,126	RMB ordinary shares	169,642,126			

Industrial and Commercial Bank of China – SSE Index 50 Trading Open-end Index Securities Investment Fund	169,370,292	RMB ordinary shares	169,370,292
China Merchants Bank Co., Ltd.- Boser CSI Central-SOEs Technological Innovation Index ETF	80,997,708	RMB ordinary shares	80,997,708
Industrial and Commercial Bank of China Limited- Huatai-Pinebridge CSI 300 ETF	67,187,745	RMB ordinary shares	67,187,745
Descriptions on the related relationship or acts in concert of the above shareholders	There is no related relationship or action in concert between China State Construction Engineering Corporation, the largest shareholder of the Company, and any other shareholder mentioned above. The Company is not aware of any related relationship among the above shareholders, or whether they are parties acting in concert.		
Descriptions on the preference shareholders with voting rights restored and number of shares held	N/A		

2.2 Total number of preferred shareholders, and shareholding of top 10 holders of preferred shares and top 10 holders of preferred shares not subject to trading moratorium as at the end of the Reporting Period

"□ Available" "√ N/A"

3. Earnings Results for the Reporting Period

China's economy was under considerable pressure in 2020Q1 due to the COVID-19 epidemic, and economic performance weakened on major growth indicators across-the-board. National GDP went down by 6.8% yoy to RMB 20.7 trillion. Fixed asset investment (excluding farming households) nationwide declined by 16.1% yoy to RMB 8.4 trillion, and infrastructure investment, in particular, declined by 19.7% yoy. Real estate investment dived 7.7% yoy to RMB 2.1 trillion. Commercial housing sales in terms of floor area plunged by 26.3% yoy to 220 million sqm., and sales value by 24.7% to RMB 2.0 trillion. Later on, thanks to effective epidemic control efforts, business and production activities resumed at an accelerating pace, and socioeconomic development continued to recover.

During the reporting period, the Company responded actively to the highly complicated and volatile situation and unprecedented challenges, fought relentlessly despite the adversities, and pushed ahead with epidemic prevention and control and business operations through centralized coordination to ensure steady and orderly business development overall, in line with the overriding principle of "seeking progress while ensuring stability" and the "New Development" philosophy, focusing on the "one creation and five aspects of strength" strategy ("One creation" refers to the goal of establishing CSCEC as a world-class company with strong global competitiveness. "Five aspects of strength" refers to strong capability in value creativity, international competitiveness, industry leadership, brand influence and cultural soft power.).

(1). We proactively took on anti-epidemic construction projects in line with our commitment to corporate social responsibility.

In the face of a completely unexpected epidemic, the Company studied and obeyed by President Xi Jinping's important speech and instructions on centralized epidemic control and socioeconomic development, duly implemented epidemic prevention and control measures in the Company and among our subsidiaries, and made concerted efforts with relevant parties in the construction of more than 100 emergency facilities such as the Huoshenshan and Leishenshan hospitals in Wuhan and other cities across the country, in accordance with centralized arrangements made by the CPC Central Committee and local governments. These facilities are recognized as showpieces of "China Speed, and China Power". Furthermore, the Company attaches great emphasis on epidemic prevention and control measures adopted for our overseas projects, and set up a dedicated working group to supervise related operations. Medical teams were sent to countries and regions where we have relatively high concentrations of business operations and staff members to ensure effective epidemic prevention and control measures and reliable material supplies, and maintain staff morale for our overseas units and projects.

(2). We pushed ahead with business and production resumption efforts, and delivered sound performance despite the downward pressure.

Without affecting the effectiveness of epidemic control measures, the Company resumed business and production activities in a well-targeted and orderly fashion employing a region-specific approach, minimizing the adverse effects of the COVID-19 pandemic. During the reporting period, the total value of new contracts executed by the Company slipped by 5.0% yoy to RMB 623.2 billion; operating income dropped by 11.3% yoy to RMB 263.8 billion; net profit attributable to shareholders of the Company declined by 14.5% yoy to RMB 7.57 billion; and administrative, financial, marketing and R&D expenses rose by 5.6% to RMB 10.84 billion. Gross margin edged up by 0.3 ppt yoy to 9.2%, and the cash rate of sales grew by 3.2 ppt to 111.9%.

(3). We seized new opportunities to boost core business growth.

The building construction business faces downside pressure in the near term. The total value of new building construction contracts was down by 8.9% yoy to RMB 448.6 billion, and operating income realized came in at RMB 176.6 billion, down 10.2% yoy. During the reporting period, the Company maintained its competitive edge in the high-end property construction market, and successfully bid for a number of high-profile projects such as the National Convention and Exhibition Center (Tianjin) Phase II and the EPC project of the Ningbo International Convention

Center. Upon completion of the first- and second-phase construction, the National Convention and Exhibition Center (Tianjin) will become the largest state-level conference and exhibition center in China, and the Ningbo International Convention Center is developed to host high-end international summits of state leaders.

Infrastructure business logs counter-cyclical growth. The total value of new infrastructure construction contracts grew by 19.7% yoy to RMB 110 billion, after declines seen earlier this year; and operating income realized came in at RMB 63.8 billion, down 7.7% yoy. During the reporting period, the Company won the bid for Section B of the North District Reconstruction and Expansion Project of Urumqi Diwopu International Airport (terminals, runways, traffic center and supporting facilities) public-private partnership (PPP) project, following the successful bid for Section A of the airport in 2019. As the first airport hub PPP project in the country, it is designated as one of the major gap-filling infrastructure construction projects in western regions. Furthermore, as regards environment protection initiatives, the Company partnered up with Yangtze Ecology and Environment Co., Ltd. in the comprehensive environmental restoration PPP project along the Huaxi River, Banan District, Chongqing.

The real estate business is effectively structured. Real estate sales fell by 11.2% yoy to RMB 61.9 billion, with contractual sales in terms of floor area plunging 13.6% yoy to 3.25 million sqm. During the reporting period, newly acquired land reserve came in at ~1.28 million sqm., making a total area of land reserve of 120.36 million sqm. as of the end of the reporting period. The Company's subsidiaries focused their business operations on first- and second-tier cities in China and overseas, with land reserve acquired in these cities accounting for more than 80% of the total.

The prospecting and design business was adjusted to serve national interests. The total value of new prospecting and design contracts grew by 24.8% yoy to RMB 2.7 billion, but revenues came in at RMB 1.7 billion, down 23.4% yoy. During the reporting period, the Company was involved in 23 epidemic control hospital design and consulting projects, with 352 designers provided. The Company participated in various types of projects ranging from new buildings and reconstruction to building extensions, and from new emergency wards to reconstruction of isolation wards and negative pressure wards. We completed related prospecting and design tasks at a high level of quality and with exceptional efficiency.

Orderly development of overseas markets. The total value of new contracts executed abroad rose by 28.8% yoy to RMB 38.2 billion, but operating income realized came in at RMB 18.3 billion, down 5.3% yoy. During the reporting period, the Company steadily pressed ahead with the fulfillment of overseas construction contracts while ensuring effective epidemic control measures. The first high-rise building in the new capital central business district (CBD), the top-priority project of the Egyptian government that has been contracted to the Company, has entered a new phase of construction following the completion of the main structure; construction of the extension to Sri Lanka's Southern Expressway - the economic bloodline of the country - was completed more than two months ahead of schedule; the largest social housing project in Maldives with some 7,000 social housing was delivered ahead of schedule, and so was the Temburong Bridge project, a major sea-crossing traffic hub in Brunei.

Going forward, the Company will continue to push forward epidemic prevention and control and business operations through effective centralized coordination, implement the "Six Stabilities and Six Safeguards" arrangements set by the CPC Central Committee, as well as the "Three Stabilities, Four Safeguards and One Reinforcement" tasks laid by the State-owned Asset Supervision and Administration Commission (SASAC) of the State Council, support national strategies, grow our market share, and further adapt ourselves to local development strategic planning, thereby achieving synergistic development of the Company and regional economies as well. To this end, efforts will be made to further develop existing systems and production factors related to market development, business operations and technology development, and build on our competitiveness in the infrastructure market; nurture competitive advantages across industry chains by tapping into the full potential of design, planning, financing and investment operations in terms of stimulating project development, with the aim of consistently expanding business scale in foreign markets. Focusing on the fulfillment of the annual targets, the Company will rise to the challenges and make

unremitting efforts to drive high-quality corporate growth, and establish the Company as a world-class conglomerate with global competitiveness.

4. Important Matters

4.1 Significant changes in key accounting items or financial indicators and causes

"√ Available" "□ N/A"

Significant changes in key accounting items and the causes:

Unit: '000 yuan Currency: RMB

Item	3/31/2020	12/31/2019	Change (%)	Notes
Cash and bank balances	243,467,315	292,441,419	-16.8%	Attributable to a substantial net outflow of cash from operating activities during the reporting period.
Financial assets held for trading	349,293	902,072	-61.3%	The Company sold some financial assets held for trading during the reporting period.
Accounts receivables financing	2,988,611	3,674,166	-18.7%	The Company discounted and endorsed some bills during the reporting period.
Non-current assets maturing within 1 year	69,879,407	57,463,704	21.6%	Attributable mainly to an increase in long-term assets maturing within 1 year in the reporting period.

Item	2020 (Jan. – Mar.)	2019 (Jan. – Mar.)	Change (%)	Notes
Operating income	263,830,618	297,576,769	-11.3%	Attributable mainly to suspension of projects caused by the COVID-19 epidemic.
Operating cost	251,944,374	283,528,839	-11.1%	Attributable mainly to suspension of projects caused by the COVID-19 epidemic.
Selling and distribution expenses	934,848	901,615	3.7%	Attributable mainly to additional advertising and marketing expenses aimed at boosting real estate sales, which were adversely affected by the epidemic.
General and administrative expenses	6,130,367	7,035,757	-12.9%	Administrative expenses, e.g. travel and conference costs, decreased due to the epidemic.
R&D expenses	1,008,603	674,772	49.5%	The Company consistently ramped up R&D inputs.
Finance expenses	2,764,547	1,651,313	67.4%	Attributable to the fact that exchange gains/losses swung from a net profit of RMB 1.16 billion in the same period of 2019 to a net loss in the reporting period.
Net cash flow from operating activities	-90,976,368	-98,116,699	/	Attributable mainly to cash inflow obtained by the Company from sales of products and provision of labor service, and cash outflow resulting from payment for goods

				purchases, accounts payable for labor service received, and payment of staff wages, various taxes and other operating activity-related payments.
Net cash flows from investing activities	-7,104,677	-3,082,684	/	Attributable mainly to a decrease in cash received from recovered investment, and an increase in cash paid on investments.
Net cash flows from financing activities	49,460,479	50,371,042	-1.8%	Attributable mainly to cash inflow received from investors or as borrowing, and cash outflow associated with debt repayments, dividend distribution and payment and other financing activity-related activities.

4.2 Analysis of progress made with respect to the important matters, the impacts thereof, and solutions adopted

"√ Available" "□ N/A"

The Second Board of Directors of CSCEC passed the "Proposal on the Redemption of 150,000,000 Unlisted Preference Shares of China State Construction Engineering Corporation Limited" at its 34th meeting on February 3, 2020, deciding that the proposal be submitted to the Company's Board of Shareholders for review, and that a motion be made with the Board of Shareholders to grant full authority to the Board of Directors to handle all matters associated with the redemption in accordance with relevant laws, regulations and the prospectus. Refer to the "Announcement on Resolutions of the 34th Meeting of the Second Session of the Board" released on February 4, 2020 for further details.

The Company issued the "First Holding Announcement on Redemption of Unlisted Preference Shares" on February 4, 2020. The Company redeemed all the 150,000,000 preferred shares issued, with a total par value of RMB 15,000,000,000. The redemption price of the preferred shares is the par value (RMB 100 / share) plus dividends resolved to be paid but not yet paid in the current period. The date of redemption is the day when the fixed dividends for the preferred shares are due to be paid in 2020, i.e. March 2, 2020. The Company paid the par value (RMB 100 / share) of the preferred shares and fixed dividends payable for the preferred shares for the period between March 2, 2019 and March 1, 2020 to the preferred shareholders.

According to the "Announcement on the Second Tranche of Unlocking in 2019 in Respect of Phase II Restricted A Share Incentive Scheme and Listing of Shares" issued by the Company on February 5, 2020, 112,527,800 shares were unlocked in the second tranche in 2019, and will be listed for trading on February 14, 2020.

On February 19, 2020, the Company passed the "Proposal on the Redemption of 150,000,000 Unlisted Preference Shares of China State Construction Engineering Corporation Limited", the "Proposal on Amendments to the Articles of Association of China State Construction Engineering Corporation Limited" and the "Proposal on Amendments to the Rules of Procedure of the General Meeting of China State Construction Engineering Corporation Limited" at the first extraordinary meeting of the Board of Shareholders, and decided to redeem all the preferred shares held by all preferred shareholders on March 2, 2020. After the redemption, the total number of remaining preferred shares will be 0. For further details, refer to the "CSCEC: Announcement on Resolutions of the 2020 First Extraordinary General Meeting" and the "Second Holding Announcement on Redemption of Unlisted Preference Shares" released by the Company on February 20, 2020, and the "Third Holding Announcement on Redemption of Unlisted Preference Shares" released on February 21, 2020.

The Company issued the "Holding Announcement on the Suspension of Trading of Unlisted Preference Shares" on February 26, 2020. The Company decided to redeem all the preferred shares held by all preferred shareholders on March 2, 2020. With a view to ensuring impartiality in information disclosure, and safeguarding investors' interests, the Company plans to apply for a

trading halt for the preferred shares (code of preference shares: 360007, abbreviation: China Construction Preference Stock 1) on February 28, 2020, and redeem and delist the preferred shares on March 2, 2020.

The Company issued the “Announcement on Redemption and Delisting of All Unlisted Preference Shares” on February 26, 2020. According to the “Notice of Discontinuation of Transfer Services for Unlisted Preference of China State Construction Engineering Corporation Limited” (Shang Zheng Han [2020] No. 261), the Shanghai Stock Exchange (SSE) has agreed to stop providing transfer services for unlisted preference shares in the Company, after the Company completes redemption of all the preferred shares issued to date. According to arrangements made for the preferred shares redemption program, preferred shares in the Company will be delisted on March 2, 2020.

The Company redeemed all the 150 million unlisted preference shares from preferred shareholders, with a preferred shares nominal dividend rate of 5.8%. The principal and interest amounted to RMB 15.87 billion. According to relevant notices issued by the Shanghai Branch of China Securities Depository and Clearing Co., Ltd. (CSDC) and the SSE, the shares redeemed via China Construction Preference Stock 1 were delisted on March 2, 2020. The redemption of the preferred shares has been completed, and the SSE discontinued transfer services for the unlisted preference shares in the Company on the same day. The Company has completed redemption and delisting of all the unlisted preference shares. Refer to the “Announcement on Results of the Redemption of All Unlisted Preference Shares” issued by the Company on March 4, 2020.

According to the “Announcement on Implementation of Repurchase and Cancellation of Part of Restricted Shares under the Equity Incentive Scheme” issued by the Company on April 13, 2020, the restricted shares repurchased and delisted by the Company affect a total of 108 recipients of the Company’s first, second and third tranches of restricted incentive A-shares (including seven people, from whom the second and third tranches of restricted A-shares were repurchased); a total of 10,558,200 restricted shares were repurchased and delisted, including 210,000 shares issued in the first tranche, 7,438,200 shares issued in the second tranche, and 2,910,000 shares in the third tranche. Upon completion of the share repurchase and delisting, there are 2,094,667 restricted shares remaining to be repurchased by the Company, including 788,667 shares issued in the first tranche, 826,000 shares issued in the second tranche, and 480,000 shares in the third tranche. Upon completion of the share repurchase and delisting, there are 711,468,667 remaining restricted incentive shares. Upon completion of the share repurchase and delisting, the Company’s registered capital, i.e. total number of capital stocks, will be reduced by RMB 10,558,200 (i.e. 10,558,200 shares), and the remaining registered capital, i.e. number of capital stocks, will be RMB 41,965,071,511 (i.e. 41,965,071,511 shares).

4.3 Commitments that were not completely fulfilled within the reporting period.

Available" N/A"

4.4 Warnings of projected negative net profit for the period between the beginning of the year and the end of the next reporting period, or significant changes in the net profit relative to the record for the same period of the previous year, and explanations therefor

Available" N/A"

Company name	China State Construction Engineering Corporation Limited
Legal representative	Zhou Naixiang
Date	April 29, 2020

5. Appendixes

5.1 Financial statements

Consolidated Balance Sheet

Tuesday, March 31, 2020

Compiled by: China State Construction Engineering Corporation Limited

Unit: '000 yuan Currency: RMB Type of report: Unaudited

Item	Tuesday, March 31, 2020	Tuesday, December 31, 2019
Current assets:		
Cash and bank balances	243,467,315	292,441,419
Financial assets held for trading	349,293	902,072
Notes receivable	29,835,258	26,918,443
Accounts receivable	159,368,116	153,961,875
Accounts receivables financing	2,988,611	3,674,166
Prepayments	53,348,868	55,084,548
Other receivables	55,761,110	53,186,521
Including: Interest receivable	258,215	268,664
Dividends receivable	11,876	11,876
Inventory	615,110,541	578,917,620
Contractual assets	167,563,783	150,975,326
Non-current assets maturing within 1 year	69,879,407	57,463,704
Other current assets	90,473,637	87,980,288
Total current assets	1,488,145,939	1,461,505,982
Non-current assets:		
Debt investments	19,102,815	17,759,804
Other debt investments	635,463	612,106
Long-term receivables	165,981,134	164,825,662
Long-term equity investments	77,065,355	74,916,901
Investments in other equity instruments	7,887,968	8,069,043
Other non-current financial assets	50,510	50,510
Investment properties	80,701,100	76,301,157
Fixed assets	36,898,444	37,554,496
Construction in progress	11,309,707	10,085,813
Intangible assets	17,283,176	16,409,157
Goodwill	2,354,851	2,347,428
Long-term prepaid expenses	838,810	935,800
Deferred tax assets	15,246,966	15,129,128
Other non-current assets	149,720,071	147,948,942
Total non-current assets	585,076,370	572,945,947

Total assets	2,073,222,309	2,034,451,929
Current liabilities:		
Short-term borrowings	65,474,686	28,498,331
Notes payable	7,632,460	7,030,414
Accounts payable	466,322,567	493,129,630
Advance payments	360,382	449,953
Contractual liabilities	279,843,732	281,789,584
Accrued payroll	6,455,532	7,757,862
Taxes payable	51,079,982	59,368,941
Other payables	121,876,552	114,030,641
Including: Interest payable		
Dividends payable		1,155,457
Current portion of non-current liabilities	102,710,130	89,017,494
Other current liabilities	63,760,605	64,654,827
Total current liabilities	1,165,516,628	1,145,727,677
Non-current liabilities:		
Long-term borrowings	270,811,578.23	247,800,428
Bonds payable	100,921,974	99,596,598
Including: preferred shares		
Perpetual bonds	798,150	
Long-term payables	22,504,517	19,897,230
Long-term accrued payroll	1,926,605	2,064,489
Contingent liabilities	4,122,808	4,108,734
Deferred income	426,506	444,795
Deferred tax liabilities	4,809,192	4,655,710
Other non-current liabilities	8,318,123	8,320,948
Total non-current liabilities	413,841,303	386,888,932
Total liabilities	1,579,357,931	1,532,616,609
Owner's equity (or shareholders' equity):		
Paid-in capital (or equity)	41,975,630	41,975,630
Other equity instruments		20,975,410
Including: preferred shares		14,975,410
Perpetual bonds		6,000,000
Capital reserve	12,024,447	12,027,610
Less: Treasury shares	2,501,460	2,501,460
Other comprehensive income	-2,508,833	-1,776,745
Special reserves	91,754	88,474
Surplus reserve	7,716,149	7,716,149
General risk reserve	1,151,202	1,151,202

Retained earnings	205,113,785	197,541,411
Total equity attributable to owner's (or shareholders')	263,062,674	277,197,681
Non-controlling interests	230,801,704	224,637,639
Total owner's equity (or shareholders' equity)	493,864,378	501,835,320
Total liabilities and owner's equity (or shareholders' equity)	2,073,222,309	2,034,451,929

Legal representative: Zhou Naixiang Chief Finance Officer: Wang Yunlin Head of the Finance Department: Tiar Wei

Balance Sheet of Parent Company

Tuesday, March 31, 2020

Compiled by: China State Construction Engineering Corporation Limited

Unit: '000 yuan Currency: RMB Type of report: Unaudited

Item	Tuesday, March 31, 2020	Tuesday, December 31, 2019
Current assets:		
Cash and bank balances	22,403,411	21,561,651
Financial assets held for trading		
Notes receivable	127,253	102,188
Accounts receivable	29,095,674	28,086,588
Accounts receivables financing		6,100
Prepayments	8,561,009	7,039,642
Other receivables	22,076,259	22,569,711
Including: Interest receivable	5,377	3,157
Dividends receivable	1,173,991	1,173,991
Inventory	325,788	340,527
Contractual assets	6,565,646	7,495,304
Assets held for sale		
Non-current assets maturing within 1 year	3,884,749	4,291,107
Other current assets	6,746,872	4,132,472
Total current assets	99,786,661	95,625,290
Non-current assets:		
Debt investments	10,337,590	8,115,503
Other debt investments		
Long-term receivables		
Long-term equity investments	173,192,039	170,723,729
Investments in other equity	1,743,822	1,837,882

instruments		
Other non-current financial assets		
Investment properties	619,681	621,752
Fixed assets	799,879	839,905
Construction in progress	57,210	53,957
Intangible assets	105,234	107,442
Goodwill		
Long-term prepaid expenses	2,723	3,037
Deferred tax assets	461,100	333,973
Other non-current assets	6,036,434	7,879,408
Total non-current assets	193,355,712	190,516,588
Total assets	293,142,373	286,141,878
Current liabilities:		
Short-term borrowings	26,000,000	16,019,470
Financial liabilities held for trading		
Notes payable		
Accounts payable	42,119,278	43,506,320
Advance payments		
Contractual liabilities	17,456,753	14,774,502
Accrued payroll	432,541	521,869
Taxes payable	444,226	777,906
Other payables	45,671,773	41,148,194
Including: Interest payable		
Dividends payable		870,000
Liabilities held for sale		
Current portion of non-current liabilities	13,162,888	13,075,858
Other current liabilities	4,919,675	3,803,807
Total current liabilities	150,207,134	133,627,926
Non-current liabilities:		
Long-term borrowings	3,872,752	3,845,000
Bonds payable	12,884,991	12,886,322
Including: preferred shares		
Perpetual bonds		
Long-term payables	16,014,293	17,093,457
Long-term accrued payroll	122,268	122,053
Contingent liabilities	2,467	28,540
Deferred income	53	7,455
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	32,896,824	33,982,827

Total liabilities	183,103,958	167,610,753
Owner's equity (or shareholders' equity):		
Paid-in capital (or equity)	41,975,630	41,975,630
Other equity instruments		20,975,410
Including: preferred shares		14,975,410
Perpetual bonds		6,000,000
Capital reserve	30,537,559	30,537,559
Less: Treasury shares	2,501,460	2,501,460
Other comprehensive income	41,588	126,114
Special reserves		
Surplus reserve	7,716,149	7,716,149
Retained earnings	32,268,949	19,701,723
Total owner's equity (or shareholders' equity)	110,038,415	118,531,125
Total liabilities and owner's equity (or shareholders' equity)	293,142,373	286,141,878

Legal representative: Zhou Naixiang Chief Finance Officer: Wang Yunlin Head of the Finance Department
Tian Wei

Consolidated Income Statement

Jan.-Mar. 2020

Compiled by: China State Construction Engineering Corporation Limited

Unit: '000 yuan Currency: RMB Type of report: Unaudited

Item	2020Q1	2019Q1
I. Total Operating Income	263,830,618	297,576,769
Including: operating income	263,830,618	297,576,769
II. Total Operating Costs	251,944,374	283,528,839
Including: operating cost	239,430,118	270,984,520
Taxes and surcharges	1,675,891	2,280,862
Selling and distribution expenses	934,848	901,615
General and administrative expenses	6,130,367	7,035,757
R&D expenses	1,008,603	674,772
Finance expenses	2,764,547	1,651,313
Including: Interest expenses	3,242,454	3,358,739
Interest income	752,915	864,385
Add: Other income	41,788	40,003
Investment income (losses marked with "-")	1,247,689	1,150,457
Including: Income from investment in	1,183,803	1,062,935

associates and joint ventures		
Income from derecognition of financial assets measured at amortized cost	-73,698	
Exchange gains (losses marked with "-")		
Hedging net exposure gains (losses marked with "-")		
Income from changes in fair value (losses marked with "-")	-4,212	232,810
Credit impairment losses (losses marked with "-")	-120,305	-287,236
Asset impairment losses (losses marked with "-")	-6,723	349,265
Asset disposal income (losses marked with "-")	3,045	6,974
III. Operating profit (losses marked with "-")	13,047,526	15,540,203
Add: Non-operating income	133,880	121,365
Less: Non-operating expenses	34,608	62,681
IV. Total profit (total loss marked with "-")	13,146,798	15,598,887
Less: income tax	3,051,704	3,712,535
V. Net Profit (net losses marked with "-")	10,095,094	11,886,352
(i) Classified by continuity of operations		
1. Net profit from continuing operations (losses marked with "-")	10,095,094	11,886,352
2. Net profit from discontinued operations (losses marked with "-")		
(ii) Classified by ownership of the equity		
1. Net profit attributable to owners of the parent (net losses marked with "-")	7,572,374	8,857,917
2. Profit attributable to non-controlling interests (net losses marked with "-")	2,522,720	3,028,435
VI. Other comprehensive income, net of tax	-854,070	536,669
(i) Attributable to owners of the parents	-732,082	1,096,695
1. Other comprehensive income that will not be reclassified to profit or loss	-463,180	700,995
(1) Remeasurement gains or losses of a defined benefit plan		
(2) Other comprehensive income that cannot be reclassified as profit/loss using the equity method		
(3) Changes in fair value of investments in other equity instruments	-463,180	700,995
(4) Changes in fair value of company's own credit risk		
2. Other comprehensive income that may be reclassified to profit or loss	-268,902	395,700
(1) Other comprehensive income that can	-73	147,762

be reclassified as profit/loss using the equity method		
(2) Changes in fair value of other debt investments		8,032
(3) Amount of financial assets reclassified as other comprehensive income		
(4) Credit impairment provisions for other debt investments		
(5) Cash flow hedge reserve		
(6) Exchange differences on translation of foreign currency financial statements	-268,829	239,906
(7) Others		
(ii) Attributable to non-controlling interests	-121,988	-560,026
VII. Total comprehensive income	9,241,024	12,423,021
(i) Attributable to owners of the parent	6,840,292	9,954,612
(ii) Attributable to non-controlling interests	2,400,732	2,468,409
VIII. Earnings per Share (EPS):		
(i) Basic earnings per share (RMB/share)	0.18	0.21
(ii) Diluted earnings per share (RMB/share)	0.18	0.21

As regards business combinations of entities under common control that took place during the reporting period, net profits realized by the merged parties prior to the combination is: RMB 0; and the net profits of the merged parties realized during the previous reporting period is: RMB 0.

Legal representative: Zhou Naixiang Chief Finance Officer: Wang Yunlin Head of the Finance Department
Tian Wei

Income Statement of the Parent Company

Jan.-Mar. 2020

Compiled by: China State Construction Engineering Corporation Limited

Unit: '000 yuan Currency: RMB Type of report: Unaudited

Item	2020Q1	2019Q1
I. Operating income	18,643,990	22,611,602
Less: operating cost	18,256,464	21,751,387
Taxes and surcharges	20,606	41,616
Selling and distribution expenses		
General and administrative expenses	133,884	159,695
R&D expenses	15,272	22,224
Finance expenses	528,988	547,109
Including: Interest expenses	639,625	521,538
Interest income	42,696	88,893

Add: Other income	7	173
Investment income (losses marked with "-")	13,060,316	348,151
Including: Income from investment in associates and joint ventures	-2,147	-2,167
Income from derecognition of financial assets measured at amortized cost		
Hedging net exposure gains (losses marked with "-")		
Income from changes in fair value (losses marked with "-")		
Credit impairment losses (losses marked with "-")	-55,748	222,059
Asset impairment losses (losses marked with "-")		1,415
Asset disposal income (losses marked with "-")	796	-1
II. Operating profits (losses marked with "-")	12,694,147	661,368
Add: Non-operating income	220	3,006
Less: Non-operating expenses	12	93
III. Total profit (total loss marked with "-")	12,694,355	664,281
Less: income tax	125,484	4,403
IV. Net Profit (net losses marked with "-")	12,568,871	659,878
(i) Net profit from continuing operations (losses marked with "-")	12,568,871	659,878
(ii) Net profit from discontinued operations (losses marked with "-")		
V. Other comprehensive income, net of tax	-84,526	56,047
(i) Other comprehensive income that will not be reclassified to profit or loss	-95,100	38,635
1. Remeasurement gains or losses of a defined benefit plan		
2. Other comprehensive income that cannot be reclassified as profit/loss using the equity method		
3. Changes in fair value of investments in other equity instruments	-95,100	38,635
4. Changes in fair value of company's own credit risk		
(ii) Other comprehensive income that may be reclassified to profit or loss	10,574	17,412
1. Other comprehensive income that can be reclassified as profit/loss using the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets		

reclassified as other comprehensive income		
4. Credit impairment provisions for other debt investments		
5. Cash flow hedge reserve		
6. Exchange differences on translation of foreign currency financial statements	10,574	17,412
7. Others		
VI. Total Comprehensive Income	12,484,345	715,925
VII. Earnings per Share (EPS):		
(i) Basic earnings per share (RMB/share)		
(ii) Diluted earnings per share (RMB/share)		

Legal representative: Zhou Naixiang Chief Finance Officer: Wang Yunlin Head of the Finance Department
Tian Wei

Consolidated Cash Flow Statement

Jan.-Mar. 2020

Compiled by: China State Construction Engineering Corporation Limited

Unit: '000 yuan Currency: RMB Type of report: Unaudited

Item	2020Q1	2019Q1
I. CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash receipts from sales of goods and rendering of services	295,343,325	323,479,352
Refund of taxes and surcharges	38,287	38,323
Cash receipts relating to other operating activities	3,208,591	4,262,010
Sub-total cash inflows from operating activities	298,590,203	327,779,685
Cash payments for goods and services	348,890,252	374,076,995
Cash payments to and on behalf of employees	17,442,418	19,210,447
Payments of taxes and surcharges	13,793,626	16,841,349
Cash payments relating to other operating activities	9,440,275	15,767,593
Sub-total cash outflows from operating activities	389,566,571	425,896,384
Net cash flow from operating activities	-90,976,368	-98,116,699
II. CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash receipts from disposal of investments	492,946	4,405,165
Cash receipts from returns on investments	343,071	528,391
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	14,722	9,038
Net cash receipts from disposal of subsidiaries and other business units		
Cash receipts relating to other investing activities	165,568	380,126
Sub-total cash inflows from investing activities	1,016,307	5,322,720
Cash payments to acquire fixed assets, intangible assets and other long-term assets	952,900	3,214,940
Cash payments for investments	5,507,599	2,587,620
Net increase in pledged loans		
Net cash payments to acquire subsidiaries and other business units		

Cash payments relating to other investing activities	1,660,485	2,602,844
Sub-total cash outflows from investing activities	8,120,984	8,405,404
Net cash flows from investing activities	-7,104,677	-3,082,684
III. CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash receipts from capital contributions	3,740,946	2,881,101
Including: Cash receipts from capital contributions from non-controlling shareholders of subsidiaries		
Cash receipts from borrowings	98,953,790	71,608,667
Cash receipts relating to other financing activities	40,023	
Sub-total cash inflows from financing activities	102,734,759	74,489,768
Cash payments for debt repayment	23,384,896	19,074,043
Cash payments for distribution of dividends or profit and interest expenses	7,845,590	5,044,683
Including: Dividends or profit paid to non-controlling shareholders of subsidiaries		
Other cash payments relating to financing activities	22,043,794	
Sub-total cash outflows from financing activities	53,274,280	24,118,726
Net cash flows from financing activities	49,460,479	50,371,042
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	-456,590	-330,960
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	-49,077,156	-51,159,301
Add: Cash and cash equivalents at the beginning of the period	271,727,808	298,810,194
VI. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	222,650,652	247,650,893

Legal representative: Zhou Naixiang Chief Finance Officer: Wang Yunlin Head of the Finance Department
Tian Wei

Cash Flow Statement of the Parent Company

Jan.-Mar. 2020

Compiled by: China State Construction Engineering Corporation Limited

Unit: '000 yuan Currency: RMB Type of report: Unaudited

Item	2020Q1	2019Q1
I. CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash receipts from sales of goods and rendering of services	22,913,672	27,976,937
Refund of taxes and surcharges		173
Cash receipts relating to other operating activities	7,519,640	8,291,240
Sub-total cash inflows from operating activities	30,433,312	36,268,350
Cash payments for goods and services	21,385,269	24,222,121
Cash payments to and on behalf of employees	332,559	352,485
Payments of taxes and surcharges	319,713	547,560
Cash payments relating to other operating activities	8,018,677	7,802,460
Sub-total cash outflows from operating activities	30,056,218	32,924,626
Net cash flow from operating activities	377,094	3,343,724
II. CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash receipts from disposal of investments	1,000,000	1,000,000
Cash receipts from returns on investments	13,158,906	552,612
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets		
Net cash receipts from disposal of subsidiaries and other business units		
Cash receipts relating to other investing activities	10,313	7,421
Sub-total cash inflows from investing activities	14,169,219	1,560,033
Cash payments to acquire fixed assets, intangible assets and other long-term assets	47,790	2,797
Cash payments for investments	1,393,694	1,095,875
Net cash payments to acquire subsidiaries and other business units		
Cash payments relating to other investing activities	24,257	8,051
Sub-total cash outflows from investing activities	1,465,741	1,106,723
Net cash flows from investing activities	12,703,478	453,310

III. CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash receipts from capital contributions		
Cash receipts from borrowings	10,000,000	
Cash receipts relating to other financing activities	147,194	
Sub-total cash inflows from financing activities	10,147,194	
Cash payments for debt repayment		
Cash payments for distribution of dividends or profit and interest expenses	974,964	1,020,431
Other cash payments relating to financing activities	21,000,000	18,545
Sub-total cash outflows from financing activities	21,974,964	1,038,976
Net cash flows from financing activities	-11,827,770	-1,038,976
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	-84,180	-134,471
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	1,168,622	2,623,587
Add: Cash and cash equivalents at the beginning of the period	21,528,343	24,077,377
VI. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	22,696,965	26,700,964

Legal representative: Zhou Naixiang Chief Finance Officer: Wang Yunlin Head of the Finance Department
Tian Wei

5.2 Information on the adjustments made to the financial statements in early 2020, resulting from the implementation of the new revenue standards and the new leasing standards in 2020.

Applicable N/A

5.3 Information on the retrospective adjustments made to comparison data of previous reporting periods, resulting from the implementation of the new revenue standards and the new leasing standards in 2020.

Applicable N/A

5.4 Audit Report

Available N/A