



# 北京城建设计发展集团股份有限公司

BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED

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

Stock Code: 1599



# 2024

## Interim Report

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# DEFINITIONS

In this interim report, the following expressions shall have the following meanings unless the context otherwise requires:

“Articles of Association”	the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited
“Board” or “Board of Directors”	the board of Directors of the Company
“Board of Supervisors”	the board of Supervisors of the Company
“BUCG”	Beijing Urban Construction Group Co., Ltd. (北京城建集團有限責任公司) (the controlling shareholder of the Company)
“Company”	Beijing Urban Construction Design & Development Group Co., Limited (北京城建設計發展集團股份有限公司)
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary Share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB and are unlisted shares which are currently not listed or traded on any stock exchange
“Group” or “we”	the Company and its subsidiaries
“H Share(s)”	ordinary Share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and traded in HK\$ and listed on the Hong Kong Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

## DEFINITIONS (CONTINUED)

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
“NDRC”	National Development and Reform Commission of the People’s Republic of China
“PRC” or “China”	the People’s Republic of China
“Reporting Period”	the six months ended 30 June 2024
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of the Company, including H Share(s) and Domestic Share(s)
“Supervisor(s)”	supervisor(s) of the Company
“%”	per cent

# CORPORATE INFORMATION

## REGISTERED NAME

### Chinese:

北京城建設計發展集團股份有限公司

### English:

Beijing Urban Construction Design &  
Development Group Co., Limited

## LISTING PLACE OF H SHARES:

The Stock Exchange of Hong Kong Limited

## TYPE OF STOCK:

H Share

## STOCK NAME:

UCD

## STOCK CODE:

1599

## H SHARE REGISTRAR:

Computershare Hong Kong Investor Services Limited

## REGISTERED OFFICE:

5 Fuchengmen North Street, Xicheng District,  
Beijing, PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG:

40th Floor, Dah Sing Financial Centre,  
No. 248 Queen's Road East,  
Wanchai, Hong Kong

## LEGAL REPRESENTATIVE:

Mr. Pei Hongwei

## SECRETARY OF THE BOARD:

Mr. Xuan Wenchang

## COMPANY SECRETARY:

Mr. Xuan Wenchang

## WEBSITE:

[www.bju.cd.com](http://www.bju.cd.com)

## AUDITOR:

Da Hua Moore International CPA Limited  
*Certified Public Accountants*  
Registered Public Interest Entity Auditor

## LEGAL ADVISORS:

### As to Hong Kong Laws:

Clifford Chance

### As to PRC Laws:

Beijing Ocean Law Firm

# MANAGEMENT DISCUSSION AND ANALYSIS

## SUMMARY

In the first half of 2024, confronted by downward pressure in the market, the Group actively responded and took the initiative to maintain its scale, efficiency and growth by focusing on its principal business and making targeted efforts, and fostered new driving forces in a faster pace, with an aim to pursue the steady development of the Company.

For the six months ended 30 June 2024, the Group's revenue amounted to RMB4,180 million, representing a decrease of RMB312 million or 6.95% as compared to the revenue of RMB4,492 million for the corresponding period of last year. The Group's net profit amounted to RMB377 million, representing a decrease of RMB23 million or 5.75% as compared to the net profit of RMB400 million for the corresponding period of last year.

## SUMMARY OF OPERATING RESULTS

	For the six months ended 30 June	
	2024 (RMB'000) (Unaudited)	2023 (RMB'000) (Unaudited)
Revenue	4,179,504	4,492,470
Cost of sales	(3,357,308)	(3,646,134)
Gross profit	822,196	846,336
Other income	200,898	202,547
Other gains and losses, net	1,466	15,816
Selling and distribution expenses	(28,684)	(37,582)
Administrative expenses	(387,748)	(419,267)
Impairment losses on financial assets and contract assets, net	(100,601)	(146,031)
Finance costs	(141,444)	(147,448)
Share of profits of joint ventures	56,974	90,877
Share of profits of associates	14,375	28,109
Profit before tax from continuing operations	437,432	433,357
Income tax expense	(60,327)	(32,895)
Profit for the period	377,105	400,462



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### REVENUE

The Group generates its revenue from the design, survey and consultancy business segment as well as the construction contracting business segment where the Group provides services for project construction. For the six months ended 30 June 2024, the Group achieved a revenue of RMB4,180 million, representing a decrease of RMB312 million or 6.95% as compared to the revenue of RMB4,492 million for the corresponding period of last year. The decrease was mainly due to a decrease in new projects and an overall slowdown in the progress of performance of projects on hand.

Revenue by business segment is as follows:

Products by industry	For the six months ended 30 June	
	2024	2023
	(RMB'000)	(RMB'000)
	(Unaudited)	(Unaudited)
Design, survey and consultancy business	2,020,546	2,253,789
Construction contracting business	2,158,958	2,238,681
Total	4,179,504	4,492,470

#### DESIGN, SURVEY AND CONSULTANCY BUSINESS SEGMENT

The design, survey and consultancy business segment includes design, survey and consultancy services for urban rail transit construction as well as industrial and civil construction and municipal engineering. The design, survey and consultancy business segment has been the traditional and core business of the Group. In the first half of 2024, the Group achieved steady development in the field of rail transit, with rapid growth in new fields such as ecological environment governance, urban renewal, civil-military integration and beautiful villages. The Group signed contracts for over 300 civil-military integration projects in Xiong'an; undertook the first old pipe network renovation project of hospital in Beijing; won the bid for the largest design contract in the field of autonomous driving in Beijing, entering the new sector of intelligent transportation. On this basis, the Group continued to develop preliminary projects, and undertook project feasibility studies and line network planning tasks in Beijing, Hangzhou, Jinhua and other cities, enabling us to gain the first-mover opportunity for subsequent market expansion. In 2024, the Company won the bid for a total of 4 overall design projects in Beijing and Shenzhen, thereby continuing to consolidate its position in the rail transit design industry, ranking first in the industry in terms of the number of successful bids.

For the six months ended 30 June 2024, revenue from the design, survey and consultancy business segment of the Group amounted to RMB2,021 million, representing a decrease of RMB233 million or 10.34% as compared to RMB2,254 million for the corresponding period in 2023. Among which, the revenue from the urban rail transit construction segment amounted to RMB1,521 million, representing a decrease of RMB59 million or 3.73% as compared to RMB1,580 million for the corresponding period of last year. Revenue from the industrial and civil construction and municipal engineering segment was RMB500 million, representing a decrease of RMB174 million or 25.82% as compared to RMB674 million for the corresponding period of last year.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### *CONSTRUCTION CONTRACTING BUSINESS SEGMENT*

For the construction contracting business segment which focuses on serving urban rail transit construction projects and related infrastructure construction projects, in the first half of 2024, the Group won the bids for the maintenance projects of Beijing Metro Line M101, Hongmiao Station of Line 14 and Nanjing Metro Line 5. The construction contracting projects on hand are mainly located in cities such as Beijing, Shijiazhuang, Guangzhou, Chongqing and Nanjing. The Group undertook a single project of over RMB1 billion in ecological environment governance for the first time.

For the six months ended 30 June 2024, the Group's revenue from the construction contracting business segment was RMB2,159 million, representing a decrease of RMB80 million or 3.57% as compared to RMB2,239 million for the corresponding period of last year.

### **COST OF SALES**

For the six months ended 30 June 2024, the cost of sales incurred by the Group was RMB3,357 million, representing a decrease of RMB289 million or 7.93% as compared to RMB3,646 million for the corresponding period of last year. Such year-on-year decrease was higher than the year-on-year decrease in revenue, representing that the Company achieved certain results in costs reduction and efficiency enhancement.

For the six months ended 30 June 2024, cost of sales of the Group's design, survey and consultancy business segment decreased by 12.07% to RMB1,413 million for the current period from RMB1,607 million for the corresponding period of last year. Among that, the cost of sales of the urban rail transit business of the Group's design, survey and consultancy business segment decreased by 6.80% to RMB1,001 million for the current period from RMB1,074 million for the corresponding period of last year. The cost of sales of the industrial and civil construction and municipal engineering business of the design, survey and consultancy business segment decreased by 22.85% to RMB412 million for the current period from RMB534 million for the corresponding period of last year.

For the six months ended 30 June 2024, the cost of sales of the Group's construction contracting business segment decreased by 4.66% to RMB1,944 million for the current period from RMB2,039 million for the corresponding period of last year. Such decrease was higher than the decrease of 3.57% in revenue.

### **GROSS PROFIT AND GROSS MARGIN**

For the six months ended 30 June 2024, the gross profit of the Group was RMB822 million, representing a decrease of RMB24 million or 2.84% as compared to RMB846 million for the corresponding period of last year, while the consolidated gross margin was 19.67%, representing an increase as compared to 18.83% for the corresponding period of last year.

The gross profit of design, survey and consultancy business segment decreased to RMB607 million for the current period from RMB647 million for the corresponding period of last year, representing a decrease of RMB40 million or 6.18%. The gross margin was 30.03% for the current period, which increased from 28.70% for the corresponding period of last year. The gross profit of the construction contracting business segment increased from RMB200 million for the corresponding period of last year to RMB215 million for the current period, representing an increase of RMB15 million or 7.50%. The gross margin increased from 8.93% for the corresponding period of last year to 9.96% for the current period.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### OTHER INCOME

For the six months ended 30 June 2024, other income of the Group was RMB200.90 million, representing a decrease of RMB1.65 million or 0.81% as compared to RMB202.55 million for the corresponding period of last year, which was mainly attributable to the decrease in interest income.

### OTHER GAINS AND LOSSES

For the six months ended 30 June 2024, other gains of the Group was RMB1.47 million, representing a decrease of RMB14.35 million or 90.71% as compared to RMB15.82 million for the corresponding period of last year, which was mainly attributable to the decrease in foreign exchange gains as compared to that for the corresponding period of last year.

### SELLING AND DISTRIBUTION EXPENSES

For the six months ended 30 June 2024, selling and distribution expenses of the Group were RMB28.68 million, representing a decrease of RMB8.90 million or 23.68% as compared to RMB37.58 million for the corresponding period of last year, which was mainly attributable to the corresponding cost reduction resulting from the Company's strengthening of regional and collaborative marketing and budgetary control.

### ADMINISTRATIVE EXPENSES

For the six months ended 30 June 2024, administrative expenses of the Group were RMB387.75 million, representing a decrease of RMB31.52 million or 7.52% as compared to RMB419.27 million for the corresponding period of last year, which was mainly attributable to the reduction of management costs resulting from the Company's cost reduction and efficiency enhancement and the strengthened cost control.

### IMPAIRMENT LOSSES ON FINANCIAL ASSETS AND CONTRACT ASSETS

For the six months ended 30 June 2024, the impairment losses on financial assets and contract assets of the Group amounted to RMB100.60 million, representing a decrease of RMB45.43 million or 31.11% as compared to RMB146.03 million for the corresponding period of last year, which was mainly due to the decrease in impairment losses resulting from the recovery of long-aged trade receivables.

### FINANCE COSTS

For the six months ended 30 June 2024, finance costs of the Group were RMB141.44 million, representing a decrease of RMB6.01 million or 4.08% as compared to RMB147.45 million for the corresponding period of last year, which was mainly attributable to the decrease in interest expenses resulting from the Group's repayment of borrowings.

### INCOME TAX EXPENSE

For the six months ended 30 June 2024, the income tax expense of the Group was RMB60.33 million, representing an increase of RMB27.43 million or 83.37% as compared to RMB32.90 million for the corresponding period of last year, which was mainly attributable to the increase in current income tax expense.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### PROFIT FOR THE PERIOD

For the six months ended 30 June 2024, the Group's profit for the period was RMB377 million, representing a decrease of RMB23 million or 5.75% as compared to RMB400 million for the corresponding period of last year.

### CASH FLOWS

The table below sets forth the cash flows of the Group for the indicated periods:

	For the six months ended 30 June	
	2024	2023
	(RMB'000)	(RMB'000)
	(Unaudited)	(Unaudited)
Net cash outflows from operating activities	<b>(721,074)</b>	(1,263,036)
Net cash outflows from investing activities	<b>(87,616)</b>	(263,806)
Net cash outflows from financing activities	<b>(263,928)</b>	(397,190)
Net decrease in cash and cash equivalents	<b>(1,072,618)</b>	(1,924,032)

For the six months ended 30 June 2024, net cash outflows from operating activities were RMB721 million, which was mainly attributable to the fact that the operating receipts were less than the operating payments during the period. The net cash outflows from investing activities were RMB88 million, which was mainly attributable to the increased investment of RMB133 million in joint ventures and associates, an expenditure of RMB90 million for purchase of fixed assets and intangible assets and the collection of RMB139 million for the disposal of associates in prior year. The net cash outflows from financing activities were RMB264 million, which was mainly due to the Company's new entrusted loans of RMB566 million and repayment of borrowings and interest expenses of RMB656 million during the period.

### PLEDGE OF ASSETS

For the six months ended 30 June 2024, the contract assets, trade receivables and intangible assets of the Group were pledged to secure the certain bank borrowings granted to the Group. As at 30 June 2024, the net pledged receivables and intangible assets were RMB6,265 million (as at 31 December 2023: RMB6,516 million).

### CONTINGENT LIABILITIES

For the six months ended 30 June 2024, there were no other significant contingent liabilities of the Group.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### CAPITAL COMMITMENT

The capital commitments of the Group as at 30 June 2024 and 31 December 2023 were as follows:

	30 June 2024 (RMB'000) (Unaudited)	31 December 2023 (RMB'000) (Audited)
Contracted, but not provided for:		
Property, plant and equipment	169,349	305,119
Equity investments	1,197,564	1,093,213

### CAPITAL STRUCTURE AND FINANCIAL RESOURCES

The equity capital of the Group mainly comprises Domestic Shares and H Shares. Indebtedness capital mainly consists of bank and other borrowings. In addition, ordinary business operation also provides the Group with source of funding. As of 30 June 2024, the net current assets of the Group were RMB1,433 million, among which cash and cash equivalents amounted to RMB2,235 million. The liquidity of the Group was sound and healthy and the Group had adequate cash and available facilities to satisfy its operating needs.

As at 30 June 2024, the Group's interest-bearing borrowings were RMB6,722 million while the gearing ratio (gearing ratio represents the total interest-bearing borrowings as of 30 June 2024 divided by the total equity as at 30 June 2024) was 86.74%.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### INDEBTEDNESS

The table below sets forth the total borrowings of the Group as at 30 June 2024 and 31 December 2023. The Group generally settles the borrowings on time.

	30 June 2024 (RMB'000) (Unaudited)	31 December 2023 (RMB'000) (Audited)
Bank borrowings		
Pledged	4,847,351	4,930,517
Guaranteed	8,684	15,069
Non-pledged and non-guaranteed	431,242	421,250
Other borrowings		
Non-pledged and non-guaranteed	1,150,136	1,243,669
Lease liabilities		
Non-pledged and non-guaranteed	284,498	303,444
	<b>6,721,911</b>	<b>6,913,949</b>

As at 30 June 2024, the Group's borrowings were denominated in RMB with interest rates ranging from 1.81% to 4.90%.

The table below sets forth the maturity of the Group's debts as at 30 June 2024 and 31 December 2023:

	As at 30 June 2024 (RMB'000) (Unaudited)	As at 31 December 2023 (RMB'000) (Audited)
Within one year	2,131,994	2,206,129
In the second year	274,042	263,749
In the third to fifth years, inclusive	1,013,998	1,015,423
Over five years	3,301,877	3,428,648
	<b>6,721,911</b>	<b>6,913,949</b>

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### SIGNIFICANT INVESTMENT

The main business of Yunnan Jingjian Rail Transit Investment and Construction Co., Ltd. is the investment, construction and operation & maintenance of construction projects. Holding the shares of Yunnan Jingjian Rail Transit Investment and Construction Co., Ltd. is conducive to promoting the need of the Company to enhance profitability, and is conducive to the Company's market expansion and industrial chain integration. As at 30 June 2024, the investment amount was RMB2.115 billion, accounting for 8.87% of the total asset value as at 30 June 2024, and the details of this significant investment by the Company are as follows:

Company name	Main business	Number of shares held by the Company	Shareholding of the Company	Cost of investment (RMB'000)	Income on investment for the period (RMB'000)
Yunnan Jingjian Rail Transit Investment and Construction Co., Ltd.	Construction management of urban rail transit construction (section B), investment and financing related to operation, operation and management, mechanical and electrical equipment renovation, ticket management, commercial property development along the line, house lease along the line, advertising design, production, agency and release along the line, resource development of rail transit station and underground space, development, operation and management of import and export resources of Kunming Rail transit Line 4 (projects that must be approved legally can be carried out after approval from relevant authorities).	78,280,000	78.28%	1,634,327	56,605

### EXCHANGE RATE RISK

The business operations of the Group are mainly in China with most of its transactions settled in RMB. The assets and liabilities and transactions from operations of the Group that involve exchange rate risk are mainly related to U.S. dollars and HK dollars. The Directors of the Company believe that the exchange rate risk of the Group is low and will not have a material and adverse impact on the financial position of the Group.

### BID WINNING

As of 30 June 2024, the Company won the bid totaling RMB5.793 billion, including bid winning for design, survey and consultancy totaling RMB1.784 billion, and construction general contracting business won the bid totaling RMB4.009 billion, and projects were distributed in Beijing, Shenzhen, Changchun, Shanghai, Shaoxing and other regions.

### EMPLOYEES

As of 30 June 2024, the Group had approximately 4,915 employees, representing a decrease of 3.1% as compared with that at the end of the corresponding period of last year. As of 30 June 2024, employees with senior titles or above, employees with intermediate titles and employees with primary titles or below accounted for 41%, 38% and 21% of the total number of employees of the Group, respectively. Among which, the ratio of employees with senior titles has increased by 4%. During the Reporting Period, there was no change in the remuneration policy and training plan of the Group.

### EVENTS AFTER THE BALANCE SHEET DATE

The Group did not have any significant events after the balance sheet date.

### PROFIT DISTRIBUTION AND DIVIDENDS

The Group will not make distribution of its interim profit and does not propose the payment of an interim dividend.

### COMPANY-WIDE MANAGEMENT MEASURES IN THE SECOND HALF OF 2024

In the second half of 2024, the Company will continue to adhere to expand design and consulting, strengthen construction contracting, and actively develop new businesses, fully utilize the advantages of the entire industry chain resources, make every effort to stabilize the basic market, continue to improve the quality of development, respond more effectively to changes in the situation, continuously enhance the resilience of enterprise development, stimulate the momentum of enterprise development, and promote the steady development of enterprises.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The Company's specific management measures in the second half of 2024 include the following four areas:

### 1. Safeguarding the position in the rail transit industry and developing the characteristics of survey, design and consultancy business

The Company will continue to stabilize the position in the rail transit design industry, closely follow up on the progress of construction planning and approval in various cities, focus on tracking the overall design projects of cities such as Beijing, Xi'an, Dalian, Chengdu, Nanjing, Shaoxing, Fuzhou, actively enter the fields of tourism rail, emerging rail, freight rail, etc. The company will leverage the front-end leading role of the high-end consultancy market, and expand the market share in the subdivision areas of survey, testing and verification, safety risk assessment, inspection of construction drawings, and transit big data. The Company will strive for the differentiated and characteristic development of civil construction and municipal business, continue to deepen traditional businesses such as residence, TOD integration, transportation hubs, and development of the upper cover, and strive to expand emerging businesses such as medical care, affordable housing, urban renewal, urban village renovation, ecological environment, new energy, and public infrastructure for daily and emergency use, and endeavor to make new breakthroughs.

### 2. Promoting the incremental development of EPC

The Company will stick to the dual focus on both Beijing market and markets outside of Beijing. The Company will closely follow urban rail transit projects in Beijing, Shenzhen, Guangzhou, Xi'an and other cities; we should broaden the business field and strive to achieve new breakthroughs in the existing line transformation and other markets. We shall deepen the management concept of "four clarity and one distinction (四清晰一分明)", strengthen project planning, corporate centralized procurement and project settlements and debt clearing, and enhance project performance and profitability.

### 3. Actively expanding new business

The Company will accelerate the implementation of new investment and financing models, grasp the guidance of franchise policies, focus on investment areas such as transit and tourism integration, medium and low volume, and passenger and freight transportation, and strive to obtain the implementation of new investment projects and promote the coordinated development of the whole industry chain; promote the breakthrough of technological industrialization business, strengthen the leadership of the headquarters, set up a dedicated team, strengthen the performance management of scientific research investment, optimize the distribution of benefits and incentive mechanisms, and form a sustainable development pattern. We will give more prominence to market orientation, promote the transformation of technological industrialization products into commodities, and continue to promote the "urban simulation" platform, interior industrial products, and energy storage business to acquire orders, and accelerate market docking.

### 4. Steadily promote refined management

We will pay attention to cash flow indicators, specialise in the settlements and debt clearing, promote the continuous decline of the stock scale of the “two funds (兩金)”, and resolutely control the increments to ensure the safety of the capital chain. We will comprehensively strengthen cost control, achieve costs reduction and efficiency enhancement, take economic benefits as the foothold, strengthen project budget management, systematically do a good job in internal control, auditing, legal affairs, etc., promote the operation of the Company in accordance with laws and regulations, and improve the level of corporate governance. We will expand the influence of the Company, optimize the allocation of industry resources, focus on the construction of important industry platforms such as the Rail Transit Branch of the China Civil Engineering Society (中國土木工程學會軌道交通分會), the Rail Transit Branch of the China Engineering & Consulting Association (中國勘察設計協會軌道交通分會), and the Design & Consulting Committee of China Association of Metros (中國城市軌道交通協會設計諮詢專委會), further enhance the Company’s industry influence and discourse.

## MARKET LANDSCAPE AND BUSINESS OUTLOOK

In March 2024, the State Council issued the Action Plan for Promoting Large-scale Equipment Renewal and Consumer Goods Trade-in 《推動大規模設備更新和消費品以舊換新行動方案》 (the “Action Plan”). The Action Plan has deployed the promotion of large-scale equipment renewal and consumer goods trade-in in all respects, focusing on the implementation of the “four major actions” comprising equipment renewal, consumer goods trade-in, recycling, and standard improvement. Focusing on seven major fields of industry, agriculture, construction, transportation, education, cultural tourism, and medical care, the Action Plan will promote the renewal and transformation of equipment in key industries in the direction of energy conservation and carbon reduction, ultra-low emission, safety production, digital transformation, and intelligent upgrading.

China Association of Metros issued the Guidelines for Diversified and Integrated Development of Urban Rail Transit in China 《中國城市軌道交通多元融合發展指南》 and Guiding Opinions on the Transformation of Existing Lines of Urban Rail Transit in China 《中國城市軌道交通既有線改造指導意見》. The Guidelines for Diversified and Integrated Development of Urban Rail Transit in China puts forward the guiding ideology of the construction of integrated urban rail, expounds the connotation of integrated urban rail, draws a blueprint for the development of integrated urban rail, and promotes the integration of nine elements of “regions, four networks, multi-transit, lines, station-city, system, green intelligence, cultural tourism, and business”, focusing on the three major directions of “attracting passenger flow, increasing revenue, and reducing costs”, striving for the five sustainable aspects of “passenger flow, finance, technology, equipment and ecology”, and implementing the five synergies of “planning, service, technology, management and operation”. The Guiding Opinions on the Transformation of Existing Lines of Urban Rail Transit in China has analyzed the situation and existing problems faced by the industry in the transformation of existing lines, taking the sustainable and high-quality development of the industry as the guide, coordinating the development strategy, clarifying the work objectives, proposing strategic measures, planning the implementation path, formulating safeguard measures, and emphasizing the promotion of urban rail transit renewal and transformation with new quality productivity.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### URBAN RAIL TRANSIT

According to the statistics of China Association of Metros, as of 30 June 2024, a total of 11,409.79 kilometers of urban rail transit lines have been put into operation in 58 cities in mainland China, of which 194.06 kilometers of urban rail transit lines have been added in the first half of 2024, a total of 132 stations have been newly opened and operated, and there have been 6 new lines as well as 4 new sections or extensions of existing lines in operation.

In the first half of 2024, the tenders for a total of 8 overall design contracting (including overall design contracting, general engineering design contracting, and general contracting of survey and design) projects for new rail transit lines involving the urban rail transit in mainland China were concluded, among which, the Company secured the first position by winning the bid for overall design contracting for 4 lines. While the scale of new rail transit projects declined, the rail segment vigorously explored and cultivated the design market for the existing line renovation project, and the expansion and renovation project of the Changchun Urban Rail Transit Line 3, the bid of which was won in the first half of the year, is a project for the first urban rail transit existing line in the country that has been suspended for renovation. In addition to the repeated bid-winnings in the domestic market, the bid-winning for the design supervision of the South Extension of the Ramadan City Railway (Phase III) in Egypt (埃及齋月十日城鐵路南延線(三期)) marks the first expansion of our rail transit design consulting business to Africa.

In the second half of the year, the urban rail transit segment will closely follow the rhythm of the approval of the NDRC, deepen the existing line market, and create new market growth points while promoting new rail transit technology and design concepts.

### RAIL TRANSIT SYNERGIZING WITH INNOVATIVE CONSTRUCTION

In 2024, the Special Project of Risk Prevention and Control Technology for Deep Karst Collapse and Demonstration Application under the Prevention and Control of Major Natural Disasters and Public Safety (重大自然災害防控與公共安全專項課題深部岩溶塌陷風險防控技術及示範應用), a project of the Ministry of Science and Technology in 14th Five-Year Plan undertaken by the Company, successfully passed the mid-term inspection; the Key Technology Research on the Cost Reduction and Efficiency Increase of the Underground Utility Tunnel System (城市地下綜合管廊系統降本增效關鍵技術研究), a project of the Ministry of Housing and Urban-Rural Development was undertaken by the Company; the Special Project of Ubiquitous Perception System of Intelligent Operation and Maintenance of Stereonet Spatial of Station-City Integration (站城融合立體網絡空間智慧運維泛在感知系統), a project under the Key Technology and Equipment for Sustainable Development of Cities and Towns (城鎮可持續發展關鍵技術與裝備) of the Ministry of Science and Technology in 14th Five-Year Plan participated by the Company, successfully passed the implementation plan demonstration; the scientific and technological achievements of the “Qingdao Metro Prefabricated and Assembled Construction Technology and Industrialization (青島地鐵預制裝配化建造技術及產業化)” project were highly praised as “generally reaching the international leading level”; “Key Technology for Assembly Construction of Track Structure of Urban Rail Transit (城市軌道交通軌道結構裝配化建造關鍵技術)” and “Prefabricated and Assembled Construction Technology for Metro Stations (地鐵車站預制裝配化建造技術)” were selected into the “List of Original Technology Sources in Key Areas” by the State-owned Assets Supervision and Administration Commission of Beijing. The “Beijing Daxing Airport Line Project” and “Wuxi Metro Line 3 Phase I Project” won the Zhan Tianyou Civil Construction Award in China (中國土木工程詹天佑大獎); a number of projects, such as “the Key Technology and Application of Urban Rail Construction in Earth and Rock Formations (土岩組合地層城軌建造關鍵技術與應用)” and “Research and Application of Key Technologies for Spatial Collaborative Decision Support for Comprehensive Development of Rail Transit (軌道交通綜合開發空間協同決策支持關鍵技術研究及應用)”, won the first prize of Science and Technology Progress Award for Urban Rail Transit.

### SURVEY AND MEASUREMENT

According to the National Engineering Survey and Design Statistics 2023 by the Ministry of Housing and Urban-Rural Development, the operating revenue of the national survey and design industry in 2023 was RMB9.4154 trillion, a year-on-year increase of 5.6%, continuing the previous growth trend but gradually slowing down. The Government Work Report 2024 proposes to increase effective investment, especially in infrastructure and green and low-carbon projects, which will bring new opportunities to the survey industry.

In terms of technological development, we should vigorously promote the application of BIM technology and digital tools to improve design and construction efficiency and reduce costs. Applications, including drone mapping, 3D scanning, and other advanced technologies, are changing the way surveys are traditionally conducted, thus providing more accurate data support. Infrastructure investment remains solid, especially in the construction of roads, electricity and water conservancy. With the increase in demand for new energy and power system upgrades, related survey services will embrace new growth points.

National policy emphasis on lower energy consumption per unit of GDP and green and low-carbon transition, which requires the survey industry to provide more environmentally friendly and sustainable solutions; environmental protection and ecological restoration projects will provide new business opportunities for the survey industry, particularly in the areas of ecological assessment and environmental monitoring.

Enterprises in the survey industry should actively adapt to market changes, use technological innovation to improve service quality and efficiency, and focus on green development and digital transformation to cope with the upcoming industry changes.

### INVESTMENT AND FINANCING

In the first half of 2024, the domestic economy continued to decline, the government's hidden debt control was under further pressure, the scale of traditional infrastructure investment and financing continued to shrink, with development focus of the market shifting to new infrastructure, new energy and other fields. The supporting policy documents of the new mechanism of public-private partnerships have been promulgated one after another, and the operation system of the franchise model has been increasingly improved, which has put forward new requirements and challenges for business operations.

In this context, the Company closely followed the market, focused on users' fees, and actively expanded urban rail transit projects with stable and diversified sources of income, such as projects of transit and travel integration, medium and low volume, and passenger and freight mixing, focused on following up some provincial and municipal "tourism + rail transit" projects, and actively promoted the implementation of projects in hand.

In the face of the new market, giving full play to the advantages of "capital + industry", the Company will take project investment and equity investment as the starting point and the whole industry chain synergy as the support. In the field of project investment, we will deepen the operation of the main business of rail transit, actively explore new fields, new businesses and new markets, innovate research, use various investment and financing models such as franchising and EOD, and comprehensively roll out market tracking; in the field of equity investment, we will steadily promote business extension and mergers and acquisitions of intelligent information enterprises, select investment targets on the basis of merit, help enterprises accumulate high-tech ability in the upstream and downstream of the industrial chain and cultivate new quality productivity, and promote the strategic transformation and development of enterprises.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### CONSTRUCTION BUSINESS

In March 2024, the Government Work Report proposed that we shall steadily implement urban renewal actions, promote the construction of public infrastructure for “both ordinary and emergency purposes” and the transformation of urban villages, accelerate the improvement of underground pipeline networks, promote the solution of problems such as the installation of elevators and parking in old communities, strengthen the construction of barrier-free and the elderly-friendly facilities, and create a livable, smart and resilient city.

In April 2024, the Ministry of Housing and Urban-Rural Development held an on-site meeting on affordable housing construction in Hangzhou, Zhejiang, which pointed out that we shall increase our efforts in the construction and supply of affordable housing and improve the “market + guarantee” housing supply system. All localities are required to work on the introduction of policies, project construction, “good house” construction, and the preparation of housing development plans, and earnestly promote the construction of affordable housing to achieve results.

In May 2024, the Action Plan 2024-2025 for Energy Conservation and Carbon Reduction (《2024-2025年節能降碳行動方案》) issued by the State Council proposed that we shall speed up the transformation of construction methods, promote the transformation of existing buildings, and strengthen building operation management. We shall implement policies related to the upgrading of large-scale equipment, and speed up the upgrading of buildings for energy-saving purposes by taking into account urban renewal actions and the old community renovation. By the end of 2025, the energy-saving renovation area of existing buildings should increase by more than 200 million square meters compared with 2023.

According to data from the National Bureau of Statistics, from January to May 2024, the investment in the national real estate development amounted to RMB4.0632 trillion, a year-on-year decrease of 10.1%. Real estate developers started construction of 300.90 million square meters of new housing, a year-on-year decrease of 24.2%. The sales area of newly built commercial housing amounted to 366.42 million square meters, a year-on-year decrease of 20.3%, of which the sales area of residential housing was down 23.6%. In terms of land market, the China Housing Index Report indicated that in the first half of 2024, the supply and demand of residential land in 300 cities nationwide all dropped by more than 30% year-on-year, and both the average floor price and premium rate of land transactions decreased compared with the same period last year.

In the first half of 2024, the Company continued to deepen the Beijing commercial housing and affordable housing market. In January 2024, the Company won two first prizes and one second prize in the national “Good House” design competition. While ensuring the market share of Beijing, we continued to expand the Xiong’an regional market, winning the bid for the Survey and Design Section 2 of Phase I of the University Town Supporting Project of the Fifth Group in the Start-up Area.

With the continuous efforts of various policies, the construction engineering industry is expected to achieve a healthier and more sustainable development. It is expected that in the second half of 2024, the downward trend of the new housing market will slow down, however, as the expectation of residents’ income and the expectation of falling housing prices have not been improved significantly, the national real estate market would be still under adjustment pressure, and the new housing market may still be in the bottoming stage.



### CONSTRUCTION BUSINESS

China has turned into the country with the most developed rail transit network across the world. First-tier cities such as Beijing, Shanghai and Guangzhou are still constructing their rail transit, while many second- and third-tier cities (including those in central and western China) are also developing rail transit systems to cater for growing travel demands. However, given that the approval for rail transit construction becomes more and more rational, relevant policies will continue to tighten, and the policies for rail transit construction will also tighten, the market situation may maintain safe and stable.

In the future, our rail transit construction will center on the Beijing market, focus on the market dynamics of the Yangtze River Delta, the Guangdong-Hong Kong-Macao Greater Bay Area and the Western Delta Economic Zone, and vigorously expand county-level cities, counties and towns' market, endeavoring to promote the sustainable development of the market. In the Beijing market, we will focus on the progress of Line M101 and Phase I of Line S6 (New Zone Connection Line) as well as the extension, operation, transformation and maintenance projects of existing lines. For the Yangtze River Delta, we will pay attention to Suzhou, Wuxi, Shaoxing, Xuzhou, Ningbo, Hangzhou and other regional markets, and proactively engage in the construction of local rail transit. In terms of the Guangdong-Hong Kong-Macao Greater Bay Area, we will keep an eye on the east extension project of Guangzhou Metro Line 8, while following up on the market dynamics in Dongguan, Foshan and other regions. Regarding the Western Delta Economic Zone, we will monitor the rail transit project plans of Xi'an, Chongqing and other places, and promote the implementation of these projects.

### MUNICIPAL ENGINEERING

In April 2024, the Ministry of Housing and Urban-Rural Development issued the Implementation Plan for Promoting the Renewal of Building and Municipal Infrastructure Equipment 《推進建築和市政基礎設施設備更新工作實施方案》. The plan proposes that in the future, China will renovate yearly more than 100,000 kilometers of underground pipelines, implement urban drainage and flood control capacity enhancement projects, and further promote the construction of urban lifeline safety projects. Underground pipelines include municipal public pipelines involving water supply, rainwater, sewage, reclaimed water, natural gas, heat, electricity, and communications. At present, we have 1.1030 million kilometers of water supply pipelines, 0.9135 million kilometers of drainage pipelines, 0.9804 million kilometers of natural gas pipelines, and 0.4934 million kilometers of heating pipelines in cities across the country. Based on above, it can be estimated that the construction of the projects can be carried out for nearly 10 years.

In 2023, the Ministry of Housing and Urban-Rural Development issued the Guiding Opinions on Comprehensively Promoting the Construction of a Comprehensive Urban Transportation System 《關於全面推進城市綜合交通體系建設的指導意見》, which put forward three requirements: first, strengthen the full life cycle management of urban transportation infrastructure; second, strengthen the construction of supporting facilities such as parking and charging; third, build an urban transportation infrastructure monitoring platform. In view of the above three points, the Company will do a good job in technology accumulation and breakthroughs based on projects such as large and medium repair of operating roads, charging pile planning and construction, and strive for greater orders in the construction of comprehensive urban transportation system.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### TRANSPORTATION DATA SERVICES

In the first half of 2024, the Company increased its efforts in developing business markets such as vehicle-road collaboration, digitalization and urban simulation, urban health examinations and urban renewal in the field of digitalization and emerging business. In the traditional business segment, it focused on business refinement and project tracking such as transportation planning and design, hub and TOD planning and design, passenger traffic forecasting and evaluation.

In the emerging business, as the forefront of the industry, the vehicle-road collaboration enjoys a huge market space, and all provinces and cities are in the construction demonstration stage. The Company takes the Beijing Automatic Driving Demonstration Zone as the entry point, continues to carry out the intelligent transformation of roads and the design of roadside intelligent facilities, etc., and provides professional services for the vehicle-road collaborative planning scheme, facility design, and cooperation expansion of the whole product chain. The Company focuses on the needs of urban health examination business across the country, and has successively developed urban health examination business in Inner Mongolia, Yinchuan, Tibet and other regions; in terms of digitalization and urban simulation business, we increase the research and development and promotion of use scenarios, and plan and build a professional decision-making platform for governments and enterprises.

In the second half of the year, the Company will further expand its existing business advantages, combined with industry development policies, and continue to seek new market opportunities. On the basis of the vehicle-road collaboration business, we will focus on the vehicle-road-cloud integration business, and work with car companies, roadside facility companies, and cloud enterprises to formulate design standards and explore new businesses and new markets. Combined with the Notice on Accelerating the Transformation and Development of Bus Passenger Stations 《加快汽車客運站轉型發展的通知》 and Several Opinions on Promoting the Sustainable Development of Urban Public Transport 《關於推進城市公共交通可持續發展的若干意見》 recently issued by the state, the traditional transportation planning business will focus on the market demand related to public transport and passenger stations. Combined with the current development hotspots of low-altitude economy, we will keep an eye on relevant market demand and provide technical services involving low-altitude transportation routes and infrastructure planning.

### URBAN PLANNING

On 11 January 2024, the Central Committee of the Communist Party of China and the State Council issued the Opinions on Comprehensively Promoting the Building of A Beautiful China 《關於全面推進美麗中國建設的意見》, to put forward detailed measures centering on the target path, key tasks and major policies for the building of a beautiful China.

In June 2024, the General Office of the Ministry of Natural Resources issued the Notice on Further Strengthening the Planning and Land Policy in Support of the Renovation and Renewal of Old Communities 《關於進一步加強規劃土地政策支持老舊小區改造更新工作的通知》, focusing on solving the difficulties and blockages in the renovation of old communities, conducting in-depth research from the perspective of planning and land policy, and actively responding to relevant local demands.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The Ministry of Natural Resources issued 19 industry standards (No. 26 of 2024), including the Guidelines for the Preparation of Land Spatial Ecological Restoration Planning at City and County Levels 《市縣級國土空間生態修復規劃編製指南》, which are particularly important for the protection of geological features.

With the gradual approval of the overall national, provincial, municipal, and county land spatial planning, the planning and design market is expected to steadily recover in 2024. Local regulatory detailed planning, village planning, urban renewal, comprehensive land improvement, eco-environment-oriented comprehensive development (EOD) projects, the “Ten Million Project” (Thousand Villages Demonstration and Ten Thousand Villages Renovation), and the construction of pilot demonstration zone for a beautiful China will be gradually launched to the market and implemented. The planning industry will pay more attention to comprehensive research across disciplines, and strengthen cooperation and exchanges with related industries. At the same time, with the development of informatization and digital technology, the planning industry will pay more attention to the application of data analysis and intelligent technology, and improve the scientificity and operability of the planning scheme. In addition, sustainable development and ecological civilization construction will become an important development direction of the planning industry.

## INDUSTRIALIZATION

The 19th National Congress of the Communist Party of China proposed to build a strong country in transportation and science and technology, and General Secretary Xi Jinping issued a mobilization order to accelerate the construction of a strong country in transportation and build a world power in science and technology. Since 2021, the Ministry of Transport and the Ministry of Science and Technology have firmly implemented deployment of the Central Government and jointly issued the Opinions on Accelerating the Construction of a Transportation Power Driven by Scientific and Technological Innovation 《關於科技創新驅動加快建設交通強國的意見》 and the Outline of the Medium and Long-term Development Plan for Scientific and Technological Innovation in the Transportation Field (2021-2035) 《交通領域科技創新中長期發展規劃綱要(2021-2035年)》, outlining a blueprint for accelerating the construction of a transportation power driven by scientific and technological innovation. In order to further implement the deployment of the Central Government, relevant departments in many places have issued local action plans and corresponding policies for scientific and technological innovation and development in the field of transportation.

Based on the above policies and the development trend of the rail transit industry in recent years, the industrialization of rail transit science and technology should firmly seize the major historical opportunity of a new round of global scientific and technological revolution and industrial transformation, especially the information revolution and energy innovation, representing the two most direct and far-reaching key areas that affect the new round of modernization development in the field of transportation, in order to establish a collaborative innovation industry alliance with strong alliances, complementary advantages and efficient adaptation, actively carry out industrialization application demonstrations, and create an internationally competitive industrial ecosystem as the implementation path. We will move forward in the direction of green and low-carbon, digital services, intelligent integration, and emergency support.

## OTHER INFORMATION

### THE INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES

#### The interests and short positions of Directors, Supervisors and chief executive in the Shares, underlying shares and debentures of the Company and its associated corporations

As at 30 June 2024, the interests and short positions of the following Directors, Supervisors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as notified to the Company and the Hong Kong Stock Exchange under Divisions 7 and 8 of Part XV of the SFO or as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the requirements in the Model Code, were as follows:

Name	Position	Capacity	Class of Shares	Number of Shares (Shares)	Nature of interests	Approximate percentage of total issued H Share capital (%)	Approximate percentage of total issued Share capital (%)
Li Guoqing	Vice chairman and non-executive Director	Personal interest	H Shares	48,000	Long position	0.01%	0.004%
Wang Hanjun	Executive Director and general manager	Personal interest	H Shares	48,000	Long position	0.01%	0.004%

*Note:*

Mr. Li Guoqing and Mr. Wang Hanjun subscribed for 1,000,000 Domestic Shares respectively under a key employee stock ownership scheme on 29 December 2017.

Save as disclosed above, as at 30 June 2024, none of the other Directors and Supervisors had any interests or short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as notified to the Company and the Hong Kong Stock Exchange under Divisions 7 and 8 of Part XV of the SFO or as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the requirements of the Model Code.

During the Reporting Period, none of the Directors, Supervisors and chief executive of the Company (including their spouses or children under the age of 18) were authorised by the Company the rights to subscribe for any shares or debentures of the Company or any associated corporations.

## CHANGE OF THE BOARD AND THE BOARD OF SUPERVISORS

### CHANGES OF DIRECTORS

At the Board meeting held on 8 March 2024, Mr. Li Guoqing was appointed as the vice chairman and his role on the Board has been adjusted from an executive Director to a non-executive Director according to the work arrangement. For details, please refer to the announcement of the Company dated 8 March 2024.

### CHANGES OF SUPERVISORS

There were no changes in the members of the Board of Supervisors and their information during the Reporting Period.

### CHANGE OF THE CHAIRMAN OF THE BOARD

The Board elected Mr. Li Guoqing as the vice chairman of the third session of the Board at the Board meeting held on 8 March 2024, with immediate effect.

As at the date of this report, the members of the Board are:

Mr. WANG Hanjun (*Executive Director*)  
Mr. PEI Hongwei (*Chairman, Non-executive Director*)  
Mr. LI Guoqing (*Vice Chairman, Non-executive Director*)  
Ms. SHI Huaxin (*Non-executive Director*)  
Mr. PENG Dongdong (*Non-executive Director*)  
Mr. LI Fei (*Non-executive Director*)  
Mr. WANG Tao (*Non-executive Director*)  
Ms. TANG Qimeng (*Non-executive Director*)  
Mr. WANG Guofeng (*Independent Non-executive Director*)  
Mr. QIN Guisheng (*Independent Non-executive Director*)  
Mr. MA Xufei (*Independent Non-executive Director*)  
Mr. XIA Peng (*Independent Non-executive Director*)

As at the date of this report, the members of the Board of Supervisors are:

Mr. HU Shengjie (*Chairman of the Board of Supervisors*)  
Ms. NIE Kun (*Supervisor*)  
Mr. FANG Binjia (*Supervisor*)  
Mr. LI Yan (*Supervisor*)  
Ms. YANG Huiju (*Employee Representative Supervisor*)  
Mr. LIU Hao (*Employee Representative Supervisor*)  
Mr. BAN Jianbo (*Employee Representative Supervisor*)

## OTHER INFORMATION (CONTINUED)

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as its code for securities transactions by its Directors and Supervisors. Having made specific enquiries with all of the Directors and Supervisors, all of them have confirmed that they had complied with the abovementioned code during the Reporting Period.

### DISCLOSABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER THE SFO

#### Substantial shareholders' interests and short positions in the Shares and underlying shares of the Company

As at 30 June 2024, so far as was known to the Directors, the interests or short positions of the following persons (other than the Directors, Supervisors or the chief executive of the Company) in the Shares and underlying shares of the Company as notified to the Company and the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO or as otherwise recorded in the register required to be kept under section 336 of the SFO were as follows:

#### Domestic Shares

Name of shareholder	Capacity	Number of Domestic Shares (Shares)	Nature of Interests	Approximate percentage of total issued Domestic Share capital (%)	Approximate percentage of total issued Share capital (%)
BUCG <sup>1</sup>	Beneficial owner	571,031,118	Long position	59.44%	42.34%
Beijing Infrastructure Investment Co., Ltd. <sup>2</sup>	Beneficial owner	87,850,942	Long position	9.14%	6.51%
Beijing Chengtong Enterprise Management Center (General Partnership)	Beneficial owner	76,000,000 <sup>3</sup>	Long position	7.91%	5.64%

#### Notes:

1. BUCG was incorporated by the Beijing Municipal Government.
  2. Beijing Infrastructure Investment Co., Ltd. ("Beijing Investment Company") is a wholly state-owned enterprise established and funded by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality. On 4 August 2020, Beijing Investment Company and Beijing MTR Construction Administration Corporation (北京市軌道交通建設管理有限公司) implemented a merger and restructuring. After the merger and restructuring, Beijing Investment Company directly and indirectly holds 199,998,412 shares of the Company (including 131,776,412 Domestic Shares and 68,222,000 H Shares of the Company, accounting for approximately 14.83% of the issued shares of the Company). For details, please refer to the Company's announcement dated 10 August 2020.
  3. Among which, 18,270,000 Domestic Shares were issued for connected subscriptions. For further details, please refer to the circular published by the Company on 7 December 2017 and the announcement published by the Company on 5 February 2018.
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## OTHER INFORMATION (CONTINUED)

### H Shares

Name of shareholder	Capacity	Number of H Shares (Shares)	Nature of Interests	Approximate percentage of total issued H Share capital (%)	Approximate percentage of total issued Share capital (%)
Amundi Ireland Ltd	Investment Manager	81,494,000	Long position	21.01%	6.04%
Beijing Infrastructure Investment Co., Ltd. <sup>1</sup>	Interest of controlled corporations	68,222,000	Long position	17.59%	5.06%
Beijing Infrastructure Investment (Hong Kong) Limited <sup>1</sup>	Beneficial owner	68,222,000	Long position	17.59%	5.06%
Pioneer Investment Management Limited	Investment Manager	66,028,000	Long position	17.02%	4.90%
Pioneer Asset Management S.A.	Investment Manager	52,777,000	Long position	13.60%	3.91%
CRRC Group	Interest of controlled corporations <sup>2</sup>	26,222,000	Long position	6.76%	1.94%

#### Notes:

1. Beijing Investment Company indirectly held interests in 68,222,000 H Shares of long position of the Company through its wholly-owned subsidiary, Beijing Infrastructure Investment (Hong Kong) Limited (京投(香港)有限公司) ("Beijing Investment HK").
2. CRRC Group (formerly known as CSR Group Limited) held interests in 26,222,000 H Shares through its controlled corporations, CRRC Corporation Limited (formerly known as CSR Corporation Limited) and CRRC (Hong Kong) Co., Ltd. (formerly known as CSR (Hong Kong) Co., Ltd.).

Save as disclosed above, as at 30 June 2024, the Directors are not aware of any other person (other than the Directors, Supervisors or the chief executive of the Company) who had interests or short positions in the Shares and underlying shares of the Company as notified to the Company and the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept under Section 336 of the SFO.

## PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company and its subsidiaries did not purchase, sell or redeem any securities of the Company (including sale of any treasury shares (as defined in the Hong Kong Listing Rules)).

As of 30 June 2024, the Company did not hold any treasury shares.



## OTHER INFORMATION (CONTINUED)

### CORPORATE GOVERNANCE

Strictly complying with the Company Law of the People's Republic of China, the Corporate Governance Code and other laws and regulations, as well as the regulatory requirements of domestic and foreign regulatory authorities, the Company standardized its operation, established and optimized its corporate governance system comprised of general meeting, Board of Directors, Board of Supervisors and senior management, so as to form an operating mechanism of mutual cooperation, coordination and mutual checks and balance among power, decision-making, supervisory and executive organizations. The Company believed that sound corporate governance can facilitate the protection and enhancement of the rights and interests of shareholders and other stakeholders, and maintain a favorable corporate reputation. Currently, the corporate governance documents of the Company mainly include: the Articles of Association, the Rules of Procedure for the General Meeting of Beijing Urban Construction Design & Development Group Co., Limited, the Rules of Procedure for the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited, the Rules of Procedure for the Board of Supervisors of Beijing Urban Construction Design & Development Group Co., Limited, the Terms of Reference of the Audit Committee under the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited, the Terms of Reference of the Nomination Committee under the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited, the Terms of Reference of the Remuneration Committee under the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited, the Terms of Reference of the Overseas Risk Control Committee under the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited, the Administrative Measures on Information Disclosure of Beijing Urban Construction Design & Development Group Co., Limited, the Administrative Measures on Connected Transactions of Beijing Urban Construction Design & Development Group Co., Limited. The Board has adopted the Model Code as its rules for securities transactions by the Directors and Supervisors. So far as the Board is aware, during the Reporting Period, the Company had complied with various applicable regulatory laws, rules and regulations, the Articles of Association and the requirements of the code provisions under the Corporate Governance Code and published the documents and information required to be disclosed on the websites of the Company and the Hong Kong Stock Exchange.

### MATERIAL LITIGATION AND ARBITRATION

During the Reporting Period, the Group was not engaged in any litigation or arbitration that would have a material effect on its operating activities.

### THE ARTICLES OF ASSOCIATION

The latest version of the Articles of Association is set out on the websites of the Company and the Hong Kong Stock Exchange.

During the Reporting Period, in order to further improve the corporate governance structure and according to the Company Law of the People's Republic of China and other relevant regulations, the Company made corresponding amendments to the Articles of Association after the approval of the Board and the general meeting of the Company. For details of the amendments, please refer to the announcements of the Company dated 9 January 2024 and 27 June 2024 and the circulars of the Company dated 22 February 2024 and 15 July 2024.

## REVIEW OF INTERIM REPORT

Da Hua Moore International CPA Limited, the auditor of the Company, has reviewed the interim condensed consolidated financial statements of the Group for the six months ended 30 June 2024.

The Audit Committee of the Company has reviewed the interim result of the Group for the six months ended 30 June 2024 and the unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2024.

## PUBLIC FLOAT

Reference is made to the announcements of the Company dated 2 March 2018, 29 March 2018, 30 September 2022 and 22 July 2024 in respect of the insufficiency of public float of the Company. As disclosed in the announcement of the Company dated 11 July 2017, Beijing Investment HK, a wholly-owned subsidiary of Beijing Investment Company, a shareholder of the Company, completed the acquisition of 68,222,000 H Shares of the Company indirectly held by Beijing Capital Group Ltd. ("Beijing Capital") through its controlled corporations (the "Share Transfer"). Before completion of the Share Transfer, Beijing Investment Company held 87,850,942 Domestic Shares of the Company, accounting for 6.90% of the total issued Shares of the Company. Beijing Capital held 73,493,000 H Shares of the Company, accounting for 5.77% of the total issued Shares of the Company. Each of Beijing Investment Company and Beijing Capital does not constitute the substantial shareholder of the Company and the Shares of the Company held by them are deemed as public float. Upon completion of the Share Transfer, Beijing Investment Company increases its shareholding by acquiring 68,222,000 H Shares of the Company, and the total Domestic Shares and H Shares held by it account for 12.26% of the total issued Shares of the Company, and Beijing Investment Company therefore becomes one of the substantial shareholders of the Company and constitutes a connected person under Chapter 14A of the Hong Kong Listing Rules. As such, 68,222,000 H Shares held by Beijing Investment Company would no longer be deemed as transferable shares held by public.

As of the date of this report, the public float of the Company was approximately 23.70%, which failed to meet the requirements on minimum public float under Rule 8.08(1)(a) of the Hong Kong Listing Rules. For further details on the insufficiency of public float, please refer to the announcements of the Company dated 2 March 2018 and 22 July 2024. The Company is fully aware that the problem of insufficient public float still exists at present and has attached great importance to solving this problem. The Company is proactively taking practicable measures, including, but not limited to, plans to continuously communicate on the transfer of the shares by substantial Shareholders and other practicable matters to restore the public float within half a year from the date of the announcement of the Company dated 22 July 2024, and notify the Shareholders and potential investors in a timely manner when relevant plans with feasibility are achieved, to recover the public float level.

# REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## Da Hua Moore International CPA Limited

410 Silvercord, Tower 1,  
30 Canton Road, Tsimshatsui,  
Kowloon, Hong Kong

## 大華國際(香港)會計師事務所有限公司

香港九龍尖沙咀廣東道30號  
新港中心1座410室

T +852 2375 3180

F +852 2375 3828

[www.moore.hk](http://www.moore.hk)

## To the directors of Beijing Urban Construction Design & Development Group Co., Limited

(Incorporated in the People's Republic of China as a joint stock limited company with limited liability)

### INTRODUCTION

We have reviewed the interim condensed consolidated financial statements of Beijing Urban Construction Design & Development Group Co., Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 30 to 82, which comprise the interim condensed consolidated statement of financial position as at 30 June 2024 and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended, and notes to the interim condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standard Board. The directors of the Company are responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE 2410") issued by the International Auditing and Assurance Standards Board. A review of these interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of the Group are not prepared, in all material respects, in accordance with IAS 34.

## REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### OTHER MATTER

The comparative interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2023 and the relevant explanatory notes included in these interim condensed consolidated financial statements have not been reviewed in accordance with ISRE 2410.

#### **Da Hua Moore International CPA Limited**

Certified Public Accountants

#### **Leung Man Chung**

Practising Certificate Number: P08074

Hong Kong, 29 August 2024

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six-month period ended 30 June 2024

	Notes	Six-month period ended 30 June	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited) (Restated)
<b>Revenue</b>	4	<b>4,179,504</b>	4,492,470
Cost of sales	6	<b>(3,357,308)</b>	(3,646,134)
Gross profit		<b>822,196</b>	846,336
Other income	4	<b>200,898</b>	202,547
Other gains and losses, net	4	<b>1,466</b>	15,816
Selling and distribution expenses		<b>(28,684)</b>	(37,582)
Administrative expenses		<b>(387,748)</b>	(419,267)
Impairment losses on financial and contract assets, net		<b>(100,601)</b>	(146,031)
Finance costs	5	<b>(141,444)</b>	(147,448)
Share of profits and losses of:			
Joint ventures		<b>56,974</b>	90,877
Associates		<b>14,375</b>	28,109
<b>Profit before tax</b>	6	<b>437,432</b>	433,357
Income tax expense	7	<b>(60,327)</b>	(32,895)
<b>Profit for the period</b>		<b>377,105</b>	400,462
Profit attributable to:			
Owners of the Company		<b>366,030</b>	394,678
Non-controlling interests		<b>11,075</b>	5,784
		<b>377,105</b>	400,462
<b>Earnings per share attributable to ordinary equity holders of the Company:</b>			
Basic and diluted (expressed in RMB per share)	9	<b>0.27</b>	0.29

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2024

	<b>Six-month period ended 30 June</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited) (Restated)
<b>Profit for the period</b>	<b>377,105</b>	400,462
<b>Other comprehensive expense</b>		
<i>Item that may be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Exchange differences on translation of foreign operations	<b>(49)</b>	(187)
<i>Items that will not be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Changes in fair value of equity investments designated at fair value through other comprehensive income	<b>(13,760)</b>	177
Re-measurement loss on defined benefit plans	<b>(4,060)</b>	(2,690)
	<b>(17,820)</b>	(2,513)
<b>Other comprehensive expense for the period, net of tax</b>	<b>(17,869)</b>	(2,700)
<b>Total comprehensive income for the period</b>	<b>359,236</b>	397,762
Attributable to:		
Owners of the Company	<b>348,161</b>	391,978
Non-controlling interests	<b>11,075</b>	5,784
	<b>359,236</b>	397,762



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2024

	<i>Notes</i>	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	10	1,524,728	1,436,905
Goodwill		5,741	5,741
Right-of-use assets	11	625,566	511,308
Intangible assets		522,840	542,209
Investments in joint ventures		2,173,054	2,201,981
Investments in associates		1,225,377	1,077,672
Financial assets at fair value through profit or loss	14	4,680	8,388
Equity investments designated at fair value through other comprehensive income	13	186,876	202,357
Deferred tax assets		377,161	358,353
Contract assets	12	4,674,149	4,936,462
Prepayments, other receivables and other assets	16	127,143	163,369
Total non-current assets		11,447,315	11,444,745
<b>Current assets</b>			
Inventories		86,032	70,664
Trade and bills receivables	15	4,234,100	4,500,516
Prepayments, other receivables and other assets	16	409,525	444,651
Contract assets	12	5,330,642	4,979,326
Pledged deposits	17	101,832	99,941
Cash and bank balances	17	2,234,761	3,309,696
Total current assets		12,396,892	13,404,794
<b>Current liabilities</b>			
Trade and bills payables	18	5,144,442	5,913,938
Other payables and accruals	19	3,641,576	3,749,070
Interest-bearing bank and other borrowings	20	2,131,994	2,206,129
Provisions for supplementary retirement benefits		3,910	3,910
Tax payable		33,979	118,579
Provision		7,574	6,313
Total current liabilities		10,963,475	11,997,939
<b>Net current assets</b>		1,433,417	1,406,855
<b>Total assets less current liabilities</b>		12,880,732	12,851,600

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 30 June 2024

		As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
<b>Non-current liabilities</b>			
Deferred tax liabilities		659	7,584
Interest-bearing bank and other borrowings	20	4,589,917	4,707,820
Provisions for supplementary retirement benefits		75,380	74,470
Other payables and accruals	19	387,157	367,775
Provision		77,372	65,336
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Total non-current liabilities		5,130,485	5,222,985
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Net assets		7,750,247	7,628,615
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<b>Equity</b>			
Equity attributable to owners of the Company			
Share capital		1,348,670	1,348,670
Reserves		6,168,070	6,052,516
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		7,516,740	7,401,186
<hr/>			
Non-controlling interests		233,507	227,429
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Total equity		7,750,247	7,628,615
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**Wang Hanjun**  
*Director*

**Li Guoqing**  
*Director*

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2024

	Attributable to owners of the Company									
	Share capital	Capital reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Special reserve	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2024	1,348,670	647,706	4,845	206	638,735	(120)	4,761,144	7,401,186	227,429	7,628,615
Profit for the period	-	-	-	-	-	-	366,030	366,030	11,075	377,105
Other comprehensive expense for the period:										
Re-measurement losses on defined benefit	-	(4,060)	-	-	-	-	-	(4,060)	-	(4,060)
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	(13,760)	-	-	-	-	(13,760)	-	(13,760)
Exchange differences on translation of foreign operations	-	-	-	-	-	(49)	-	(49)	-	(49)
Total comprehensive income for the period	-	(4,060)	(13,760)	-	-	(49)	366,030	348,161	11,075	359,236
Acquisition of additional interests of a subsidiary from non-controlling interest	-	(92)	-	-	-	-	-	(92)	(3,412)	(3,504)
Final 2023 dividend declared	-	-	-	-	-	-	(232,515)	(232,515)	-	(232,515)
Dividend declared to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,585)	(1,585)
Transfer to special reserve (note (i))	-	-	-	57,510	-	-	(57,510)	-	-	-
Utilisation of special reserve (note (i))	-	-	-	(51,188)	-	-	51,188	-	-	-
At 30 June 2024 (unaudited)	1,348,670	643,554*	(8,915)*	6,528*	638,735*	(169)*	4,888,337*	7,516,740	233,507	7,750,247

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the six-month period ended 30 June 2024

	Attributable to owners of the Company									
	Share capital	Capital reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Special reserve	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2023	1,348,670	654,226	1,267	-	555,451	(34)	4,227,472	6,787,052	199,911	6,986,963
Profit for the period	-	-	-	-	-	-	394,678	394,678	5,784	400,462
Other comprehensive expense for the period:										
Re-measurement losses on defined benefit	-	(2,690)	-	-	-	-	-	(2,690)	-	(2,690)
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	177	-	-	-	-	177	-	177
Exchange differences on translation of foreign operations	-	-	-	-	-	(187)	-	(187)	-	(187)
Total comprehensive income for the period	-	(2,690)	177	-	-	(187)	394,678	391,978	5,784	397,762
Transfer of fair value reserve upon the disposal of equity investments at fair value through other comprehensive income	-	-	(291)	-	-	-	291	-	-	-
Final 2022 dividend declared	-	-	-	-	-	-	(255,978)	(255,978)	-	(255,978)
Dividend declared to non-controlling shareholders	-	-	-	-	-	-	-	-	(8,990)	(8,990)
Appropriation to statutory surplus reserve	-	-	-	-	83,286	-	(83,286)	-	-	-
Transfer to special reserve (note (i))	-	-	-	117,997	-	-	(117,997)	-	-	-
Utilisation of special reserve (note (i))	-	-	-	(117,791)	-	-	117,791	-	-	-
At 30 June 2023 (unaudited and restated)	1,348,670	651,536*	1,153*	206*	638,737*	(221)*	4,282,971*	6,923,052	196,705	7,119,757

\* These reserve accounts comprise the consolidated reserves of RMB6,168,070 (unaudited) (30 June 2023: RMB5,574,382 (unaudited and restated)) in the interim condensed consolidated statement of financial position as at 30 June 2024.

**Note:**

- (i) In the preparation of the interim condensed consolidated financial statements, the Group has appropriated certain amounts of retained profits to a special reserve fund for each of the six months ended 30 June 2024 and 2023 for safety production expense purposes as required by the directives issued by the relevant People's Republic of China ("PRC") government authorities. The Group charged the safety production expenses to profit or loss when such expenses were incurred, and at the same time, an equal amount of such special reserve fund was utilised and transferred back to retained profits.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2024

	Notes	Six-month period ended 30 June	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited) (Restated)
<b>Cash flows from operating activities</b>			
Profit before tax:		437,432	433,357
Adjustments for:			
Finance costs	5	141,444	147,448
Interest income	4	(197,658)	(197,695)
Foreign exchange differences, net		2,268	(9,055)
Fair value losses/(gains) of financial assets at fair value through profit or loss	4	3,708	(410)
Share of profits and losses of associates and joint ventures		(71,349)	(118,986)
Depreciation of right-of-use assets	6	58,382	56,985
Depreciation of property, plant and equipment	6	69,595	43,767
Amortisation of intangible assets	6	20,394	20,435
Impairment losses on financial and contract assets, net			
Impairment of trade and bills receivables, net	6	43,474	91,136
Impairment/(reversal of impairment) of prepayments, other receivables, net	6	3,139	(469)
Impairment of contract assets, net	6	53,988	55,364
Gains on disposal of property, plant and equipment and right-of-use assets, net		(4,882)	(1,615)
Provision for foreseeable losses on contracts		2,838	3,441
		562,773	523,703
(Increase)/decrease in inventories		(15,368)	10,485
Increase in contract assets		(142,991)	(340,699)
Decrease/(increase) in trade and bills receivables		130,500	(405,234)
Decrease in prepayments, other receivables and other assets		18,647	1,498
Decrease in trade and bills payables		(770,968)	(650,563)
Decrease in other payables and accruals		(356,462)	(285,305)
Increase/(decrease) in provision		10,459	(1,961)
Increase in pledged deposits		(1,891)	(23,954)
Increase/(decrease) in provisions for supplementary retirement benefits		910	(310)
Cash used in operations		(564,391)	(1,172,340)
Interest received		18,224	9,181
Income tax paid		(174,907)	(99,877)
Net cash flows used in operating activities		(721,074)	(1,263,036)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six-month period ended 30 June 2024

	<b>Six-month period ended 30 June</b>	
	<b>2024</b>	2023
<i>Notes</i>	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
		(Restated)
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	<b>(89,276)</b>	(128,449)
Additions to intangible assets	<b>(1,025)</b>	(12,038)
Additions to right-of-use assets	<b>(3,967)</b>	(483)
Addition of investments in joint ventures and associates	<b>(133,360)</b>	(162,219)
Proceeds from disposal of associates in prior year	<b>139,214</b>	–
Proceeds from disposal of property, plant and equipment	<b>268</b>	146
Proceeds from disposal of equity investments designated at fair value through other comprehensive income	<b>–</b>	437
Dividends received from associates and joint ventures	<b>530</b>	–
Cash received from return on investment	<b>–</b>	38,800
<b>Net cash flows used in investing activities</b>	<b>(87,616)</b>	(263,806)
<b>Cash flows from financing activities</b>		
Interest paid	<b>(113,919)</b>	(118,774)
Dividend paid to non-controlling shareholders	<b>(2,521)</b>	(8,046)
Principal portion of lease payments	<b>(45,168)</b>	(49,122)
Interest portion of lease payments	<b>(8,472)</b>	(6,380)
New bank and other borrowings	<b>565,605</b>	73,632
Repayment of bank and other borrowings	<b>(655,949)</b>	(288,500)
Acquisition of additional interests of a subsidiary from non-controlling interest	<b>(3,504)</b>	–
<b>Net cash flows used in financing activities</b>	<b>(263,928)</b>	(397,190)
<b>Net decrease in cash and cash equivalents</b>	<b>(1,072,618)</b>	(1,924,032)
Cash and cash equivalents at beginning of period	<b>3,309,696</b>	4,240,203
Effect of exchange rate changes on cash and cash equivalents	<b>(2,317)</b>	8,868
<b>Cash and cash equivalents at end of period</b>	<b>2,234,761</b>	2,325,039

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2024

## 1. CORPORATE AND GROUP INFORMATION

Beijing Urban Construction Design & Development Group Co., Limited (the “Company”) began its operations in 1958 in the PRC as a state-owned professional survey and design institute founded specifically for the survey and design of Beijing Subway Line 1. Subsequent to a series of reorganisations, the Company was then converted into a joint stock company with limited liability and renamed as Beijing Urban Construction Design & Development Group Co., Limited (北京城建設計發展集團股份有限公司) on 28 October 2013. The Company’s H shares were issued and listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) in July 2014.

The registered address of the office of the Company is 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC.

During the period, the Company and its subsidiaries (collectively referred to as the “Group”) were involved in the following principal activities:

- Design, survey and consultancy services for urban rail transit and urban rail transit related industrial and civil construction and municipal engineering projects;
- Construction contracting services for urban rail transit and the service concession arrangements under the build-operate-transfer (“BOT”) arrangements.

In the opinion of the directors of the Company (the “Directors”), the Company’s holding company and the ultimate holding company is Beijing Urban Construction Group Co., Ltd. (北京城建集團有限責任公司, “BUCG”), which is a state-owned enterprise and incorporated in Beijing, the PRC.

## 2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

### 2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with International Accounting Standards (“IAS”) 34 Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”) and in compliance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023.

The interim condensed consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand, except when otherwise indicated.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

#### 2.2 Changes in accounting policies and disclosures

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 IFRS Accounting Standards ("IFRSs"). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

Except as described below, the application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial statements.

The nature and impact of the new and revised IFRSs that are applicable to the Group are described below:

- (a) Amendments to IAS 1 Classification of Liabilities as Current or Non-current clarify the requirements for classifying liabilities as current or non-current, in particular the determination over whether an entity has a right to defer settlement of the liabilities for at least 12 months after the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. In 2022, the IASB issued the 2022 Amendments to further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. In addition, the 2022 Amendments require additional disclosures by an entity that classifies liabilities arising from loan arrangements as non-current when it has a right to defer settlement of those liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period. The amendments did not have any impact on the Group's interim condensed consolidated financial statements and accounting policy disclosures in the Group's interim condensed consolidated financial statements.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

#### 2.2 Changes in accounting policies and disclosures (continued)

- (b) Amendments to IAS 1 Non-current Liabilities with Covenants, an entity is required to comply with on or before the reporting date would affect classification as current or non-current, even if the covenant is only assessed after the entity's reporting date, and when an entity classifies a liability arising from a loan arrangement as non-current and that liability is subject to the covenants which an entity is required to comply with within twelve months of the reporting date, the entity shall disclose information in the notes that enables users of financial statements to understand the risk that the liability could become repayable within twelve months of the reporting period. The amendments did not have any impact on the Group's interim condensed consolidated financial statements and accounting policy disclosures in the Group's interim condensed consolidated financial statements.
- (c) The Amendments to IAS 7 and IAS 7 Supplier Finance Arrangements add a disclosure objective to IAS 7 Cash flow statements stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 Financial Instruments: Disclosures was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements;
- The carrying amount and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements, and the non-cash changes in the carrying amounts of these financial liabilities;
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers;
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement; and liquidity risk information.

The amendments did not have any impact on the Group's interim condensed consolidated financial statements and accounting policy disclosures in the Group's interim condensed consolidated financial statements.

### 2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

#### 2.3 Prior period adjustments

In connection with the application for the initial public offering and listing of A shares of the Company (the "A Share Listing"), Da Hua Certified Public Accountants (Special General Partnership), the auditor engaged by the Company, has conducted an audit on the consolidated financial statements of the Group (the "Reporting Consolidated Financial Statements") for the three financial years ended 31 December 2022 and the six months ended 30 June 2023 prepared in accordance with the China Accounting Standards for Business Enterprises. From the view of IFRS Accounting Standards ("IFRSs"), certain differences were identified between the Reporting Consolidated Financial Statements and the previously published consolidated financial statements and interim condensed consolidated financial statements of the Group and notes to the financial statements. The Company published an announcement on 21 November 2023 in relation to the corrections of prior-period errors. Details are set out as below:

1. Corrections of inter-period recognition of cost of sales for certain engineering projects during the period ended 30 June 2023

During the period ended 30 June 2023, there was inter-period recognition of cost of sales for certain engineering projects of the Company and its subsidiaries, namely Beijing Urban Rail Transit Construction Engineering Co., Ltd. (北京城建轨道交通建设工程有限公司) and Beijing Urban Construction Exploration & Surveying Design Research Institute Co., Ltd. (北京城建勘测设计研究院有限责任公司). Therefore, corrections of the cut off error were made to the data on cost of sales and revenue for each period.

2. Corrections of overstatement of value-added tax portion on trade receivables for certain engineering projects during the period ended 30 June 2023

The Group's value-added tax portion on trade and bills receivables and corresponding other payables and accruals for the period ended 30 June 2023 was overstated due to double accounting.

3. Corrections of classification of long-term equity investment during the period ended 30 June 2023

Beijing Urban Infrastructure Construction Investment Management Co., Ltd. (北京城建基础设施投资管理有限公司) (the "Urban Infrastructure Construction Investment Company"), a wholly-owned subsidiary of the Company, holds 7.65% equity interest in Shaoxing Jingyue Metro Co., Ltd. (紹興京越地鐵有限公司) (the "Shaoxing Jingyue"), which is co-established by a private consortium consisting of Beijing Infrastructure Investment Co., Ltd. (北京市基础设施投资有限公司) (the "Beijing Investment Company"), Beijing Subway Rolling Stock Equipment Co., Ltd. (北京地鐵車輛裝備有限公司), Beijing Municipal Road and Bridge Co., Ltd. (北京市政路橋股份有限公司) (the "Municipal Road and Bridge"), Urban Infrastructure Investment Company (collectively the "Private Consortium"), and the investment of government. 51% and 49% equity interest in Shaoxing Jingyue are held by the Private Consortium and the investment representative of government, respectively.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

#### 2.3 Prior period adjustments (continued)

3. Corrections of classification of long-term equity investment during the period ended 30 June 2023 (continued)

In accordance with the articles of association of Shaoxing Jingyue, the board of directors of Shaoxing Jingyue shall have 7 directors, with 3 directors recommended by the shareholders of the Private Consortium, 3 directors by the investment representative of government and 1 employee director. As to the 3 directors recommended by the shareholders of the Private Consortium, each of Beijing Investment Company, Municipal Road and Bridge and Urban Infrastructure Construction Investment Company shall recommend one. Urban Infrastructure Construction Investment Company had appointed 1 director upon the establishment of Shaoxing Jingyue.

The cooperation agreement entered into by the Private Consortium stipulates that the parties thereof shall act in concert in terms of any event that needs to be resolved at the general meeting or the meeting of the board of the project company (the "Event Acting in Concert"). The parties thereof shall make discussion relating to the Event Acting in Concert in advance and reach a unanimous decision at their best effort. In case of failing to reach an agreement by such parties, the decision of Beijing Investment Company shall be deemed the final and be complied by all such parties. Such equity investment was originally included in "financial assets at fair value through profit or loss" in the consolidated financial statements of the Group.

However, as the director appointed by Urban Infrastructure Construction Investment Company has the power to participate in the financial and operating policy decisions, making it have a significant influence over the investee, such equity investment is reclassified to be included in investments in associates under the equity method.

4. Correction of certain prepayments and trade payables simultaneously recorded for same construction projects, and the correction of the subcontracting costs that had been incurred but still included in prepayments at the beginning of the reporting period

During the period ended 30 June 2023, certain estimated trade payables and prepayments the same construction projects of Beijing Urban Construction Exploration & Surveying Design Institute Co., Ltd. (北京城建勘测设计研究院有限责任公司), a subsidiary of the Company, were simultaneously recorded, without offsetting in the interim condensed consolidated financial statements. Cash flow from the prepayments, other receivables and other assets increased by RMB2,298,000 and trade and bills payables decreased by RMB2,298,000 for the period ended 30 June 2023.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

#### 2.3 Prior period adjustments (continued)

Items and amounts by which each item was affected in the interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the period ended 30 June 2023 as a result of the correction of accounting errors are set out below:

	The Group as previously reported		Prior period adjustments			The Group as restated	
	RMB'000	RMB'000 (note (1))	RMB'000 (note (2))	RMB'000 (note (3))	RMB'000 (note (4))	RMB'000	RMB'000
Revenue	4,518,185	(25,715)	–	–	–	–	4,492,470
Cost of sales	(3,669,668)	23,534	–	–	–	–	(3,646,134)
<b>Gross profit</b>	848,517	(2,181)	–	–	–	–	846,336
Other income, gains and losses, net	220,118	–	–	(1,755)	–	–	218,363
Impairment losses on financial assets and contract assets, net	(142,725)	114	(3,420)	–	–	–	(146,031)
Share of profits and losses of:							
Associates	26,865	–	–	1,244	–	–	28,109
<b>Profit before tax</b>	439,355	(2,067)	(3,420)	(511)	–	–	433,357
Income tax expense	(33,689)	281	513	–	–	–	(32,895)
<b>Profit for the period</b>	405,666	(1,786)	(2,907)	(511)	–	–	400,462
<b>Profit attributable to:</b>							
Owners of the Company	399,882	(1,786)	(2,907)	(511)	–	–	394,678
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>							
<b>Total comprehensive income for the year attributable to:</b>							
Owners of the Company	397,182	(1,786)	(2,907)	(511)	–	–	391,978
<b>EARNINGS PER SHARE</b>							
<b>Basic and diluted (expressed in RMB per share)</b>	0.30	(0.01)	–	–	–	–	0.29

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

#### 2.3 Prior period adjustments (continued)

Items and amounts by which each item was affected in the interim condensed consolidated cash flows statement of the Group for the period ended 30 June 2023 as a result of the correction of accounting errors are set out below:

	The Group as previously reported		Prior period adjustment		The Group as restated	
	RMB'000	RMB'000 (note (1))	RMB'000 (note (2))	RMB'000 (note (3))	RMB'000 (note (4))	RMB'000
<b>Operating activities</b>						
Profit before tax	439,355	(2,068)	(3,419)	(511)	–	433,357
Fair value gains of financial assets at fair value through profit or loss	(2,165)	–	–	1,755	–	(410)
Share of profits of associates and joint ventures	(117,742)	–	–	(1,244)	–	(118,986)
Impairment of trade and bills receivables, net	87,717	–	3,419	–	–	91,136
Impairment of contract assets, net	55,477	(114)	–	–	–	55,363
Increase in contract assets	(363,610)	22,911	–	–	–	(340,699)
Increase in trade and bills receivables	(352,612)	–	(52,622)	–	–	(405,234)
Increase in prepayments, other receivables and other assets	(800)	–	–	–	2,298	1,498
Decrease in trade and bills payables	(624,731)	(23,534)	–	–	(2,298)	(650,563)
Decrease in other payables and accruals	(340,732)	2,805	52,622	–	–	(285,305)

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their services and has two reportable operating segments as follows:

Design, survey and consultancy – this segment engages in the provision of services on designing, surveying and mapping, monitoring and consulting services in the engineering of urban rail transit, municipal management and construction; and

Construction contracting – this segment engages in the provision of services relating to urban rail transit and the service concession arrangements under the BOT arrangements.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that unallocated interest income is excluded from such measurement.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 3. OPERATING SEGMENT INFORMATION (CONTINUED)

Segment assets exclude deferred tax assets, unallocated cash and bank balances, and unallocated pledged deposits as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and dividends payable as they are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

#### Six-month period ended 30 June 2024

	Design, survey and consultancy RMB'000 (Unaudited)	Construction contracting RMB'000 (Unaudited)	Eliminations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue</b>				
Sales to external customers	2,020,546	2,158,958	–	4,179,504
Intersegment sales	2,860	–	(2,860)	–
<b>Total revenue</b>	<b>2,023,406</b>	<b>2,158,958</b>	<b>(2,860)</b>	<b>4,179,504</b>
<b>Segment results</b>				
Finance costs	(3,286)	(138,158)	–	(141,444)
Interest income	17,499	180,159	–	197,658
Profit of segments for the period	282,262	156,765	(1,595)	437,432
Unallocated interest income				–
Income tax expense				(60,327)
Profit for the period				377,105
<b>Segment assets</b>				
Corporate and other unallocated assets	12,007,423	12,339,410	(879,787)	23,467,046
Total assets				23,844,207
<b>Segment liabilities</b>				
Corporate and other unallocated liabilities	6,974,881	9,735,644	(900,454)	15,810,071
Total liabilities				16,093,960



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 3. OPERATING SEGMENT INFORMATION (CONTINUED)

Six-month period ended 30 June 2024 (continued)

	Design, survey and consultancy RMB'000 (Unaudited)	Construction contracting RMB'000 (Unaudited)	Eliminations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Other segment information</b>				
Share of profits and losses of:				
Joint ventures	56,974	–	–	56,974
Associates	14,375	–	–	14,375
Depreciation	94,292	33,685	–	127,977
Amortisation	5,601	14,793	–	20,394
Provision for				
– foreseeable losses on contracts, net	2,838	–	–	2,838
– impairment of trade and bills receivables, other receivables and contract assets, net	77,646	22,955	–	100,601
Investments in joint ventures	2,173,054	–	–	2,173,054
Investments in associates	1,225,377	–	–	1,225,377
Capital expenditure*	138,395	242,970	–	381,365

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 3. OPERATING SEGMENT INFORMATION (CONTINUED)

#### Six-month period ended 30 June 2023 (Restated)

	Design, survey and consultancy RMB'000 (Unaudited)	Construction contracting RMB'000 (Unaudited)	Eliminations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue</b>				
Sales to external customers	2,253,789	2,238,681	–	4,492,470
Intersegment sales	92	–	(92)	–
<b>Total revenue</b>	<b>2,253,881</b>	<b>2,238,681</b>	<b>(92)</b>	<b>4,492,470</b>
<b>Segment results</b>				
Finance costs	(21,782)	(125,666)	–	(147,448)
Interest income	712	192,197	–	192,909
Profit of segments for the period	246,239	182,936	(604)	428,571
Unallocated interest income				4,786
Income tax expense				(32,895)
Profit for the period				400,462
<b>As at 31 December 2023</b>				
<b>Segment assets</b>				
Corporate and other unallocated assets	10,900,338	15,024,074	(1,418,717)	24,505,695
				343,844
Total assets				24,849,539
<b>Segment liabilities</b>				
Corporate and other unallocated liabilities	8,891,738	9,726,924	(1,404,692)	17,213,970
				6,954
Total liabilities				17,220,924

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 3. OPERATING SEGMENT INFORMATION (CONTINUED)

#### Six-month period ended 30 June 2023 (Restated) (continued)

	Design, survey and consultancy RMB'000 (Unaudited)	Construction contracting RMB'000 (Unaudited)	Eliminations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Other segment information</b>				
Share of profits and losses of:				
Joint ventures	90,877	–	–	90,877
Associates	28,109	–	–	28,109
Depreciation	86,878	13,874	–	100,752
Amortisation	6,793	13,642	–	20,435
Provision for				
– foreseeable losses on contracts, net	2,248	1,193	–	3,441
– impairment of trade and bills receivables, other receivables and contract assets, net	147,253	(1,222)	–	146,031
Investments in joint ventures	2,207,264	–	–	2,207,264
Investments in associates	1,170,715	–	–	1,170,715
Capital expenditure*	109,293	10,050	–	119,343

\* Capital expenditure consists of additions to property, plant and equipment, intangible assets and right-of-use assets.

### 4. REVENUE, OTHER INCOME AND OTHER GAINS AND LOSSES, NET

An analysis of the Group's revenue, other income and other gains and losses, net is as follows:

	Six-month period ended 30 June 2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited) (Restated)
<i>Revenue from contracts with customers</i>	<b>4,167,105</b>	4,488,436
<i>Revenue from other sources</i>		
Gross rental income	<b>12,399</b>	4,034
	<b>4,179,504</b>	4,492,470

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 4. REVENUE, OTHER INCOME AND OTHER GAINS AND LOSSES, NET (CONTINUED)

#### Revenue from contracts with customers

(i) *Disaggregated revenue information*

	Six-month period ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited) (Restated)
<b>Types of goods or services</b>		
Design, survey and consultancy	2,016,551	2,252,405
Construction contracting	2,150,554	2,236,031
	<b>4,167,105</b>	4,488,436
<b>Timing of revenue recognition</b>		
Service transferred at a point in time	45,707	45,197
Service transferred over time	4,121,398	4,443,239
	<b>4,167,105</b>	4,488,436
<b>Geographical markets</b>		
China	4,137,721	4,468,668
Other countries	29,384	19,768
	<b>4,167,105</b>	4,488,436

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 4. REVENUE, OTHER INCOME AND OTHER GAINS AND LOSSES, NET (CONTINUED)

#### Revenue from contracts with customers (continued)

(i) *Disaggregated revenue information (continued)*

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

For the six-month period ended 30 June 2024

	Design, survey and consultancy RMB'000 (Unaudited)	Construction contracting RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Revenue from contracts with customers</b>			
External customers	2,016,551	2,150,554	4,167,105
Intersegment sales	2,860	–	2,860
	2,019,411	2,150,554	4,169,965
Intersegment adjustments and eliminations	(2,860)	–	(2,860)
Total revenue from contracts with customers	2,016,551	2,150,554	4,167,105
Gross rental income	3,995	8,404	12,399
Total revenue	2,020,546	2,158,958	4,179,504

For the six-month period ended 30 June 2023

	Design, survey and consultancy RMB'000 (Unaudited)	Construction contracting RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Revenue from contracts with customers</b>			
External customers	2,252,405	2,236,031	4,488,436
Intersegment sales	92	–	92
	2,252,497	2,236,031	4,488,528
Intersegment adjustments and eliminations	(92)	–	(92)
Total revenue from contracts with customers	2,252,405	2,236,031	4,488,436
Gross rental income	1,384	2,650	4,034
Total revenue	2,253,789	2,238,681	4,492,470

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 4. REVENUE, OTHER INCOME AND OTHER GAINS AND LOSSES, NET (CONTINUED)

#### Revenue from contracts with customers (continued)

##### (ii) Performance obligations

Information about the Group's performance obligations is summarised below:

##### *Design, survey and consultancy services*

The performance obligation is satisfied over time as services are rendered and payment is generally due upon the progress of services and customer acceptance, except for new customers, where payment in advance is normally required.

##### *Construction services*

The performance obligations are satisfied over time in accordance with the progress of construction. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

##### *Others – Sales of components of rail*

The performance obligations are satisfied at a point in time when the goods are delivered and accepted by the customers.

	<b>Six-month period ended 30 June</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
		(Restated)
<b>Other income</b>		
Interest income	<b>197,658</b>	197,695
Government grants	<b>2,353</b>	3,074
Others	<b>887</b>	1,778
	<b>200,898</b>	202,547
<b>Other gains and losses, net</b>		
Fair value (losses)/gains on financial assets at fair value through profit or loss	<b>(3,708)</b>	410
Foreign exchange (losses)/gains	<b>(2,268)</b>	9,055
(Reversal of)/additional tax deduction for input VAT	<b>(1,712)</b>	1,595
Gain on disposal of property, plant and equipment and right-of-use assets, net	<b>4,882</b>	1,615
Others	<b>4,272</b>	3,141
	<b>1,466</b>	15,816

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 5. FINANCE COSTS

An analysis of finance costs is as follows:

	Six-month period ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	132,972	141,068
Interest on lease liabilities	8,472	6,380
	<b>141,444</b>	147,448



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	Six-month period ended 30 June	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited) (Restated)
Cost of design, survey and consultancy services		<b>1,413,373</b>	1,607,072
Cost of construction contracts		<b>1,943,935</b>	2,039,062
<b>Total cost of sales</b>		<b>3,357,308</b>	3,646,134
Depreciation of property, plant and equipment	(a)	<b>69,595</b>	43,767
Depreciation of right-of-use assets	(a)	<b>58,382</b>	56,985
Amortisation of intangible assets	(a)	<b>20,394</b>	20,435
<b>Total depreciation and amortisation</b>		<b>148,371</b>	121,187
Impairment losses on financial and contract assets, net:			
Impairment of trade and bills receivables, net		<b>43,474</b>	91,136
Impairment of contract assets, net		<b>53,988</b>	55,364
Impairment/(reversal of impairment) of other receivables, net		<b>3,139</b>	(469)
Lease payments not included in the measurement of lease liabilities	(b)	<b>125,631</b>	181,538
Employee benefit expenses (excluding directors' and supervisors' remuneration):	(c)		
Wages, salaries and allowances		<b>538,601</b>	719,931
Retirement benefit costs			
– Defined contribution retirement schemes		<b>104,049</b>	106,897
– Defined benefit retirement schemes		<b>1,987</b>	2,020
<b>Total retirement benefit costs</b>		<b>106,036</b>	108,917
Welfare and other expenses		<b>36,275</b>	176,012
<b>Total employee benefit expenses</b>		<b>680,912</b>	1,004,860

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 6. PROFIT BEFORE TAX (CONTINUED)

Notes:

- (a) Depreciation of property, plant and equipment and right-of-use assets of approximately RMB97,616,000 (30 June 2023: RMB50,278,000) was included in cost of sales in the interim condensed consolidated statement of profit or loss for the period ended 30 June 2024.

Amortisation of intangible assets of approximately RMB13,669,000 (30 June 2023: RMB14,248,000) was included in cost of sales in the interim condensed consolidated statement of profit or loss for the period ended 30 June 2024.

- (b) Lease payments not included in the measurement of lease liabilities of approximately RMB118,922,000 (30 June 2023: RMB170,520,000) were included in cost of sales in the interim condensed consolidated statement of profit or loss for the period ended 30 June 2024.

- (c) Employee benefit expenses of approximately RMB495,517,000 (30 June 2023: RMB719,352,000) were included in cost of sales in the interim condensed consolidated statement of profit of loss for the period ended 30 June 2024.

### 7. INCOME TAX EXPENSE

The Company and certain subsidiaries of the Company have been identified as “high and new technology enterprises” and were entitled to a preferential income tax rate of 15% for the periods ended 30 June 2024 and 2023 in accordance with the PRC Corporate Income Tax Law. Other entities within the Group in China were subject to corporate income tax at a statutory rate of 25%.

No Hong Kong profits tax has been provided because the Group did not generate any assessable profits in Hong Kong during the six-month periods ended 30 June 2024 and 2023.

	Six-month period ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
		(Restated)
Current income tax – Mainland China	84,299	71,328
Deferred income tax	(23,972)	(38,433)
	60,327	32,895

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 8. DIVIDENDS

The dividends for the six-month periods ended 30 June 2024 and 2023 are set out below:

	<i>Note</i>	<b>Six-month period ended 30 June 2024 RMB'000 (Unaudited)</b>	2023 RMB'000 (Unaudited)
Declared 2023 final dividend – RMB0.1724 (2022:RMB0.1898) per ordinary share	<i>(i)</i>	<b>232,515</b>	255,978

*Note:*

- (i) At the annual general meeting held on 23 May 2024, the Company's shareholders approved the payment of the final dividend for the year ended 31 December 2023 of RMB0.1724 per share which amounted to RMB232,515,000 in total.

At the annual general meeting held on 25 May 2023, the Company's shareholders approved the payment of the final dividend for the year ended 31 December 2022 of RMB0.1898 per share which amounted to RMB255,978,000 in total.

The directors did not recommend the payment of an interim dividend for the six-month period ended 30 June 2024 (six-month period ended 30 June 2023: Nil).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the six-month periods ended 30 June 2024 and 2023.

	Six-month period ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited) (Restated)
Earnings:		
Profit for the period attributable to ordinary equity holders of the Company	<b>366,030</b>	394,678

	Six-month period ended 30 June	
	2024	2023
	'000	'000
	(Unaudited)	(Unaudited)
<b>Number of shares:</b>		
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	<b>1,348,670</b>	1,348,670

The Group had no potentially dilutive ordinary shares in issue during these periods.

### 10. PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2024, the Group acquired property, plant and equipment with an aggregate cost amounting to approximately RMB158,381,000 (unaudited) (six-month period ended 30 June 2023 (unaudited): RMB76,243,000).

In addition, during the same period, property, plant and equipment with an aggregate net carrying value of approximately RMB963,000 (unaudited) (six-month period ended 30 June 2023 (unaudited): RMB329,000) were disposed of, which resulted in a net loss on disposal of approximately RMB828,000 (six-month period ended 30 June 2023 (unaudited): a net gain on disposal of approximately RMB1,615,000).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 11. LEASES

#### The Group as a lessee

The Group has lease contracts for various items of buildings, motor vehicles and other equipment in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods from 2 years to 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings generally have lease terms between 13 months and 13 years, while motor vehicles generally have lease terms between 13 months and 4 years. Other equipment generally has lease terms of 12 months or less and/or is individually of low value. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

(a) *Right-of-use assets*

The carrying amounts of the Group's right-of-use assets and the movements during the period are as follows:

	Leasehold land RMB'000 (Unaudited)	Buildings RMB'000 (Unaudited)	Motor vehicles RMB'000 (Unaudited)	Measurement and experimental equipment RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
As at 1 January 2024	208,660	299,668	2,980	–	511,308
Additions	136,365	84,159	1,203	232	221,959
Disposal	–	(49,319)	–	–	(49,319)
Depreciation	(6,051)	(51,481)	(708)	(142)	(58,382)
<b>As at 30 June 2024</b>	<b>338,974</b>	<b>283,027</b>	<b>3,475</b>	<b>90</b>	<b>625,566</b>

  

	Leasehold land RMB'000 (Unaudited)	Buildings RMB'000 (Unaudited)	Motor vehicles RMB'000 (Unaudited)	Measurement and experimental equipment RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
As at 1 January 2023	215,851	314,595	2,645	157	533,248
Additions	2,711	27,886	466	–	31,063
Disposal	–	(23,819)	–	–	(23,819)
Depreciation	(5,167)	(50,952)	(767)	(99)	(56,985)
<b>As at 30 June 2023</b>	<b>213,395</b>	<b>267,710</b>	<b>2,344</b>	<b>58</b>	<b>483,507</b>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 11. LEASES (CONTINUED)

#### The Group as a lessee (continued)

(b) *Lease liabilities*

The carrying amount of lease liabilities (included in interest-bearing bank and other borrowings) and the movements during the period are as follows:

	Six-month period ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Carrying amount at 1 January	303,444	317,545
New leases	85,763	30,552
Disposal	(58,264)	(25,276)
Accretion of interest recognised	8,472	6,380
Payments	(54,917)	(63,884)
Carrying amount at 30 June	284,498	265,317
Portion classified as current liabilities	(88,656)	(96,377)
Non-current portion	195,842	168,940

(c) *The amounts recognised in profit or loss in relation to leases are as follows:*

	Six-month period ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Interest on lease liabilities	8,472	6,380
Depreciation of right-of-use assets	58,382	56,985
Expense relating to short-term leases and other leases	6,708	9,571
Variable lease payments not included in the measurement of lease liabilities (included in cost of sales)	118,923	170,520
Total amount recognised in profit or loss	192,485	243,456

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 11. LEASES (CONTINUED)

#### The Group as a lessor

The Group leases its equipment under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the period was RMB12,399,000 (unaudited) (six-month period ended 30 June 2023 (unaudited: RMB4,034,000), details of which are included in note 4.

At 30 June 2024, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

	<b>30 June 2024</b>	31 December 2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
Within one year	–	4,716

### 12. CONTRACT ASSETS

	<b>30 June 2024</b>	31 December 2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
Contract assets arising from:		
Design, survey and consultancy services	<b>4,508,951</b>	3,783,360
Construction services	<b>5,829,256</b>	6,411,856
	<b>10,338,207</b>	10,195,216
Impairment	<b>(333,416)</b>	(279,428)
	<b>10,004,791</b>	9,915,788
Portion classified as non-current contract assets	<b>(4,674,149)</b>	(4,936,462)
	<b>5,330,642</b>	4,979,326

Note:

- (i) The non-current portion of contract assets mainly represents the contract assets arising from service concession arrangements and retention money.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 12. CONTRACT ASSETS (CONTINUED)

The amounts of retentions held by customers for contract works included in contract assets were approximately as follows:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Amounts of retentions in contract assets	<b>353,430</b>	208,145

Contract assets are initially recognised for revenue earned from the provision of design, survey and consultancy services and construction services as the receipt of consideration is conditional on successful completion of design, survey and consultancy and construction, respectively. Upon the completion of design, survey and consultancy or construction and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

As at 30 June 2024, RMB333,416,000 (unaudited) (31 December 2023: RMB279,428,000) was recognised as an allowance for expected credit losses on contract assets. The Group's trading terms and credit policy with customers are disclosed in note 15.

The movements in the loss allowance for impairment of contract assets are as follows:

	<b>Six-month period ended 30 June 2024 RMB'000 (Unaudited)</b>	2023 RMB'000 (Unaudited) (Restated)
At beginning of period	<b>279,428</b>	215,656
Impairment losses recognised	<b>54,226</b>	56,315
Impairment losses reversed	<b>(238)</b>	(951)
At end of period	<b>333,416</b>	271,020

As at 30 June 2024, the Group's contract assets of RMB5,664,058,000 (unaudited) (31 December 2023: RMB5,277,991,000) were pledged to secure certain of the Group's bank loans amounting to RMB4,847,351,000 (unaudited) (31 December 2023: RMB4,930,517,000).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 12. CONTRACT ASSETS (CONTINUED)

The amounts due from associates, the beneficial shareholders of the Company (the “Beneficial Shareholders”\*) and their affiliates, BUCG and other related parties included in the contract assets are as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Associates	226,823	255,586
Beneficial Shareholders and their affiliates	569,083	564,906
BUCG	3,490	30,252
Fellow subsidiaries	22,544	28,617
Associates of BUCG	–	6,519
A joint venture of BUCG	–	120
Joint ventures	–	145
A non-controlling shareholder	2,871	130
	<b>824,811</b>	<b>886,275</b>

\* Pursuant to the capital injection agreement in May 2013, seven strategic investors contributed cash of RMB703 million to the Company. Thereafter, these strategic investors became the Beneficial Shareholders of the Company.

### 13. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
<b>Equity investments designed at fair value through other comprehensive income</b>		
Unlisted equity investments, at fair value		
Zhongdixin Geographic Information Equity Investment Fund Limited (“中地信地理信息股權投資基金”)	1,900	3,613
Zhongshan Deep Water Environmental Water Co., Ltd. (“中山市深水環境水務有限公司”)	1	1
China Communications Fourth Airlines (Zhongshan) Environmental Protection Engineering Co., Ltd. (“中交四航(中山)環保工程有限公司”)	20	20
Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (“北京京西生態文旅投資有限公司”)	7,000	7,000
Beijing Urban Construction Zhikong Technology Co., Ltd. (“BUCZT”) (“北京城建智控科技股份有限公司”)	177,955	191,723
	<b>186,876</b>	<b>202,357</b>

The above equity investments were irrevocably designated at fair value through other comprehensive income (“FVTOCI”) as the Group considers these investments to be strategic in nature.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Listed equity investment, at fair value – non-current		
Beijing Jiuzhou First Rail Environmental Technology Co., Ltd. ("Beijing Jiuzhou") ("北京九州一軌環境科技股份有限公司")	<b>4,680</b>	8,388

The above equity investment was classified as financial assets at fair value through profit or loss ("FVTPL") as the Group has not elected to recognise the fair value profit or loss through other comprehensive income.

### 15. TRADE AND BILLS RECEIVABLES

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Trade receivables	<b>5,351,749</b>	5,573,085
Bills receivable	<b>53,863</b>	55,469
	<b>5,405,612</b>	5,628,554
Impairment	<b>(1,171,512)</b>	(1,128,038)
	<b>4,234,100</b>	4,500,516

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally six months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to assess credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 15. TRADE AND BILLS RECEIVABLES (CONTINUED)

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Within 6 months	<b>1,913,229</b>	2,287,973
6 months to 1 year	<b>696,750</b>	560,051
1 to 2 years	<b>553,134</b>	649,804
2 to 3 years	<b>439,230</b>	350,389
3 to 4 years	<b>348,819</b>	229,283
4 to 5 years	<b>203,205</b>	163,410
Over 5 years	<b>79,733</b>	259,606
	<b>4,234,100</b>	4,500,516

The movements in loss allowance for impairment of trade and bills receivables are as follows:

	<b>Six-month period ended 30 June 2024 RMB'000 (Unaudited)</b>	2023 RMB'000 (Unaudited) (Restated)
At beginning of the period	<b>1,128,038</b>	902,170
Impairment losses recognised	<b>43,474</b>	131,382
Impairment losses reversed	<b>–</b>	(40,246)
At end of the period	<b>1,171,512</b>	993,306

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 15. TRADE AND BILLS RECEIVABLES (CONTINUED)

The amounts due from the Beneficial Shareholders and their affiliates, associates, BUCG and other related parties included in the trade and bills receivables are as follows:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Beneficial Shareholders and their affiliates	<b>935,129</b>	698,693
Associates	<b>136,823</b>	45,356
BUCG	<b>205,817</b>	60,903
Fellow subsidiaries	<b>46,778</b>	13,590
Joint ventures	<b>12,922</b>	15,419
Associates of BUCG	<b>1,938</b>	2,569
Joint ventures of BUCG	<b>408</b>	–
A non-controlling shareholder	<b>40,329</b>	–
	<b>1,380,144</b>	836,530

The above amounts are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to other major customers of the Group, except for trade receivables of RMB751,705,286 (unaudited) at 30 June 2024 (31 December 2023: RMB202,386,000) which were pledged to secure certain of the Group's bank loans amounting to RMB4,847,351,000 (unaudited) (31 December 2023: RMB4,930,517,000).

### 16. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Deductible value-added tax	<b>302,856</b>	273,537
Prepayments	<b>49,384</b>	81,036
Deposits and other receivables	<b>220,773</b>	286,653
	<b>573,013</b>	641,226
Impairment	<b>(36,345)</b>	(33,206)
	<b>536,668</b>	608,020
Portion classified as non-current assets	<b>(127,143)</b>	(163,369)
	<b>409,525</b>	444,651

(i) The non-current portion of deposits and other receivables mainly represents deductible value-added tax and prepayment for property, plant and equipment at 30 June 2024 and 31 December 2023.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 16. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

The movements in provision for impairment of deposits and other receivables are as follows:

	Six-month period ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
At beginning of the period	33,206	36,633
Impairment losses recognised	3,289	4,898
Impairment losses reversed	(150)	(5,367)
At end of the period	36,345	36,164

The amounts due from the Beneficial Shareholders and their affiliates, associates of BUCG, a non-controlling shareholder and other related parties included in the prepayments, other receivables and other assets are as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
BUCG	–	139,214
Associates of BUCG	2,354	84
Beneficial Shareholders and their affiliates	1,236	382
Fellow subsidiaries	–	4,698
A non-controlling shareholder	–	20
	3,590	144,398

Prepayments, deposits and other receivables are unsecured, non-interest-bearing and have no fixed terms of settlement.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 17. PLEDGED DEPOSITS AND CASH AND BANK BALANCES

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Cash and bank balances	<b>2,336,593</b>	3,385,019
Time deposits	–	24,618
	<b>2,336,593</b>	3,409,637
Pledged bank balances for bidding guarantees and performance guarantees	<b>(101,832)</b>	(99,941)
Cash and bank balances in the interim condensed consolidated statement of financial position	<b>2,234,761</b>	3,309,696
Non-pledged time deposits with original maturity of more than three months when acquired	–	–
Cash and cash equivalents in the interim condensed consolidated statement of cash flows	<b>2,234,761</b>	3,309,696
Cash and bank balances and time deposits denominated in:		
– RMB	<b>2,065,696</b>	3,141,322
– USD	<b>265,415</b>	262,403
– HKD	<b>5,482</b>	5,910
– KZT	–	2
	<b>2,336,593</b>	3,409,637

### 18. TRADE AND BILLS PAYABLES

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Trade payables	<b>5,142,082</b>	5,816,233
Bills payable	<b>2,360</b>	97,705
	<b>5,144,442</b>	5,913,938



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 18. TRADE AND BILLS PAYABLES (CONTINUED)

An ageing analysis of the trade and bills payables, as at the reporting date, based on the invoice date, is as follows:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Within 6 months	<b>1,814,906</b>	2,464,957
6 months to 1 year	<b>442,094</b>	602,454
1 to 2 years	<b>601,905</b>	1,137,897
2 to 3 years	<b>585,170</b>	639,562
Over 3 years	<b>1,700,367</b>	1,069,068
	<b>5,144,442</b>	5,913,938

Trade payables are non-interest-bearing and are normally settled within six to nine months.

The amounts due to associates of BUCG, fellow subsidiaries, the Beneficial Shareholders and their affiliates and other related parties included in the trade and bills payables are as follows:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Associates of BUCG	<b>150,676</b>	121,211
Fellow subsidiaries	<b>76,578</b>	59,826
Beneficial Shareholders and their affiliates	<b>3,343</b>	24,095
An associate	–	3,581
Joint ventures	<b>11,260</b>	15,114
BUCG	<b>15,205</b>	15,205
A non-controlling shareholder	<b>7,090</b>	7,090
	<b>264,152</b>	246,122

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 19. OTHER PAYABLES AND ACCRUALS

	Note	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Contract liabilities	(i)	2,346,175	2,546,434
Accrued salaries, wages and benefits		398,988	444,005
Other taxes payable		710,502	787,805
Retention payables		30,093	97,835
Dividend payables		249,250	17,675
Deferred income		7,687	8,906
Other payables		286,038	214,185
		<b>4,028,733</b>	4,116,845
Portion classified as non-current liabilities	(ii)	<b>(387,157)</b>	(367,775)
Current portion		<b>3,641,576</b>	3,749,070

Notes:

(i) Details of contract liabilities as at the reporting date are as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Short-term advances received from customers:		
Design, survey and consultancy services	430,071	300,996
Construction services	248,142	172,809
	<b>678,213</b>	473,805
Contract liabilities due to contract customers:		
Design, survey and consultancy services	1,322,340	1,317,254
Construction services	345,622	755,375
	<b>1,667,962</b>	2,072,629
Total contract liabilities	<b>2,346,175</b>	2,546,434

(ii) The non-current portion mainly represents output value-added tax and government grants as at the reporting date.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 19. OTHER PAYABLES AND ACCRUALS (CONTINUED)

The amounts due to the Beneficial Shareholders and their affiliates, fellow subsidiaries, associates of BUCG and other related parties included in other payables and accruals are as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Beneficial Shareholders and their affiliates	315,672	529,180
Fellow subsidiaries	52,648	34,312
Associates of BUCG	3,447	41,177
BUCG	24,693	15,851
Associates	1,364	938
A joint venture	77,007	2,919
A non-controlling shareholder	3,687	2,449
	<b>478,518</b>	626,826

Other payables and accruals are unsecured, non-interest-bearing and have no fixed terms of settlement.

### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2024 (Unaudited)			As at 31 December 2023 (Audited)		
	Effective interest rate	Maturity	RMB'000	Effective interest rate	Maturity	RMB'000
<b>Non-current</b>						
Long-term bank loans:						
– Secured (i)	3.00%-4.76%	2025-2045	4,230,475	3.00%-5.11%	2025-2045	4,340,160
– Unsecured and unguaranteed	1.81%-1.99%	2026	25,600	1.81%	2025	15,608
Long-term other borrowings:						
– Unsecured and unguaranteed	4.90%	2026	138,000	3.53%-4.90%	2025-2026	138,000
Lease liabilities (note 11(b))	4.75%-4.90%	2025-2041	195,842	4.75%-4.90%	2025-2032	214,052
			<b>4,589,917</b>			4,707,820

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

	As at 30 June 2024 (Unaudited)			As at 31 December 2023 (Audited)		
	Effective interest rate	Maturity	RMB'000	Effective interest rate	Maturity	RMB'000
<b>Current</b>						
Current portion of long-term bank loans:						
– Secured (i)	3.00%-4.76%	2025	231,400	3.00%-5.11%	2024	199,822
Short-term bank loans:						
– Secured (i)	4.45%	2025	385,476	4.90%	2024	390,535
– Guaranteed (ii)	3.80%	2025	8,684	3.80%	2024	15,069
– Unsecured and unguaranteed	2.40%-3.50%	2025	405,642	3.50%-4.235%	2024	405,642
Current portion of lease liabilities (Note 11(b))	4.75%-4.90%	2025	88,656	4.75% – 4.90%	2024	89,392
Current portion of long-term other borrowings:						
– Unsecured and unguaranteed	3.53%	2025	510,348	2.95% – 4.90%	2024	1,105,669
Short-term other borrowings:						
– Unsecured and unguaranteed	1.92%-2.36%	2025	501,788			–
			<b>2,131,994</b>			2,206,129
			<b>6,721,911</b>			6,913,949
Denominated in:						
– RMB			<b>6,721,911</b>			6,913,949

- (i) The bank loans of RMB4,847,351,000 (unaudited) (31 December 2023: RMB4,930,517,000) were secured by the right of future contract assets, trade receivables and intangible assets for certain service concession arrangements.
- (ii) The bank loans of RMB8,684,000 as at 30 June 2024 (31 December 2023: RMB15,069,000) were guaranteed by the Company.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

The maturity profile of the interest-bearing bank and other loans as at 30 June 2024 and 31 December 2023 is as follows:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year	1,031,202	1,011,068
In the second year	260,020	242,798
In the third to fifth years, inclusive	816,670	807,760
Over five years	3,179,385	3,305,210
	<b>5,287,277</b>	5,366,836
Other borrowings repayable:		
Within one year	1,012,136	1,105,669
In the second year	–	–
In the third to fifth years, inclusive	138,000	138,000
	<b>1,150,136</b>	1,243,669
Lease liabilities repayable:		
Within one year	88,656	89,392
In the second year	14,022	20,951
In the third to fifth years, inclusive	59,328	69,663
Over five years	122,492	123,438
	<b>284,498</b>	303,444
	<b>6,721,911</b>	6,913,949

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

The interest-bearing borrowings from a non-controlling shareholder and BUCG included in the above are as follows:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
A non-controlling shareholder	<b>138,000</b>	262,471
BUCG	<b>25,600</b>	15,610
	<b>163,600</b>	278,081

### 21. COMMITMENTS

The Group had the following capital commitments as at the end of the reporting period:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Contracted, but not provided for:		
Equity investments	<b>1,197,564</b>	1,093,213
Property, plant and equipment	<b>169,349</b>	305,119
	<b>1,366,913</b>	1,398,332

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 22. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances which are disclosed elsewhere in these interim condensed consolidated financial statements, the Group had the following material transactions with related parties for the six-month periods ended 30 June 2024 and 2023:

	Six-month period ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
<b>Design, survey and consultancy services provided to:</b>		
Beneficial Shareholders and their affiliates	192,580	223,984
Fellow subsidiaries	17,454	25,097
BUCG	7,936	21,701
Associates of BUCG	8,379	13,611
Associates	6,469	6,456
A joint venture	64	1,242
Non-controlling shareholders	425	963
A joint venture of BUCG	472	458
	<b>233,779</b>	293,512
<b>Construction contracting services provided to:</b>		
An associate	602,191	856,010
Beneficial Shareholders and their affiliates	482,209	616,138
BUCG	12,714	23,171
Fellow subsidiaries	21,915	22,309
A joint venture	1,467	692
An associate of BUCG	-	73
	<b>1,120,496</b>	1,518,393
<b>Construction contracting services provided by:</b>		
Fellow subsidiaries	62,561	40,374
Associates of BUCG	15,057	38,110
Beneficial Shareholders and their affiliates	170	401
BUCG	3,479	-
An associate	166,054	59
A non-controlling shareholder	1,376	-
	<b>248,697</b>	78,944

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 22. RELATED PARTY TRANSACTIONS (CONTINUED)

- (a) In addition to the transactions and balances which are disclosed elsewhere in these interim condensed consolidated financial statements, the Group had the following material transactions with related parties for the six-month periods ended 30 June 2024 and 2023: (continued)

	Six-month period ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited) (Restated)
<b>Design, survey and consultancy services provided by:</b>		
Associates	264	8,171
A joint venture	–	2,851
Beneficial Shareholders	4,577	939
BUCG	10,688	–
Fellow subsidiaries	1,862	19
Associates of BUCG	93	–
	<b>17,484</b>	11,980
<b>Rental expenses and property management fees paid or payable to:</b>		
Fellow subsidiaries	2,142	9,277
BUCG	–	1,525
A joint venture	275	–
A Beneficial Shareholder	3,384	1,210
	<b>5,801</b>	12,012
<b>Interest expense paid or payable to:</b>		
A non-controlling shareholder	3,381	6,321
BUCG	191	135
	<b>3,572</b>	6,456

The above related party transactions were conducted in accordance with the terms mutually agreed between the parties.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 22. RELATED PARTY TRANSACTIONS (CONTINUED)

- (a) In addition to the transactions and balances which are disclosed elsewhere in these interim condensed consolidated financial statements, the Group had the following material transactions with related parties for the six-month periods ended 30 June 2024 and 2023: (continued)

The Group is indirectly controlled by the PRC government and operates in an economic environment predominated by entities directly or indirectly owned or controlled by the government through its agencies, affiliates or other organisations (collectively “State-owned Enterprises” (“SOEs”)). During the six-month periods ended 30 June 2024 and 2023, the Group entered into extensive transactions with SOEs other than those transactions disclosed elsewhere in these interim condensed consolidated financial statements, such as bank deposits, rendering and receiving of design, survey and consultancy services and construction contracting services, and purchase of inventories and machinery. In the opinion of the directors of the Company, such transactions are activities conducted in the ordinary course of business, and the dealings of the Group have not been significantly or unduly affected by the fact that the Group and those SOEs are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for rendered services and such pricing policies do not depend on whether or not the customers are SOEs.

The Company issued domestic shares of the scheme to several executive directors and key management personnel. The details are as follows:

	Employee stock ownership scheme	
	Number of shares	
	30 June 2024	30 June 2023
	(Unaudited)	(Unaudited)
<b>Executive Directors</b>		
Mr. Wang Hanjun (王漢軍) (Chief executive)	1,000	1,000
Mr. Li Guoqing (李國慶)	1,000	1,000
	<b>2,000</b>	<b>2,000</b>
<b>Key management personnel</b>		
Mr. Jin Huai (金淮)	750	750
Mr. Wang Liang (王良)	750	750
Mr. Yu Songwei (于松偉)	750	750
Mr. Xiao Mujun (肖木軍)	750	750
Mr. Liu Li (劉立)	750	750
Mr. Xuan Wenchang (玄文昌)	750	750
Mr. Xu Chengyong (徐成永)	660	660
Mr. Ma Haizhi (馬海志)	660	660
Mr. Xia Xiujiang (夏秀江)	620	620
Mr. Yin Zhiguo (尹志國)	620	620
Mr. Lu Weidong (魯衛東)	550	550
Mr. Yang Zhenyu (楊振宇)	550	550
Ms. Qian Jiahong (錢嘉宏)	450	450
	<b>8,610</b>	<b>8,610</b>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 22. RELATED PARTY TRANSACTIONS (CONTINUED)

**(b) Outstanding balances with related parties**

Details of the outstanding balances with related parties are set out in notes 12, 15, 16, 18, 19 and 20.

**(c) Compensation of key management personnel of the Group**

	Six-month period ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited) (Restated)
Short-term employee benefits	2,913	3,541
Pension scheme	734	636
	<b>3,647</b>	4,177

**(d) Commitments with related parties**

As at the reporting date, the Group entered into several construction contracts and service contracts with related parties. The material commitments are as follows:

Pursuant to certain construction contracts signed by the Company and certain of the Beneficial Shareholders and their affiliates, BUCG and a fellow subsidiary, the Company was engaged in building certain subways and the backlog as at 30 June 2024 amounting to RMB3,637 million (unaudited) (31 December 2023: RMB5,295 million).

Pursuant to certain design service contracts signed by the Company and certain of the Beneficial Shareholders and their affiliates, fellow subsidiaries, an associate of BUCG and a joint venture, the Company was engaged in designing certain subways and industrial and civil construction and municipal engineering, and the backlog as at 30 June 2024 amounting to RMB1,536 million (unaudited) (31 December 2023: RMB2,796 million).

Pursuant to certain construction contracts signed by the Company and associates of BUCG and fellow subsidiaries, the Company was engaged in purchasing construction contracting services, and the backlog as at 30 June 2024 amounting to nil (unaudited) (31 December 2023: RMB150 million).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 23. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

	30 June 2024 RMB'000 (Unaudited)
<b>Financial assets</b>	
Financial assets at fair value through profit or loss:	
Financial assets at fair value through profit or loss	4,680
Financial assets at fair value through other comprehensive income:	
Equity investments designated at fair value through other comprehensive income	186,876
Financial assets at amortised cost:	
Trade and bills receivables	4,234,100
Financial assets included in prepayments, other receivables and other assets	184,428
Pledged deposits	101,832
Cash and bank balances	2,234,761
	<b>6,946,677</b>
<b>Financial liabilities</b>	
Financial liabilities at amortised cost:	
Interest-bearing bank and other borrowings	6,721,911
Trade and bills payables	5,144,442
Financial liabilities included in other payables and accruals	565,381
	<b>12,431,734</b>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 23. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

	31 December 2023 RMB'000 (Audited)
<b>Financial assets</b>	
Financial assets at fair value through profit or loss:	
Financial assets at fair value through profit or loss	8,388
Financial assets at fair value through other comprehensive income:	
Equity investments designated at fair value through other comprehensive income	202,357
Financial assets at amortised cost:	
Trade and bills receivables	4,500,516
Financial assets included in prepayments, other receivables and other assets	253,447
Pledged deposits	99,941
Cash and bank balances	3,309,696
	8,374,345
<b>Financial liabilities</b>	
Financial liabilities at amortised cost:	
Interest-bearing bank and other borrowings	6,913,949
Trade and bills payables	5,913,938
Financial liabilities included in other payables and accruals	329,695
	13,157,582

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

#### (i) Financial assets and financial liabilities that are measured at fair value on a recurring basis

##### *Fair value hierarchy*

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13 Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

(i) **Financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)**

*Fair value hierarchy (continued)*

The Group has a team headed by the finance manager performing valuations for the financial instruments, including financial assets at FVTPL and equity investments designated at FVTOCI which are categorized into Level 3 of the fair value hierarchy. The team reports directly to the chief financial officer and the audit committee. A valuation report with analysis of changes in fair value measurement is prepared by the team at each interim and annual reporting date and is reviewed and approved by the chief financial officer. Discussion of the valuation process and results with the chief financial officer and the audit committee is held to coincide with the reporting dates twice a year.

	Fair value at 30 June 2024 RMB'000 (Unaudited)	Fair value measurements as at 30 June 2024 categorized into		
		(Level 1) RMB'000 (Unaudited)	(Level 2) RMB'000 (Unaudited)	(Level 3) RMB'000 (Unaudited)
<b>Recurring fair value measurements</b>				
Financial assets at FVTPL				
– listed equity investment	4,680	4,680	–	–
Equity investments designated at FVTOCI				
– unlisted equity investment	186,876	–	–	186,876
	<b>191,556</b>	<b>4,680</b>	<b>–</b>	<b>186,876</b>

	Fair value at 31 December 2023 RMB'000 (Audited)	Fair value measurements as at 31 December 2023 categorized into		
		(Level 1) RMB'000 (Audited)	(Level 2) RMB'000 (Audited)	(Level 3) RMB'000 (Audited)
<b>Recurring fair value measurements</b>				
Financial assets at FVTPL				
– listed equity investment	8,388	8,388	–	–
Equity investments designated at FVTOCI				
– unlisted equity investment	202,357	–	–	202,357
	<b>210,745</b>	<b>8,388</b>	<b>–</b>	<b>202,357</b>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

(i) **Financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)**

*Fair value hierarchy (continued)*

During the period ended 30 June 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

During the year ended 31 December 2023, except for RMB8,794,000 of the equity security were transfer from Level 3 to Level 1, there were no other transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

*Information about Level 3 fair value measurements*

Description	Fair value		Valuation techniques	Significant unobservable input		Relationship of unobservable inputs to fair value
	As at 30 June 2024	As at 31 December 2023		As at 30 June 2024	As at 31 December 2023	
	RMB'000	RMB'000				
Unlisted equity securities						
BUCZT	177,955	191,723	Market comparison	Price-to-book value ("P/B") 2.34	Price-to-book value ("P/B") 3.42	5% increase/decrease in P/B would result in decrease/increase in fair value of RMB8,898,000 (2023: RMB9,584,000)
Others	8,921	10,634	Adjusted net assets	Fair value of assets and liabilities of the investee	Fair value of assets and liabilities of the investee	An increase in the fair value of assets of the investee would result in an increase in the fair value measurement of the unlisted equity security, and vice versa. An increase in the fair value of liability of the investee would in a result decrease in the fair value measurement of the unlisted equity security, and vice versa.
	186,876	202,357				

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

#### (i) Financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

*Information about Level 3 fair value measurements (continued)*

As at 30 June 2024 and 31 December 2023, the fair value of equity investment in BUCZT has been arrived with reference to a valuation carried out by 北京中天華資產評估有限責任公司, an independent professional valuer not connected with the Group, using market comparison method with adjustments.

The fair value of the remaining equity investments designated at FVTOCI were determined by management with reference to the net assets of the investee as at 30 June 2024 and 31 December 2023.

The movements during the period/year in the balance of these Level 3 fair value measurements are as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
<b>Equity investments designated at FVTPL – unlisted equity investment</b>		
At 1 January	–	8,794
Change in fair value recognised in profit or loss for the period/year		
Transferred from level 3 to level 1	–	(8,794)
	–	–
<b>Equity investments designated at FVTOCI – unlisted equity investment</b>		
At 1 January	202,357	15,121
Additions	–	188,461
Disposals	–	(5,094)
Change in fair value recognised in other comprehensive income for the period/year	(15,481)	3,869
	186,876	202,357
	186,876	202,357

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six-month period ended 30 June 2024

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

**(ii) Financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the interim condensed consolidated financial statements approximate their fair values.

### 25. EVENTS AFTER THE REPORTING PERIOD

As at the date of this report, there was no significant subsequent event after 30 June 2024.

### 26. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 29 August 2024.