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河北建設集團股份有限公司

HEBEI CONSTRUCTION GROUP CORPORATION LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1727)

**AUDITED ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The board of directors (the “**Board**”) of Hebei Construction Group Corporation Limited (河北建設集團股份有限公司) (the “**Company**”) hereby announces the audited annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2020.

AUDITOR AGREES TO 2020 ANNUAL RESULTS

As stated in the announcement of the Company dated 31 March 2021 in relation to the unaudited annual results of the Group for the year ended 31 December 2020 (the “**2020 Preliminary Results Announcement**”), the annual results for the year ended 31 December 2020 (the “**2020 Annual Results**”) set forth therein had not been agreed with the auditor of the Company in accordance with the requirements under Rule 13.49(2) of the Listing Rules.

The Board is pleased to announce that the auditor of the Company, Ernst & Young Hua Ming LLP, has completed the closing of audit of the Group’s consolidated financial statements for the year ended 31 December 2020 in accordance with the Chinese Certified Public Accountant Auditing Standards (the “**Chinese Auditing Standards**”) on 20 April 2021.

Save as the adjustments disclosed below, Ernst & Young Hua Ming LLP has compared the figures in the Group’s consolidated balance sheet and consolidated income statement for the year ended 31 December 2020 and relevant notes as shown in the 2020 Preliminary Results Announcement with the figures contained in the Group’s audited consolidated financial statements for the year, and such figures are consistent. The work performed by Ernst & Young Hua Ming LLP in this regard does not constitute a certified engagement in accordance with the Chinese Auditing Standards issued by the Ministry of Finance of the People’s Republic of China. Therefore, no certification was issued for this announcement by Ernst & Young Hua Ming LLP.

The 2020 Annual Results set forth in the 2020 preliminary results announcement remain unchanged in major respects, except for the following amendments:

For the year ended 31 December 2020

Items	Disclosed in the 2020 Preliminary Results Announcement (RMB'000)	Audited 2020 Annual Results (RMB'000)	Difference (RMB'000)
Finance expenses	322,404	263,207	(59,197)
Including: Interest expenses	363,724	304,527	(59,197)
Investment income	86,951	27,754	(59,197)
Including: Losses on derecognition of financial assets at amortised cost	–	(59,197)	(59,197)

For the year ended 31 December 2019

Items	Disclosed in the 2020 Preliminary Results Announcement (RMB'000)	Audited 2020 Annual Results (RMB'000)	Difference (RMB'000)
Finance expenses	263,642	212,878	(50,764)
Including: Interest expenses	416,985	366,221	(50,764)
Investment income	101,756	50,992	(50,764)
Including: Losses on derecognition of financial assets at amortised cost	–	(50,764)	(50,764)

In accordance with the requirements of the “Notice on the Revision and Publication of the 2019 General Corporate Financial Reporting Format” (Cai Kuai [2019] No. 6), in the balance sheet, a new item of “gains on derecognition of financial assets at amortised cost” was added under the item of “investment income” to reflect gain or loss arising from the derecognition of financial assets at amortised cost as a result of transfers or other reasons. Accordingly, the comparative information has been retroactively adjusted accordingly and such amendment has no impact on consolidated net income and owners’ equity.

FINAL DIVIDEND

Based on the 2020 financial report of the Company, the distributable profit of the parent company as of 31 December 2020 was RMB2,284,772,000. Given the actual condition of the Company and shareholders' return, the Company proposed to distribute cash dividends out of 32% of the net profit attributable to the listed company's shareholders for the year ended 31 December 2020 to shareholders of the Company (the "Shareholders"), totalling RMB243,584,000. The Board proposes to distribute 2020 final dividend of RMB0.14 per share (tax inclusive) in cash to its domestic Shareholders and H Shareholders whose names appear on the register of members of the Company on Thursday, 17 June 2021 based on total share capital of the Company as of 31 December 2020 of 1,761,383,500 shares. The 2020 final dividend is denominated and declared in Renminbi, in particular, domestic Shareholders will be paid in Renminbi while H Shareholders will be paid in HK dollars. The exchange rate for HK dollars will be calculated in accordance with the average central parity rate as announced by the People's Bank of China three business days before the day of the dividend distribution is announced (inclusive of the day of the dividend distribution is announced). It is expected that the final dividend will be distributed on Friday, 16 July 2021. The above profit distribution proposal is subject to approval at the 2020 annual general meeting of the Company.

CLOSURE OF REGISTER OF MEMBERS

The 2020 annual general meeting

The 2020 annual general meeting of the Company will be convened at 9 a.m. on Tuesday, 8 June 2021 at Meeting Room, 3/F, No. 125 Lugang Road, Jingxiu District, Baoding, Hebei Province, the PRC. The notice and circular of convening the 2020 annual general meeting will be dispatched in due course.

In order to ascertain the entitlements of the Shareholders to attend the 2020 annual general meeting, the register of members of the Company will be closed from Thursday, 3 June 2021 to Tuesday, 8 June 2021 (both days inclusive), during which period no transfer of shares of the Company will be effected. To be eligible to attend and vote at the 2020 annual general meeting, all duly completed and signed share transfer documents together with relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by holders of H Shares no later than 4:30 p.m. on Wednesday, 2 June 2021.

Final dividend

In order to ascertain the entitlements of the Shareholders to receive the proposed final dividend, the register of members of the Company will be closed from Tuesday, 15 June 2021 to Thursday, 17 June 2021 (both days inclusive), during which period no transfer of shares of the Company will be effected. To be eligible to receive the proposed final dividend, all duly completed and signed share transfer documents together with relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by holders of H Shares no later than 4:30 p.m. on Friday, 11 June 2021.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement has been published on the HKEXnews website of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) at www.hkexnews.hk and the website of the Company at www.hebjs.com.cn.

The annual report of the Company for 2020 will be published and dispatched to the Company’s H shareholders on or before 30 April 2021 and will be published on the aforesaid website of the HKEXnews of the Hong Kong Stock Exchange as well as the website of the Company.

By order of the Board
Hebei Construction Group Corporation Limited
LI Baozhong
Chairman and Executive Director

Hebei, the PRC
20 April 2021

As of the date of this announcement, the executive Directors are Mr. LI Baozhong, Mr. SHANG Jinfeng, Mr. LIU Yongjian and Mr. ZHAO Wensheng; the non-executive Directors are Mr. LI Baoyuan and Mr. CAO Qingshe; and the independent non-executive Directors are Ms. SHEN Lifeng, Ms. CHEN Xin and Mr. CHAN Ngai Sang Kenny.