



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 2022/23 INTERIM RESULTS

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OPPORTUNITIES ABOUND AMID CHALLENGES WHILE REVENUE INCREASED 8.9%

Highlights

- Revenue increased by 8.9% to HK\$4.16 billion
- Net profit attributable to Shareholders amounted to HK\$40.41 million
- Capture the opportunities in construction sectors that proposed in the Policy Address

(Hong Kong, 24 November 2022) — **Asia Allied Infrastructure Holdings Limited** (“**Asia Allied Infrastructure**” or the “**Group**”) (stock code: 00711.HK) announces its interim results for the six months ended 30 September 2022 (the “**Review Period**”).

During the Review Period, despite the overall difficult operating environment owing to challenges such as professional and labour shortages, rising costs and interest rates, the Group was able to maintain a stable top line with total revenue of approximately HK\$4.16 billion, representing an increase of 8.9%. The Group has implemented various strategies in order to mitigate rising costs, including restructuring and streamlining of different operating units to improve overall efficiency. Net profit attributable to shareholders was approximately HK\$40.41 million.

Mr. Dominic Pang, Chairman of Asia Allied Infrastructure, said, “In the latest Policy Address, the Hong Kong government proposed a number of policies to promote economic development and improve people’s livelihoods, such as accelerating the construction of public housing, expanding transport infrastructure and developing the Northern Metropolis, providing a vast array of new and potentially lucrative opportunities for the city’s construction industry and the Group. While the Group’s operations are in the face of a complex and volatile macro environment, we are optimistic about the industry’s potential going forward and the management will maintain a prudent approach.”

Construction

The construction segment recorded revenue of HK\$3.65 billion and a segment profit of HK\$99.0 million during the Review Period, reflecting higher operating and interest costs. As at 30 September 2022, the total value of contracts on hand was HK\$26.61 billion, with ongoing contracts worth HK\$14.90 billion.

The Group has secured several new contracts as at 30 September 2022, including the Construction of a 30-classroom Primary School and a 6-classroom Kindergarten at Site E-1, Development of Anderson Road Quarry Site, Sai Kung; Upgrading of Pui O Raw Water Pumping Station and Pui O No. 2 Raw Water Pumping

Station and Laying of Raw Water Mains along South Lantau Road; Drainage Improvement Works in Tsim Sha Tsui; and Sau Nga Road Stormwater Storage Scheme.

In terms of ongoing projects, the construction segment is currently engaged in a total of 70 projects during the Review Period, including the Urban Renewal Authority's composite development project at Ash Street, Tai Kok Tsui, Kowloon, one of the first concrete modular integrated construction ("MiC") high-rise residential projects in Hong Kong. Other ongoing projects include Fanling North New Development Area, Phase 1: Fanling Bypass Eastern Section (Shek Wu San Tsuen North to Lung Yeuk Tau); and Hong Kong Disneyland Resort Project – Arendelle Completion Package. The Group will continue to invest in advanced construction technologies such as MiC and ensure it maintains a competitive edge in order to support the government's plan to enhance high-productivity construction technology.

Outside Hong Kong, the Group's Singapore subsidiary R.J. Crocker Consultants Pte. Ltd., a site supervision expert in civil and structural engineering; and providing architectural consultancy services, has secured various major infrastructure projects in Singapore, including the Land Transport Authority's North-South Corridor, Jurong Regional Line, Cross Island Line, and Changi Airport Project. During the period, it received the Singapore Prestige Brand Award — Singapore Heritage Brands for being developed and managed effectively through various branding initiatives for more than 25 years in Singapore

Property Development and Assets Leasing

During the Review Period, the Group continued the sales activities at "128 Waterloo" a premium residential property located on Waterloo Road, Ho Man Tin, and "SOYO" the hybrid residential and retail building at Soy Street, Mongkok. With regard to the residential land parcel in Tung Chung, the land exchange application was approved in June 2022 in the District Land Conference and the land premium negotiation is currently in progress. For the development at Nos. 35 and 37 Cameron Road, Tsim Sha Tsui, a new partner, EC Healthcare has joined our joint venture. The intention is to develop a medical centric commercial development. The development is currently under construction stage.

While the business environment remains uncertain, the Group will continue to closely monitor the market and act, after careful consideration, once the situation has become more stable. It will also continue to take advantage of joint venture opportunities to minimise risks and regularly review and adjust its property portfolio to maximise its returns.

Professional Services

As at 30 September 2022, the professional services segment has achieved revenue of HK\$489.4 million and segmental profit of HK\$23.0 million. In addition to retaining its enviable existing client base, which includes prominent companies and organisations such as The Hong Kong Jockey Club and Hong Kong Palace Museum. The Group's security, clubhouse and facility management business also secured several new clients during the Review Period.

The tunnel management business continued to provide steady contributions to the Group. During the Review Period, the Group manages several tunnels in Hong Kong and signed a management contract for the Tseung Kwan O – Lam Tin Tunnel, with the related operations to commence in December this year.

Non-Franchised Bus Services

Despite the border closure that remained in place during the Review Period, the non-franchised bus services segment recorded stable performance, achieving segmental profit of HK\$3.1 million. The segment continued to focus its operations on the provision of scheduled services (primarily shuttle bus services for students, employees and residents), which has proved to be an effective strategy in the face of ongoing travel restrictions.

Medical Technology and Healthcare

Hong Kong Cyclotron Laboratories Limited (“HKCL”) achieved profitable results with revenue of HK\$20.9 million and segmental profit HK\$6.1 million during the Review Period, with performance exceeding the management’s expectations. HKCL specialises in the production of PET drugs and operates one of the largest PET radiopharmacy distribution networks in Hong Kong. It is also a key supplier of fluorodeoxyglucose for hospitals and clinics in Hong Kong. Leveraging its research and development (“R&D”) capabilities, HKCL is planning the launch of a second laboratory, which will focus on the development of radiation-related medical products. The company will continue to expand production capacity, providing high-quality products and services with principle of safety and customers orientation.

Other Business

The Group’s online building materials procurement and management platform, Mattex Asia Development Limited, continued to make solid progress during the Review Period. The platform enables contractors to source competitively priced materials via a streamlined process, helping them to speed up their procurement process and improve operational efficiency. This segment, along with the Group’s construction financing operation, continued to provide it with additional income streams through diversified businesses.

Outlook and Prospects

With the gradual relaxation of pandemic-related restrictions, Hong Kong’s economy and business environment will gradually recover. In the meantime, the Group has demonstrated strong resilience in the face of the uncertain macro environment, having maintained stable operations while exploring new avenues for business expansion. Going forward, the Group will continue to expand its core businesses while focusing also on cost management, develop advanced construction technologies and seek opportunities to enhance people’s lifestyles and quality of life. It will remain committed to reducing costs and increasing efficiency while pursuing new business development in a cautious manner.

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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, non-franchised bus services, as well as medical technology and healthcare. 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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