



中国铁建

中國鐵建股份有限公司

China Railway Construction Corporation Limited

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

Stock Code: 1186



2024
Interim Report

Important Notice

I. The Board and the Supervisory Committee of the Company and the directors, supervisors and members of the senior management warrant the truthfulness, accuracy and completeness of the contents herein and confirm that there are no misrepresentations or misleading statements contained in, or material omissions from, this interim report, and accept several and joint legal responsibilities.

II. Absent Directors

Position of the absent director	Name of the absent director	Reason for the absence of the director	Name of entrusted person
President, deputy secretary of the communist party committee and executive director	WANG Lixin	Due to other official duties	DAI Hegen

III. The interim report was unaudited.

IV. DAI Hegen, chairman of the Company, ZHU Hongbiao, CFO, and WANG Lei, head of the finance department (person in charge of accounting), warrant the truthfulness, accuracy and completeness of the financial report contained in this interim report.

V. The profit distribution plan or reserves-to-equity transfer plan during the Reporting Period as considered and approved by the Board.

None

VI. Disclaimer of forward-looking statements

Applicable Not applicable

Forward-looking statements, including future business plan, contained in this report do not constitute substantive commitments to investors by the Company. The investors and relevant persons should maintain sufficient risk awareness in this regard, and should understand the differences among plans, forecasts and commitments. Investors should be reminded of such investment risks.

VII. Whether the Controlling Shareholder or its associates has misappropriated the Company's funds for purposes other than for business

No

VIII. Whether the Company has provided external guarantees in violation of any prescribed decision-making procedures

No

IX. Whether more than half of the directors cannot guarantee the authenticity, accuracy and completeness of the interim report disclosed by the Company

No

X. Reminder of significant risks

The significant risks the Group may encounter mainly include international operation and management risk, project operation and management risk, safety and quality risk, investment risk, and account receivables and inventory risk. Please refer to "(II) Potential Risks" in "V. Other Disclosure" under "Section III Management Discussion and Analysis (Report of Directors)". Investors are reminded of such risks.

XI. Others

Applicable Not applicable

The 2024 interim financial report of the Company was prepared according to the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and the related provisions (hereinafter referred to as "PRC GAAP Standards"), which was reviewed and a relevant review report was issued by Deloitte Touche Tohmatsu CPA LLP. The reporting currency of this interim report is RMB, unless otherwise specified.

The contents of this interim report are in compliance with all the requirements in relation to information to be disclosed in interim report under the SSE Listing Rules and the Hong Kong Listing Rules. In addition, this interim report will be simultaneously published in Mainland China and Hong Kong. Should there be any discrepancies between the Chinese and English versions, the Chinese version shall prevail.

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DOCUMENTS FOR INSPECTION	<ol style="list-style-type: none">1. Full text of the interim report signed by the person in charge of the Company;2. Financial statements signed and sealed by the person in charge of the Company, chief financial officer and head of the accounting department (person in charge of accounting);3. Original copies of all documents and announcements of the Company which had been disclosed to the public during the Reporting Period;4. The Company's 2024 Interim Report published on the Main Board of Hong Kong Stock Exchange.	

Section I Definitions

Unless otherwise stated in context, the following terms should have the following meanings in this report:

DEFINITIONS OF FREQUENTLY USED TERMS

“The Company, Parent Company, Company”	China Railway Construction Corporation Limited
“Group or CRCC”	China Railway Construction Corporation Limited and its wholly-owned and controlled subsidiaries
“Controlling Shareholder”	China Railway Construction Corporation (中國鐵道建築集團有限公司)
“General Meeting”	A general meeting of China Railway Construction Corporation Limited
“Board”	The board of directors of China Railway Construction Corporation Limited
“Independent Director”	A person who assumes no duties in the Company except the duty of director, and has no relation with the Company and its substantial shareholders which could hinder his or her independent and objective judgments
“Supervisory Committee”	The supervisory committee of China Railway Construction Corporation Limited
“Articles of Association”	The articles of association of China Railway Construction Corporation Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“SSE Listing Rules”	The Rules Governing the Listing of Stocks on Shanghai Stock Exchange
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“CSRC”	China Securities Regulatory Commission
“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
“Company Law”	The Company Law of the People’s Republic of China
“Securities Law”	The Securities Law of the People’s Republic of China

Section I Definitions (continued)

“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council
“Reporting Period”	The period from January to June 2024
“End of the Reporting Period”	30 June 2024
“Corresponding Period of Last Year”	The period from January to June 2023
“End of Last Year”	31 December 2023
“CRCHI”	China Railway Construction Heavy Industry Corporation Limited

Section II Basic Corporate Information and Key Financial Indicators

I. CORPORATE INFORMATION

Chinese name of the Company	中國鐵建股份有限公司
Chinese abbreviation	中國鐵建
English name of the Company	China Railway Construction Corporation Limited
English abbreviation	CRCC
Legal representative of the Company	DAI Hegen

II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board	Joint Company Secretaries	Representative of Security Affairs
Name	JING Jing	JING Jing, LAW Chun Biu	WANG Qiang
Correspondence address	CRCC Bureau Building, East, No. 40 Fuxing Road, Haidian District, Beijing	CRCC Bureau Building, East, No. 40 Fuxing Road, Haidian District, Beijing	CRCC Bureau Building, East, No. 40 Fuxing Road, Haidian District, Beijing
Telephone	010-52688600	010-52688600	010-52688600
Fax	010-52688302	010-52688302	010-52688302
E-mail	ir@crcc.cn	ir@crcc.cn	ir@crcc.cn

III. CHANGES IN BASIC INFORMATION

Registered office of the Company	East, No. 40 Fuxing Road, Haidian District, Beijing
Historical changes of the Company's registered address	N/A
Principal place of business	East, No. 40 Fuxing Road, Haidian District, Beijing
Postal code of principal place of business	100855
Principal place of business in Hong Kong	23/F, Railway Plaza, 39 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong
Website of the Company	www.crcc.cn
E-mail	ir@crcc.cn
Index to changes during the Reporting Period	During the Reporting Period, there was no change in basic corporate information of the Company.

Section II Basic Corporate Information and Key Financial Indicators (continued)

IV. CHANGES IN INFORMATION DISCLOSURE AND PLACE OF INSPECTION

Newspapers selected by the Company for information disclosure	China Securities Journal, Shanghai Securities News, Securities Daily and Securities Times
Website for publishing the interim report	Website of Shanghai Stock Exchange: www.sse.com.cn Website of Hong Kong Stock Exchange: www.hkex.com.hk
Place of inspection of the interim report of the Company	Office of the Board of CRCC, East, No. 40 Fuxing Road, Haidian District, Beijing
Index to changes during the Reporting Period	During the Reporting Period, there was no change in information disclosure and place of inspection of the Company.

V. BASIC INFORMATION OF THE SHARES OF THE COMPANY

Class of share	Place of listing	Stock abbreviation	Stock code	Stock abbreviation before change
A Share	Shanghai Stock Exchange	China Rail Cons	601186	-
H Share	Hong Kong Stock Exchange	China Rail Cons	1186	-

VI. OTHER RELEVANT INFORMATION

Applicable Not applicable

1. Auditor appointed by the Company

Name	Deloitte Touche Tohmatsu CPA LLP
Office address	30/F, 222 East Yan'an Road, Huangpu District, Shanghai

2. Legal advisers appointed by the Company

As to the PRC law	Name	Beijing Deheng Law Office
	Office address	12/F, Tower B, Focus Place, No. 19 Finance Street, Beijing
As to Hong Kong law	Name	Baker & McKenzie
	Office address	14/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong

3. Share registrar of the shares of the Company

Share registrar of A shares of the Company	Name	China Securities Depository and Clearing Corporation Limited (CSDC) Shanghai Branch
	Office address	No. 188 Yanggao South Road, Pudong New Area, Shanghai
Share registrar of H shares of the Company	Name	Computershare Hong Kong Investor Services Limited
	Office address	Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

Section II Basic Corporate Information and Key Financial Indicators (continued)

VII. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

(I) Key accounting data

Unit: '000 Currency: RMB

Key accounting data	Reporting Period (from January to June)	Corresponding period of last year	Change as compared to the corresponding period of last year (%)
Revenue	516,136,718	541,059,991	-4.61
Net profit attributable to shareholders of the Company	11,902,158	13,648,610	-12.80
Net profit attributable to shareholders of the Company after deduction of non-recurring profit or loss	11,150,727	12,897,085	-13.54
Net cash flows generated from operating activities	-81,676,283	-19,342,977	N/A

	As at the end of the Reporting Period	As at the end of last year	Change as compared with the end of last year (%)
Net assets attributable to shareholders of the Company	316,594,267	309,837,517	2.18
Total assets	1,745,841,521	1,663,019,578	4.98

Section II Basic Corporate Information and Key Financial Indicators (continued)

(II) Key financial indicators

Key financial indicators	Reporting Period (from January to June)	Corresponding period of last year	Change as compared to the corresponding period of last year (%)
Basic earnings per share (<i>RMB per share</i>)	0.79	0.91	-13.19
Diluted earnings per share (<i>RMB per share</i>)	0.79	0.91	-13.19
Basic earnings per share after deduction of non-recurring profit or loss (<i>RMB per share</i>)	0.73	0.86	-15.12
Weighted average return on net assets (%)	4.19	5.23	Decreased by 1.04 percentage points
Weighted average return on net assets after deduction of non-recurring profit or loss (%)	3.89	4.91	Decreased by 1.02 percentage points

Explanations on the key accounting data and financial indicators of the Company

Applicable Not applicable

The interest of other equity instrument holders of RMB1,210,128,000 has been deducted in the calculation of the basic earnings per share and diluted earnings per share for the Reporting Period.

VIII. ACCOUNTING INFORMATION DIFFERENCES BETWEEN DOMESTIC AND OVERSEAS ACCOUNTING STANDARDS

Applicable Not applicable

Section II Basic Corporate Information and Key Financial Indicators (continued)

IX. NON-RECURRING PROFIT OR LOSS ITEMS AND AMOUNTS

Applicable Not applicable

Unit: '000 Currency: RMB

Non-recurring profit or loss items	Amount
Profit or loss from disposal of non-current assets, including the write-off part of the provision for impairment of assets	169,728
Government grants recognised through profit or loss (other than government grants which are closely related to the Company's normal business operations, and compliant with national policies and regulations, available according to determined requirements, and have a continuous impact on the Company's profit or loss)	220,160
Profit or loss arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and profit or loss from disposal of financial assets and financial liabilities other than the valid hedging services related to the normal operating activities of the company	-27,217
Reversal of impairment provision for receivables subject to separate impairment tests	327,682
Profit or loss from debt restructuring	124,722
Other non-operating income and expenses other than the above items	134,149
Less: Impact on income tax	159,255
Impact on non-controlling interests (after tax)	38,538
Total	751,431

For the non-recurring profit or loss items not listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public – Non-recurring Profit or Loss" defined as non-recurring profit or loss items and the amount is significant and the non-recurring profit or loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public – Non-recurring Profit or Loss" defined as recurring profit or loss items, the related causes shall be explained.

Applicable Not applicable

X. OTHERS

Applicable Not applicable

Section III Management Discussion and Analysis (Report of Directors)

I. DISCUSSION AND ANALYSIS ON BUSINESS OPERATIONS

Since 2024, in response to the harsh and complex internal and external situation and the arduous reform and development tasks, CRCC has adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the decisions and plans made by the CPC Central Committee and the State Council, put high-quality development in the first place, persisted in being problem-solving oriented, setting development as the theme and carrying out reforms through veritable and hard efforts, unremittingly consolidated the solid foundation, and continuously strengthened the progressive momentum, maintaining a stable and healthy development trend in general.

Firstly, thoroughly implanting the deepening and upgrading actions of the reform. The Company deepened the construction of the institutional system by adhering to the principles of building the new before discarding the old and the preparation and improvement of regulations, introduced 36 systems and measures, covering corporate governance, management improvement, production and operation, overseas development, risk prevention, party building and other aspects, to form a more scientific, systematic, targeted system by a combination of various initiatives for further reform; enhanced the effectiveness of its corporate governance, and further clarified the functions, positions and authority-responsibility relationships of the party committee, the Board and managers; deepened the construction of the board of directors of its subsidiaries, adjusted and optimised the dispatch of external directors, and accelerated the implementation of the powers and functions of the board of directors of its subsidiaries; and established a scientific and accurate assessment system with 360-degree coverage to establish a market-oriented operation mechanism.

Secondly, maintaining steady production and operation. The Company by confirmedly focusing on the primary task of high-quality development, strengthened the foundation to improve the quality and efficiency; built a comprehensive and refined management system, insisted on taking cost management as the core, and promoted the modernisation of management system and management capability; paid close attention to high-quality operation, continued to promote the construction of the domestic “1+N” main position and overseas core pillar markets, and strengthened the assessment of operating quality; and made every effort to improve the quality of economic operation, strengthened supply chain management and industry-finance integration, and promoted cost reduction, efficiency enhancement and quality improvement in an integrated manner. In the first half of 2024, total value for newly-signed contracts amounted to RMB1,100.6217 billion, with operating revenue of RMB516.1367 billion and total profit of RMB17.8610 billion.

Thirdly, accelerating the cultivation of new productive forces. The Company developed medium- and long-term development strategies to consolidate and upgrade the traditional construction industry, cultivate and expand strategic emerging industries, and accelerate the cultivation of new productive forces; strengthened scientific and technological innovation and constructed the “1+9+N” scientific and technological innovation system to promote technicalisation of science, the productization of technology, and the industrialization of products; and successfully launched its self-developed “Tianyue (天岳號)”, the world’s first variable-diameter slope TBM, steadily promoting the construction of the origin of original technology, the technological breakthroughs of core technologies in key fields, and the work of innovation consortium.

Significant changes in the Company’s operating conditions during the Reporting Period, as well as events that have a significant impact on the Company’s operating conditions during the Reporting Period and are expected to have a significant impact in the future

Applicable Not Applicable

Section III Management Discussion and Analysis (Report of Directors) (continued)

II. DESCRIPTION OF THE COMPANY'S INDUSTRY AND MAIN BUSINESS DURING THE REPORTING PERIOD

(I) *Industry Situation of the Company during the Reporting Period*

CRCC is one of the most powerful and largest ultra-large comprehensive construction groups in the world. The business of the Company comprises construction operations, planning, design and consultancy, investment operations, real estate development, manufacturing, materials and logistics, environmental protection, industrial finance and other emerging industries.

1. **Construction operations**

In the first half of 2024, China's construction industry realised an added value of RMB3,777.1 billion, representing an increase of 4.8% over the same period last year, the development scale of China's construction industry remained at a high level, and the industrial concentration was furthered enhanced. The state continued to support major projects to promote coordinated regional development. Infrastructures such as energy and water conservancy continued to exert their strength. New infrastructures such as data centre, high-speed rail transit, 5G, automobile charging pile have become important starting points for the conversion from old to new kinetic energy. In addition, the state has stepped up efforts in ecological environment control projects, and accelerated the construction of government-subsidised housing, urban village renovation and public facilities with dual use for peace and emergency, offering support for the development of construction operations. The development of construction operations in China has entered a transformation period towards high-quality development.

2. **Planning, design and consultancy**

In the first half of 2024, the market of domestic fields where the planning, design and consultancy operations are located was less than expected. Industrial restructuring of the manufacturing industry and the emerging market fields such as rural construction, environmental protection and pollution control brought expansion opportunities for planning, design and consultancy. At the same time, as a technology-intensive sector, under the impact of technology revolution and industrial revolution in 5G, big data, AI, cloud computing, Beidou application, etc., planning, design and consultancy will face new opportunities and new challenges of digitisation and intelligence transformation. In the future, China's planning, design and consultancy industry will grow steadily, and pose higher demands on enterprises particularly in their innovation capacity and technology strength.

3. **Investment operations**

In the first half of 2024, the investment in fixed assets (excluding rural households) nationwide was RMB24,539.1 billion, representing a year-on-year increase of 3.9%, and the investment in infrastructure increased by 5.4% year on year, of which investment in production and supply of electricity, heat power, gas and water grew faster, that in transport, storage and post rose steadily, and that in water conservancy, environment and public facilities remained level. As China enters the stable phase of urbanisation, the growth of investment in transportation infrastructure has begun to slow down, and national water network construction, hydropower development, new energy, environmental protection, network information and other emerging industries and businesses will become new sources of investment growth. Along with

Section III Management Discussion and Analysis (Report of Directors) (continued)

the government's ultra-long-term special bonds program launched in 2024 and the new mechanisms and requirements for investment and financing from relevant ministries and commissions, investment operation projects with relatively strong public attributes will enter a critical period of development.

4. Real estate development

In the first half of 2024, government bodies at all levels continued to optimise real estate policies and strived to promote the stable operation of the real estate market, but its restoration wasn't obvious due to factors like macro economic operation, weak income expectation of residents and expectation of falling house prices, and the market of newly-built houses was still under an adjustment trend. According to data released by the National Bureau of Statistics, the national investment in real estate development in the first half of 2024 was RMB5,252.9 billion, representing a year-on-year decrease of 10.1%, among which, residential investment was RMB3,988.3 billion, representing a year-on-year decrease of 10.4%; the national sales area of new commercial housing was 479.16 million square meters, representing a year-on-year decrease of 19.0%, of which, the sales area of residence decreased by 21.9% over the previous year; the national sales amount of new commercial housing was RMB4,713.3 billion, representing a year-on-year decrease of 25.0%, of which the sales amount of residence decreased by 26.9% over the previous year. In the long run, the continuous advancement of the dual-track housing supply and the deepening of city-based policies will promote the stable operation of the real estate market and better protect the normal housing needs of the masses. The return of commercial housing to the attributes of commodities will meet the continuously released demand for improved housing and further promote the transformation and high-quality development of the real estate industry.

5. Manufacturing

In the first half of 2024, the investment in transportation infrastructure construction has slowed down. The traditional general engineering machinery is affected by overcapacity and the market competition is becoming increasingly fierce; meanwhile, the high-end equipment manufacturing industry showed a sound growth trend, and the intelligent manufacturing will enter a comprehensive promotion stage. With the steady improvement of the state's core equipment supply capacity, the process of localisation of major technical equipment continues to accelerate, providing new opportunities for high-end equipment manufacturing industry.

6. Materials and logistics

The materials and logistics industry highly integrates procurement, transportation, warehousing, allocation, distribution, information and other service functions, plays an important role in smooth double circulation, connecting production and consumption, and promoting the high-quality development of the economy, and is an important part of the high-quality development of the supply chain of the construction industry. From the perspective of centralised purchasing of materials, in the first half of 2024, affected by the real estate and infrastructure construction market, the overall economic operation of the building materials industry showed a stable but weak trend, with a significant production drawdown of major products, such as cement, commercial concrete, cement concrete piles, wall materials and marble plates, and the prices at a low level. From the perspective of logistics and transportation, in the first half of 2024, China's total logistics business index fell slightly, the growth of new demand slowed down, the industry tended to be differentiated, and the construction materials transportation business was relatively weak.

Section III Management Discussion and Analysis (Report of Directors) (continued)

7. Environmental protection

In the first half of 2024, to implement the “Opinions of the Central Committee of the CPC and the State Council on Carbon Dioxide Peaking and Carbon Neutrality in Full and Faithful Implementation of the New Development Philosophy”, departments concerned issued a series of planning and actions plans focusing on carbon peaking and carbon neutrality, energy conservation and carbon emission reduction, industrial carbon peaking, low-carbon transportation, and carbon sink consolidation, and established and improved the policy system for carbon peaking, carbon neutrality and “1+N”. The Group seized the opportunity of “Carbon Peaking and Carbon Neutrality”, with “Ecology+” as the core and the ecotope-oriented development model (EOD) as an effective means, aimed at key projects, made good use of green finance, and continuously improved its technology and complemented the shortcomings through internal integration and external mergers and acquisitions, so as to facilitate the achievement of “Carbon Peaking and Carbon Neutrality”.

8. Industrial finance

In the first half of 2024, the financial supply-side reform has been continuously promoted, the strict and detailed financial supervision has been further normalised, and the new requirements from SASAC on the industrial financial supervision of central enterprises have been put forward in succession. The Group strengthened the promotion of production through finance, standardised the combination of industry and finance, promoted the linkage of industry and finance and the integration of financial services, better leveraged the role of financial services in the development of the real industries, and maximised the value of industrial resources and financial capital.

(II) Main Businesses of the Company during the Reporting Period

1. Construction operations

Construction operations are the core and traditional business of the Group, which cover multiple fields, such as railways, highways, rail transits, water conservancy and hydropower, housing construction, municipal engineering, bridges, tunnels, airports and wharves. Its construction operations mainly take the forms of construction contract and financing contract.

2. Planning, design and consultancy

Planning, design and consultancy operations of the Group mainly comprise 4 large Grade II design institutes with comprehensive Grade A qualifications for engineering design and 24 professional design institutes at or below Grade III (excluding the subsidiaries and branches of the 4 large design institutes), and cover the planning, design and consultancy services related to railway, urban rail transits, highways, municipal administration, industrial and civil buildings, magnetic levitation, water transport, hydropower, airports and civil defense whilst keeping expanding into the emerging industries and areas, such as intelligent transport, modern tramcar, urban utility tunnel, urban underground space, ecological environment and environmental protection. The basic business model of planning, design and consultancy operations is to complete the planning, design and consultancy and related services of engineering projects as contracted through market competition, and to operate general design contracting projects and general engineering contracting projects by fully leveraging on the business advantages of the Group.

Section III Management Discussion and Analysis (Report of Directors) (continued)

3. Investment operations

Adhering to the principle of “focus on main business, practice within our capabilities, put benefits in priority, and guarantee funding”, the Group strengthens investment guidance, optimises investment structure, and strictly controls investment risks, with a view to building a high-quality business development system featuring “interconnection between investment that leads and operation that enhances efficiency”. While strengthening and improving investment in urban rail transit, highways and municipal administration, the Group actively laid out strategic emerging industries such as new infrastructure, new equipment, new materials, new energy and new services, and makes greater efforts to enhance its multi-business integrated development and asset operation capabilities, to maximise the long-term leverage effect of capital on stabilizing scale, increasing efficiency and promoting transformation. In the first half of 2024, given full consideration to the investment operation segment’s requirement for certainty, balance and liquidity, the Group combined light and heavy assets as well as long- and short-term investments, and balanced capital turnover, return on investment and financial viability, which greatly improved the investment structure optimisation results, thus achieving sound and sustainable development of investment operations.

4. Real estate development

As one of the 16 enterprises directly under the central government taking real estate development as principal business as confirmed by the SASAC, the Group adheres to the principal of focus and restraining in business layout, implements exploration and in-depth development mainly in the urban clusters of Yangtze River Delta, Pearl River Delta, Beijing-Tianjin-Hebei Region, Chengdu-Chongqing Region, Middle Reaches of Yangtze River, Coastal Regions of Guangdong, Fujian and Zhejiang. The Group adopts the business model of “giving priority to residential development supplemented by other industries” for real estate business, and resolutely establishes the position of “housing is for living in, not for speculation”, actively participated in government development and construction of government-subsidised housing and buyback housing, while strengthening the traditional residential housing development business, and further explored emerging businesses such as future community, TOD, etc., fully exerted the Company’s advantages in industrial chain, strengthened resource integration, and continuously enhanced the development quality of real estate development business. In the first half of 2024, the Group continued to strengthen marketing and destocking. At the investment end, it enhanced risk awareness, increased industrial synergies, and took a prudent and steady approach to reserving quality land, recording sales amount of RMB39.55 billion in real estate operations, which ranked the 13th among real estate enterprises in China.

Section III Management Discussion and Analysis (Report of Directors) (continued)

5. Manufacturing

The Group is a leading domestic and internationally advanced provider of materials and professional equipment manufacturing services integrating R&D, manufacturing, sales and services. After years of development, manufacturing operations cultivate three core businesses: equipment manufacturing, material production and precast concrete production. The business scope covers the manufacture of large railway track maintenance machinery, underground construction equipment, rail construction equipment, concrete construction equipment, lifting equipment, bridge construction equipment, compacting equipment, concrete products, bridge steel structures, turnout and spring bar fastener, and electric contact wire and parts. Leveraging its whole chain advantage, the Group actively promotes operating synergy and industry synergy and builds an integrated operation mode that incorporates multiple industries, so as to improve the competitiveness of the Company and the brand influence, and enhance overall profitability. In the meantime, it improves the weak links, and vigorously develops emerging businesses like new energy equipment, high-speed railroad maintenance equipment, high-end smart agricultural machinery, plateau space station, and new materials and the business of equipment maintenance, leasing and remanufacturing, to foster the “second growth curve”.

6. Materials and logistics

The Group takes materials and logistics as an important business to support its core business, provide coordinated services, reduce costs and improve efficiency. The Group possesses regional business outlets in important cities and logistics node cities across China, over 1.33 million sq.m of logistics sites and over 40,000 meters of special railway lines and 32,550 cubic meters of storage capacity of product oil. The Group provided integrated supply chain service through improvement of an efficient logistics informatisation, regionalisation and market-oriented service system. The Group formulates different development road maps and business models in accordance with the characteristics of the internal and external markets of the materials and logistics business. The internal market is the fundamental market for the development of materials and logistics business, adhering to the principle of “maintaining supply, assuring quality, reducing cost and improving value”, centralizing internal demand, and realizing volume-for-price swap to enhance the capability of obtaining quality resources and market competitiveness. The external market is an expanding market for the development of materials and logistics business, adhering to the principles of “optimizing layout, clustering resources, exploring markets, enhancing profitability and promoting brand”, and strengthening upstream and downstream extension services to achieve value enhancement and gain value returns in the process of services.

Section III Management Discussion and Analysis (Report of Directors) (continued)

7. Environmental protection

Responding actively to national strategies, the Group vigorously developed its environmental governance business, and focused on cultivating the segmented areas, such as desertification control, soil remediation, mine rehabilitation, and wastewater treatment, in accordance with major national ecological and environmental protection strategies and regional ecological and environmental objectives, aiming to lead green upgrading of infrastructure, build an industrial ecosystem, and make environmental protection a new growth source through project investment, construction and operation. The environmental protection business mainly generates income from contracting through the construction of environmental protection projects.

8. Industrial finance

The Group's industrial finance business follows the principle of serving the main business, focuses on the core positioning of "integrated financial service platform", gives full play to the main functions of "financial service provision, financial industry operation, financial resource allocation and financial risk prevention and control", and actively builds financial professional platforms such as centralised management platform for insurance resources, financial leasing service platform, supply chain finance, innovative financial service platform and other financial professional platforms. The industrial finance business mainly includes a number of financial products and services such as insurance brokerage, insurance agency, insurance adjustment, operating lease, financial lease, commercial factoring, supply chain finance, asset securitisation, and financial technology, giving full play to the advantages in business integration and linkage to create a closed-loop industrial financial ecosystem integrating "finance, investment, loan, insurance and lease", and realizing the financial service of "whole system, whole subject, whole scene and whole cycle".

(III) New Contracts Signed by the Company during the Reporting Period

In the first half of 2024, the Group spared no efforts in high-quality operation, and continued to promote the construction of its main "1+N" presence in domestic market and overseas core supporting markets. It built its core competitive advantage, vigorously expanded its presence in emerging businesses such as urban renewal, water conservancy and water transport, new energy and ecological environment protection to accelerate the implementation of projects in strategic emerging industries.

During the Reporting Period, the value of newly-signed contracts amounted to RMB1,100.6217 billion, accounting for 36.67% of the plan for the whole year and representing a year-on-year decrease of 19.02%. The value of newly-signed contracts for domestic businesses amounted to RMB1,028.1495 billion, accounting for 93.42% of the total amount of newly-signed contracts and representing a year-on-year decrease of 19.45%; the value of newly-signed contracts for overseas businesses amounted to RMB72.4722 billion, accounting for 6.58% of the total amount of newly-signed contracts and representing a year-on-year decrease of 12.32%. As of 30 June 2024, the amount of incomplete contracts of the Group totalled RMB7,123.0623 billion and representing a year-on-year increase of 6.48%. The value of incomplete contracts for domestic businesses amounted to RMB5,811.5339

Section III Management Discussion and Analysis (Report of Directors) (continued)

billion, accounting for 81.59% of the total amount of incomplete contracts; the value of incomplete contracts for overseas businesses amounted to RMB1,311.5284 billion, accounting for 18.41% of the total amount of incomplete contracts. The indicators of newly-signed contract amounts in various industries are as follows:

Unit: '00 million Currency: RMB

No.	Industry type	Amount of newly-signed contracts during the Reporting Period	Year-on-year increase/decrease ratio (%)	Explanation
1	Construction operations	7,928.569	-17.49	/
2	Investment operations	573.603	-58.23	The relatively significant year-on-year decrease was mainly because the total number of tenders for PPP and other projects decreased during the Reporting Period compared with the same period of the previous year due to the impact of market.
3	Environmental protection	933.228	33.47	The relatively significant year-on-year increase was mainly because the Group actively implemented the concept of green development and the requirements of "carbon emission peak and carbon neutrality", and continued to accelerate the pace of green transformation, resulting in the rapid growth in orders.
4	Planning, design and consultancy	104.601	-27.93	/
5	Manufacturing	147.558	-7.42	/
6	Real estate development	414.221	-22.90	/
7	Materials and logistics	804.654	-14.18	/
8	Industrial finance	45.384	-16.27	/
9	Emerging industries	54.399	-28.01	/
Total		11,006.217	-19.02	/

Section III Management Discussion and Analysis (Report of Directors) (continued)

During the Reporting Period, the amount of newly-signed contracts for infrastructure projects in construction operations, investment operations, and environmental protection sectors was RMB943.5400 billion, representing 85.73% of the total amount of newly-signed contracts and a year-on-year decrease of 19.23%. The indicators of newly-signed contract amounts in various infrastructure projects are as follows:

Unit: '00 million Currency: RMB

No.	Business type	Amount of newly-signed contracts during the Reporting Period	Year-on-year increase/decrease ratio (%)	Explanation
1	Railway projects	784.615	-26.73	/
2	Road projects	722.703	-60.58	The relatively significant year-on-year decrease was mainly due to the decrease of total road project tenders under market influence.
3	Urban rail projects	449.495	19.47	/
4	House construction projects	4,262.785	-14.44	/
5	Municipal projects	1,056.251	-34.74	The relatively significant year-on-year decrease was mainly due to the decrease of total municipal project tenders under market influence.
6	Mining projects	697.695	413.79	The relatively significant year-on-year increase was mainly due to that: firstly, the base of the value of newly-signed contract for the mining business in the same period last year was relatively small; and secondly, the Group strengthened market development for mining business and achieved a relatively significantly increase in mining business.
7	Water conservancy and water transportation projects	546.288	39.68	The relatively significant year-on-year increase was mainly due to that the Group strengthened its efforts in developing in emerging businesses and seized the development opportunities in emerging markets such as water conservancy, resulting in rapid growth in orders.
8	Airport projects	15.258	-63.06	The overall size was relatively small and fluctuations were normal.
9	Electric projects	537.533	-8.82	/
10	Other projects	362.777	-43.59	/
Total		9,435.400	-19.23	/

Section III Management Discussion and Analysis (Report of Directors) (continued)

III. ANALYSIS OF THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

Applicable Not applicable

(I) Being leading in science and technology innovation

The Group continued to maintain its leading position in terms of technology level in fields of engineering design and construction for high-speed railways, plateau railways, alpine railways, expressways and urban rail transits. It accelerated the construction of its “1+9+N” science and technology innovation system and cultivated and developed new productivity. Since the beginning of 2024, the Group took the lead in undertaking 11 national key R&D projects, presided over 53 national scientific research projects, undertook 3 national key core technology research tasks, won 3 second-class awards for national scientific and technological progress, and was granted 3,740 new patents, including 1,402 patents for invention which represented a year-on-year increase of 42%. The commercialisation of its research findings was remarkable, developing a series of high-value technical products represented by key technologies and major equipment in the field of deep underground space.

(II) Complete industrial chain layout

The Group is one of the biggest and most powerful comprehensive construction groups in China and the world. It has a complete industry chain covering the upstream and downstream of the construction industry, enabling it to provide complete-process, full-cycle, personalised, tailored and high-quality services in construction operations, planning, design and consultancy, investment operations, real estate development, manufacturing, materials and logistics, environmental protection, industrial finance, and emerging industries. Its business operations have expanded into 32 provinces, autonomous regions, municipalities and 144 countries and regions in the world, and it has formed long-term and solid government relations, market resources and customer bases. It is listed on both A share and H share markets, and it has sufficient bank credit, as well as the highest international credit rating for construction enterprises.

(III) Improving refined management

The Group regards refined management as an important symbol for corporate’s soft power, and has built a comprehensive refined management system covering all systems, links, positions and fields, to promote changes in the quality, efficiency and power of its corporate development. It always regards cost management as the core, has established the core concept that “all costs are controllable, all costs are reduceable”, and implemented cost leadership strategy. Through implementation of the legal person’s responsibilities for backstage control over the projects and the project department’s responsibilities for frontstage management, the Company promotes the realisation of high-quality projects, considerable benefits and development of excellent cadres, and enhances the core competitiveness of the Group. It aims to establish and improve the objective and responsibility system, work standard system, appraisal and evaluation system matching with the overall refined management, to modernise of the Company’s management system and management capability.

Section III Management Discussion and Analysis (Report of Directors) (continued)

(IV) Enhancing brand soft power

The Group is a globally renowned construction contractor, infrastructure operator, high-end equipment manufacturer and strategic emerging industry developer. In domestic market, the Group has constructed 50% of the normal-speed and high-speed railways, 40% of the subways and 30% of the expressways, operated more than 3,000 kilometres of railways and rail transit, 4,000 kilometres of expressways, and 3,140,000 square metres of properties, developed eight categories of core products, including large-scale road maintenance machinery, roadheading machinery, rail equipment, special construction equipment, bridge construction equipment, lifting equipment, steel structures and railway electrification construction equipment and constructed the “1+9+N” science and technology innovation system, promoting the technicalization of science, the productization of technologies and the industrialization of products. The Group has been listed among the Fortune “Global 500” enterprises consecutively, ranking 43rd in 2024, and ranked 26th in the benchmarking of brand building work of central enterprises, with the value of its corporate brand continuing to improve.

(V) Strengthening cultural integration power

The Group has continued to inherit and carry forward the spirit of railway corps, enriched and improved the “First Top 10 Spirits of CRCC”, increased the discovery and dissemination of cultural stories, and developed the deepest and most enduring spiritual power, which inspires and encourages all staff to continuously push forward the actions for deepening the reform and upgrading, continuously promotes the high-quality development of the Group, and pushes forward CRCC to achieve real achievements in culture in the new era. Adhering to the management policy of “people-oriented, trustworthy and law-abiding, being in harmony with nature, building quality products”, the Group has been working hard in the domestic and international construction industry and related industries, and has set up the corporate value of “eternal integrity and innovation, equal emphasis on quality and integrity”, making new and greater contributions to developing CRCC into a world-class modern enterprise.

Section III Management Discussion and Analysis (Report of Directors) (continued)

IV. MAJOR OPERATIONAL PARTICULARS DURING THE REPORTING PERIOD

(I) Analysis of main businesses

1. Analysis of changes in financial statements related subjects

Unit: '000 Currency: RMB

Subjects	Amount for the Reporting Period	Amount for the corresponding period of last year	Change (%)
Revenue	516,136,718	541,059,991	-4.61%
Cost of sales	469,070,241	492,871,297	-4.83%
Selling and distribution expenses	2,964,103	3,316,927	-10.64%
General and administrative expenses	10,235,150	10,536,637	-2.86%
Finance costs	2,958,492	1,598,169	85.12%
Research and development expenses	8,610,730	8,293,309	3.83%
Net cash flows generated from operating activities	-81,676,283	-19,342,977	N/A
Net cash flows generated from investing activities	-20,978,389	-28,350,429	N/A
Net cash flows generated from financing activities	95,331,937	60,936,418	56.44%

The change in revenue was mainly due to: the decrease in construction operations, planning, design and consultancy, manufacturing, materials and logistics businesses during the Reporting Period.

The change in cost of sales was mainly due to: the decrease in construction operations, planning, design and consultancy, manufacturing, materials and logistics businesses during the Reporting Period.

The change in selling and distribution expenses was mainly due to: the decrease in the amount of newly signed contracts during the Reporting Period.

The change in general and administrative expenses was mainly due to: the decrease in business scale during the Reporting Period.

The change in finance costs was mainly due to: the increase in interest expenses during the Reporting Period.

The change in research and development expenses was mainly due to: the increased efforts in enterprise transformation and upgrading during the Reporting Period, resulting in the increase in investment in research and development activities.

Section III Management Discussion and Analysis (Report of Directors) (continued)

The change in net cash flows generated from operating activities was mainly due to: the decrease in cash received from the sale of goods and provision of services during the Reporting Period.

The change in net cash flows generated from investing activities was mainly due to: the decrease in cash payments for external investments during the Reporting Period.

The change in net cash flows generated from financing activities was mainly due to: the increase in cash received from borrowings during the Reporting Period.

2. Performance of main businesses by segment and region

Main Businesses by Segment and by Region

Unit: '000 Currency: RMB

By segment	Revenue	Cost of sales	Main Businesses by Segment			
			Gross profit margin (%)	Increase/decrease in revenue as compared to the corresponding period of last year (%)	Increase/decrease in cost of sales as compared to the corresponding period of last year (%)	Increase/decrease in gross profit margin as compared to the corresponding period of last year (%)
Construction operations	451,614,784	417,486,785	7.56	-6.58	-6.60	Increased by 0.03 percentage point
Planning, design and consultancy operations	8,002,284	4,613,174	42.35	-4.57	-7.33	Increased by 1.72 percentage points
Manufacturing operations	11,233,492	8,869,053	21.05	-7.65	-4.85	Decreased by 2.33 percentage points
Real estate development operations	31,547,625	27,938,827	11.44	47.34	48.83	Decreased by 0.88 percentage point
Materials and logistics and other businesses	42,164,544	38,282,076	9.21	-6.81	-7.92	Increased by 1.10 percentage points
Inter-segment elimination	-28,426,011	-28,119,674	/	/	/	/
Total	516,136,718	469,070,241	9.12	-4.61	-4.83	Increased by 0.21 percentage point

Section III Management Discussion and Analysis (Report of Directors) (continued)

By region	Revenue	Cost of sales	Main Businesses by Region			
			Gross profit margin (%)	Increase/decrease in revenue as compared to the corresponding period of last year (%)	Increase/decrease in cost of sales as compared to the corresponding period of last year (%)	Increase/decrease in gross profit margin as compared to the corresponding period of last year (%)
Domestic	485,302,962	440,161,490	9.30	-5.17	-5.43	Increased by 0.24 percentage point
Overseas	30,833,756	28,908,751	6.24	5.28	5.35	Decreased by 0.07 percentage point
Total	516,136,718	469,070,241	9.12	-4.61	-4.83	Increased by 0.21 percentage point

Notes:

- Due to the unique nature of the business of the Group, the main businesses of the Group are analysed by segment.
- The data of the main businesses are still classified as construction operations, planning, design and consultancy, manufacturing, real estate development, materials and logistics and other businesses.

Explanation on Main Businesses by Segment

- Construction operations

Construction Operations (Before Elimination of Inter-Segment Transactions)

Unit: '000 Currency: RMB

Item	Reporting Period	Corresponding Period of Last Year	Growth Rate (%)
Revenue	451,614,784	483,400,441	-6.58
Cost of sales	417,486,785	446,992,868	-6.60
Gross profit	34,127,999	36,407,573	-6.26
Gross profit margin (%)	7.56	7.53	Increased by 0.03 percentage point
Selling and distribution expenses	1,394,953	1,469,648	-5.08
General and administrative expenses and research and development expenses	15,220,690	15,225,529	-0.03
Profit before tax	12,157,451	13,913,519	-12.62

Section III Management Discussion and Analysis (Report of Directors) (continued)

(2) Planning, design and consultancy operations

Planning, Design and Consultancy Operations (Before Elimination of Inter-Segment Transactions)

Unit: '000 Currency: RMB

Item	Reporting Period	Corresponding Period of Last Year	Growth Rate (%)
Revenue	8,002,284	8,385,164	-4.57
Cost of sales	4,613,174	4,978,124	-7.33
Gross profit	3,389,110	3,407,040	-0.53
Gross profit margin (%)	42.35	40.63	Increased by 1.72 percentage points
Selling and distribution expenses	166,343	437,511	-61.98
General and administrative expenses and research and development expenses	1,125,721	988,628	13.87
Profit before tax	2,055,447	2,115,078	-2.82

The change in selling and distribution expenses for planning, design and consultancy operations was mainly due to: the decrease in business volume and selling and distribution expenses.

(3) Manufacturing operations

Manufacturing Operations (Before Elimination of Inter-Segment Transactions)

Unit: '000 Currency: RMB

Item	Reporting Period	Corresponding Period of Last Year	Growth Rate (%)
Revenue	11,233,492	12,164,688	-7.65
Cost of sales	8,869,053	9,320,770	-4.85
Gross profit	2,364,439	2,843,918	-16.86
Gross profit margin (%)	21.05	23.38	Decreased by 2.33 percentage points
Selling and distribution expenses	296,342	340,917	-13.08
General and administrative expenses and research and development expenses	1,034,488	1,072,025	-3.50
Profit before tax	1,070,422	1,525,593	-29.84

Section III Management Discussion and Analysis (Report of Directors) (continued)

(4) Real estate development operations

Real Estate Development Operations (Before Elimination of Inter-Segment Transactions)

Unit: '000 Currency: RMB

Item	Reporting Period	Corresponding Period of Last Year	Growth Rate (%)
Revenue	31,547,625	21,411,451	47.34
Cost of sales	27,938,827	18,772,562	48.83
Gross profit	3,608,798	2,638,889	36.75
Gross profit margin (%)	11.44	12.32	Decreased by 0.88 percentage point
Selling and distribution expenses	632,255	621,698	1.70
General and administrative expenses and research and development expenses	619,146	574,693	7.74
Profit before tax	1,286,018	996,414	29.06

The change in the revenue of real estate development operations was mainly due to: the increase in the housing delivery of subsidiaries.

The change in the cost of sales of real estate development operations was mainly due to: the increase in the housing delivery of subsidiaries.

The change in the gross profit of real estate development operations was mainly due to: the increase in the housing delivery of subsidiaries.

Section III Management Discussion and Analysis (Report of Directors) (continued)

(5) Materials, logistics and other businesses

Materials and Logistics and Other Businesses (Before Elimination of Inter-Segment Transactions)

Unit: '000 Currency: RMB

Item	Reporting Period	Corresponding Period of Last Year	Growth Rate (%)
Revenue	42,164,544	45,244,161	-6.81
Cost of sales	38,282,076	41,576,703	-7.92
Gross profit	3,882,468	3,667,458	5.86
Gross profit margin (%)	9.21	8.11	Increased by 1.10 percentage points
Selling and distribution expenses	474,210	447,153	6.05
General and administrative expenses and research and development expenses	845,835	969,071	-12.72
Profit before tax	1,210,934	1,585,278	-23.61

3. Particulars of material changes in business type, profit composition or source of the Company during the period

Applicable Not applicable

(II) Explanation on material changes in profit due to non-core businesses

Applicable Not applicable

Section III Management Discussion and Analysis (Report of Directors) (continued)

(III) Analysis of assets and liabilities

Applicable Not applicable

1. Assets and liabilities

Unit: '000 Currency: RMB

Name of item	Amount at the end of the Reporting Period	Percentage of amount at the end of the Reporting Period to the total assets (%)	Amount at the end of last year	Percentage of amount at the end of last year to the total assets (%)	Percentage of change in the amount at the end of the Reporting Period as compared to the end of last year (%)	Explanation
Cash and bank balances	158,706,502	9.09	166,957,837	10.04	-4.94	
Held-for-trading financial assets	1,561,016	0.09	1,629,785	0.10	-4.22	
Bills receivable	1,525,080	0.09	3,229,041	0.19	-52.77	Mainly due to the decrease in the proportion of payment by commercial acceptance bill by customers during the Reporting Period.
Trade receivables	180,180,279	10.32	155,809,067	9.37	15.64	
Receivables at fair value through other comprehensive income	1,718,133	0.10	2,723,520	0.16	-36.91	Mainly due to the decrease in the proportion of payment by bank acceptance bill by customers during the Reporting Period.
Advances to suppliers	24,774,821	1.42	21,712,629	1.31	14.10	
Other receivables	64,568,691	3.70	56,902,615	3.42	13.47	
Inventories	314,045,025	17.99	307,642,792	18.50	2.08	
Contract assets	302,595,876	17.33	291,782,104	17.55	3.71	

Section III Management Discussion and Analysis (Report of Directors) (continued)

Unit: '000 Currency: RMB

Name of item	Amount at the end of the Reporting Period	Percentage of amount at the end of the Reporting Period to the total assets (%)	Amount at the end of last year	Percentage of amount at the end of last year to the total assets (%)	Percentage of change in the amount at the end of the Reporting Period as compared to the end of last year (%)	Explanation
Other current assets	37,782,051	2.16	26,831,432	1.61	40.81	Mainly due to the increase in interbank negotiable certificates of deposit of the Group during the Reporting Period.
Debt investments	5,790,516	0.33	6,016,176	0.36	-3.75	
Long-term receivables	120,717,474	6.91	109,859,078	6.61	9.88	
Long-term equity investments	154,781,882	8.87	149,278,357	8.98	3.69	
Other equity instrument investments	12,929,050	0.74	12,575,571	0.76	2.81	
Other non-current financial assets	11,669,171	0.67	10,287,149	0.62	13.43	
Investment properties	11,477,930	0.66	11,399,446	0.69	0.69	
Fixed assets	73,200,252	4.19	73,269,486	4.41	-0.09	
Construction in progress	5,644,712	0.32	5,810,715	0.35	-2.86	
Right-of-use assets	7,364,649	0.42	7,140,700	0.43	3.14	
Intangible assets	87,047,034	4.99	69,736,458	4.19	24.82	
Other non-current assets	134,977,040	7.73	123,955,930	7.45	8.89	
Short-term loans	163,522,721	9.37	81,839,758	4.92	99.81	Mainly due to the replenishment of working capital by the Group during the Reporting Period.

Section III Management Discussion and Analysis (Report of Directors) (continued)

Unit: '000 Currency: RMB

Name of item	Amount at the end of the Reporting Period	Percentage of amount at the end of the Reporting Period to the total assets (%)	Amount at the end of last year	Percentage of amount at the end of last year to the total assets (%)	Percentage of change in the amount at the end of the Reporting Period as compared to the end of last year (%)	Explanation
Bills payable	41,060,153	2.35	53,461,242	3.21	-23.20	
Trade payables	469,938,518	26.92	491,567,214	29.56	-4.40	
Advances from customers	292,374	0.02	233,083	0.01	25.44	
Contract liabilities	121,842,746	6.98	150,196,302	9.03	-18.88	
Employee benefits payable ^{Note 1}	14,898,917	0.85	16,208,826	0.97	-8.08	
Other payables	133,151,039	7.63	106,058,137	6.38	25.55	
Other current liabilities	35,192,149	2.02	33,694,786	2.03	4.44	
Long-term loans ^{Note 2}	238,916,568	13.68	197,826,997	11.90	20.77	
Bonds payable ^{Note 3}	42,884,221	2.46	43,205,227	2.60	-0.74	
Lease liabilities	4,011,675	0.23	4,080,407	0.25	-1.68	
Long-term payables	42,236,181	2.42	41,263,172	2.48	2.36	
Provisions	1,537,895	0.09	1,449,484	0.09	6.10	
Other non-current liabilities	987,666	0.06	1,314,702	0.08	-24.88	

Notes :

- “Employee benefits payable” is the sum of the “employee benefits payable” in the current liabilities and the “long-term employee benefits payable” in the non-current liabilities plus the “current portion of post-employment benefits”.
- “Long-term loans” includes “current portion of long-term loans”.
- “Bonds payable” includes “current portion of bonds payable”.

2. Overseas assets

Applicable Not applicable

(1) Assets scale

Including: overseas assets 101,391,804 (Unit: '000 Currency: RMB), accounting for 5.81% of the total assets.

(2) Explanation for high proportion of overseas assets

Applicable Not applicable

Section III Management Discussion and Analysis (Report of Directors) (continued)

3. Restriction on assets as at the end of the Reporting Period

Applicable Not applicable

4. Other explanation

Applicable Not applicable

(IV) Liquidity and capital resources (disclosure pursuant to the requirements of the Hong Kong Listing Rules)

1. Cash flow of the Group

Unit: '000 Currency: RMB

Item	Reporting Period	Corresponding Period of Last Year	Increase/ decrease
Net cash flows generated from operating activities	-81,676,283	-19,342,977	-62,333,306
Net cash flows generated from investing activities	-20,978,389	-28,350,429	7,372,040
Net cash flows generated from financing activities	95,331,937	60,936,418	34,395,519

During the Reporting Period, the net cash flows generated from operating activities of the Group was a net outflow of RMB81.6763 billion, representing an increase of RMB62.3333 billion in net outflow as compared to that of the corresponding period of last year, mainly due to the decrease in cash received from the sale of goods or rendering of services during the Reporting Period.

During the Reporting Period, the net cash flows generated from investing activities of the Group was a net outflow of RMB20.9784 billion, representing a decrease of RMB7.3720 billion in net outflow as compared to that of the corresponding period of last year, mainly due to the decrease in cash paid for acquisition of investments during the Reporting Period.

During the Reporting Period, the net cash flows generated from financing activities of the Group was a net inflow of RMB95.3319 billion, representing an increase of RMB34.3955 billion in net inflow as compared to that of the corresponding period of last year, mainly due to the increase in cash received from borrowings during the Reporting Period.

Section III Management Discussion and Analysis (Report of Directors) (continued)

2. Capital expenditures

The Group incurred capital expenditures mainly for the construction of contracting projects, purchase of equipment, expansion and technology upgrade of facilities, and construction of investment projects such as PPP and BOT projects. During the Reporting Period, the Group's capital expenditures amounted to RMB18.4514 billion, representing an increase of RMB3.4634 billion or 23.11% as compared to that of the corresponding period of last year.

Unit: '000 Currency: RMB

Item	Reporting Period	Corresponding Period of Last Year
Construction operations	10,720,969	10,076,013
Planning, design and consultancy operations	87,677	67,869
Manufacturing operations	726,556	1,743,845
Real estate development operations	433,768	97,752
Other businesses	6,482,427	3,002,479
Total	18,451,397	14,987,958

3. Working capital

(1) Trade Receivables

Trade receivables of the Group increased from RMB155.8091 billion as at 31 December 2023 to RMB180.1803 billion as at 30 June 2024, representing an increase of RMB24.3712 billion. The Board of the Company is of the view that the Group has accrued sufficient impairment of credit losses.

The following table sets forth the aging analysis of trade receivables as at the balance sheet date indicated:

Unit: '000 Currency: RMB

Age	30 June 2024	31 December 2023
Within 1 year	135,603,067	116,204,747
1–2 years	34,696,205	32,760,675
2–3 years	14,068,971	12,597,237
Over 3 years	14,501,084	12,285,145
Subtotal	198,869,327	173,847,804
Less: Impairment of credit losses	18,689,048	18,038,737
Total	180,180,279	155,809,067

Section III Management Discussion and Analysis (Report of Directors) (continued)

The following table sets forth the turnover days of the trade receivables and trade payables of the Group as at the balance sheet dates indicated:

Item	30 June 2024	31 December 2023
Turnover days of trade receivables ^{Note 1}	65	53
Turnover days of trade payables ^{Note 2}	184	164

Notes:

1. The number of turnover days of trade receivables is derived by dividing the arithmetic mean of the closing balance of the Reporting Period and the closing balance of last year by revenue and multiplied by 180 days (365 days for the number as at 31 December 2023).
2. The number of turnover days of trade payables is derived by dividing the arithmetic mean of the closing balance of the Reporting Period and the closing balance of last year by cost of sales and multiplied by 180 days (365 days for the number as at 31 December 2023).

(2) Trade payables

Trade payables of the Group decreased from RMB491.5672 billion as at 31 December 2023 to RMB469.9385 billion as at 30 June 2024, representing a decrease of RMB21.6287 billion, mainly due to the decrease in business scale during the Reporting Period, the increase in centralized payments to small and medium-sized enterprises, resulting in the decrease in accounts payable.

The following table sets forth the aging analysis of trade payables as at the balance sheet date indicated:

Unit: '000 Currency: RMB

Item	30 June 2024	31 December 2023
Within 1 year	462,896,187	481,905,215
1–2 years	3,676,168	6,632,866
2–3 years	2,290,945	2,006,849
Over 3 years	1,075,218	1,022,284
Total	469,938,518	491,567,214

4. Advances to suppliers and other receivables

The advances to suppliers and other receivables of the Group increased from RMB78.6152 billion as at 31 December 2023 to RMB89.3435 billion as at 30 June 2024, representing an increase of RMB10.7283 billion or 13.65%.

Section III Management Discussion and Analysis (Report of Directors) (continued)

5. Other payables and accruals

As at the end of the Reporting Period, other payables and accruals of the Group including advances from customers, contract liabilities, other payables, employee benefits payable (including long-term employee benefits payable), taxes payable and deferred income amounted to RMB277.3085 billion, representing a decrease of RMB5.4597 billion or 1.93% as compared to the end of last year, mainly due to the decrease in contract liabilities.

6. Indebtedness

(1) Loans

The short-term loans of the Group as at the end of the Reporting Period and the end of last year were as follows:

Unit: '000 Currency: RMB

Item	30 June 2024	31 December 2023
Credit loans	158,485,714	76,839,215
Guaranteed loans	1,839,303	1,498,950
Pledged loans	3,197,704	3,501,593
Total	163,522,721	81,839,758

Current portion of long-term loans of the Group as at the end of the Reporting Period and the end of last year were as follows:

Unit: '000 Currency: RMB

Item	30 June 2024	31 December 2023
Credit loans	27,049,007	20,912,845
Guaranteed loans	3,768,221	2,386,436
Mortgaged loans	5,282,335	4,482,925
Pledged loans	1,397,283	4,423,313
Total	37,496,846	32,205,519

Section III Management Discussion and Analysis (Report of Directors) (continued)

The long-term loans of the Group as at the end of the Reporting Period and the end of last year were as follows:

Unit: '000 Currency: RMB

Item	30 June 2024	31 December 2023
Credit loans	116,679,599	87,583,268
Guaranteed loans	5,321,306	8,844,955
Mortgaged loans	26,544,080	23,030,661
Pledged loans	52,874,737	46,162,594
Total	201,419,722	165,621,478

The bonds payable of the Group as at the end of the Reporting Period and the end of last year were as follows:

Unit: '000 Currency: RMB

Item	30 June 2024	31 December 2023
Bonds payable	26,665,330	31,031,549
Current portion of bonds payable	16,218,891	12,173,678
Total	42,884,221	43,205,227

As at the end of the Reporting Period and the end of last year, the Group's gearing ratio was 71% and 67%, respectively. Gearing ratio is calculated by dividing net liabilities by the sum of total equity plus net liabilities. Net liabilities include the net amount of the sum of all loans, due to customers, other current liabilities (continuing involvement liabilities), bills payable, trade payables, other payables, bonds payable, lease liabilities, long-term payables (excluding special payables), current portion of non-current liabilities (excluding current portion of long-term employee benefits payable and provisions), and other non-current liabilities (continuing involvement liabilities) less cash and bank balances. Total equity comprises equity attributable to owners of the Company and non-controlling interests.

Section III Management Discussion and Analysis (Report of Directors) (continued)

(2) Commitments

As at the end of the Reporting Period, the commitments made by the Group amounted to RMB69.7103 billion, representing a decrease of RMB3.8041 billion or 5.17% as compared to the end of last year, which was mainly due to the decrease of the investment commitments during the Reporting Period.

Unit: '000 Currency: RMB

Item	30 June 2024	31 December 2023
Capital commitments	2,557,944	3,806,127
Investment commitments	67,152,319	69,708,257
Total	69,710,263	73,514,384

(3) Material Contingent liabilities

During the Reporting Period, the Group had no material contingent liabilities.

7. Mortgage and pledge of assets

As at the end of the Reporting Period, the mortgage and pledge of assets made by the Group amounted to RMB163.9333 billion, representing an increase of RMB24.4485 billion or 17.53% as compared to the end of last year, which was mainly due to the increase in borrowings pledge of intangible assets during the Reporting Period. The following table sets forth the mortgage and pledge of assets as of the balance sheet date:

Unit: '000 Currency: RMB

Category	30 June 2024	31 December 2023
Inventories	54,950,275	45,687,542
Intangible assets	60,371,105	44,838,636
Other non-current assets	21,099,344	14,856,837
Cash and bank balances	12,659,492	13,060,657
Construction in progress	459,386	3,030,237
Trade receivables	5,283,415	9,619,878
Fixed assets	3,294,561	2,955,270
Long-term receivables	5,691,267	5,435,799
Investment properties	124,496	–
Total	163,933,341	139,484,856

Please see “63. Assets with title restrictions” in Note V to the financial report of this report for details of mortgage and pledge.

Section III Management Discussion and Analysis (Report of Directors) (continued)

8. Foreign exchange risks and profit or loss on exchange

The major production and operation activities of the Group are located in the PRC and the principal operations are settled in RMB. The assets and liabilities in foreign currency recognised by the Group and the transactions to be denominated in foreign currencies in the future are subject to foreign exchange risks. As for the cash and bank balances, trade receivables, other receivables, short-term loans, trade payables, other payables, long-term loans and bonds payable denominated in foreign currencies (primarily in US dollar, Euro etc.) held by the Group as at the end of the Reporting Period, please see “64. Foreign currency monetary items” in Note V to the financial report of this report for details.

The management of the Company closely monitors the impact of changes in exchange rate on the exchange risks. Although no significant forward exchange contracts have been entered into, the finance department of the Company which is responsible for monitoring exchange risks will hedge material exchange risks when necessary. Please see “3. Financial instrument risks” in Note VIII to the financial report of this report for the exchange rate risks.

(V) Analysis of investment

1. Overall analysis of investment in external equities

Applicable Not applicable

As at the end of the Reporting Period, the Group’s carrying amount of long-term equity investment was RMB154.8311 billion, representing an increase of RMB5.5035 billion or 3.69% as compared to the end of last year, which was mainly due to the increase in investments in the joint ventures and associates during the Reporting Period.

(1) Major equity investment

Applicable Not applicable

(2) Major non-equity investment

Applicable Not applicable

Section III Management Discussion and Analysis (Report of Directors) (continued)

(3) *Financial assets measured at fair value*

Applicable Not applicable

Unit: '000 Currency: RMB

Assets class	Amount at the beginning of the period	Profit or loss from changes in fair value for the period	Accumulated fair value changes recognised in equity	Impairment provided for the period	Amount of purchase for the period	Amount of disposal/redemption for the period	Other changes	Amount at the end of the period
Stock	2,548,160	59,589	1,176,876	-	-	27,248	104,591	2,685,092
Bonds	5,162,019	-	-	-	5,690,000	10,690,000	-162,019	-
Trust products	7,900	-	-	-	-	6,900	-	1,000
Private fund	6,191,649	-13,000	-	-	1,402,313	-	-	7,580,962
Others	8,309,855	-5,566	4,135	-	3,033,032	6,001,000	34,687	5,371,008
Total	22,219,583	41,023	1,181,011	-	10,125,345	16,725,148	-22,741	15,638,062

Section III Management Discussion and Analysis (Report of Directors) (continued)

Investment in securities

Applicable Not applicable

Unit: '000 Currency: RMB

Type of securities	Stock code	Abbreviated stock name	Initial investment cost	Source of funds	Profit or loss from			Profit or loss from			Accounting	
					Carrying value at the beginning of the period	changes in fair value for the period	Accumulated fair value changes recognised in equity	Amount of purchase for the period	Amount of disposal for the period	investments for the period		Carrying value at the end of the period
Stock	HK03969	CRSC	135,695	Fund on hand	58,904	16,109	-	-	-	-	75,504	Held-for-trading financial assets
Stock	HK01258	CHINF Mining	59,138	Fund on hand	169,048	48,079	-	-	-	-	218,179	Other non-current financial assets
Stock	601618	MCC	58,167	Fund on hand	14,601	771	-	-	-	-	15,479	Held-for-trading financial assets
Stock	600028	SINOPEC	533	Fund on hand	556	166	-	-	-	-	722	Other non-current financial assets
Stock	600515	Hainan Airport	112,029	Fund on hand	90,731	-13,374	-	-	-	-	77,357	Held-for-trading financial assets
Stock	600221	Hainan Holdings	829	Fund on hand	703	-180	-	-	-	-	523	Held-for-trading financial assets
Stock	600115	CEA	270,704	Fund on hand	239,255	8,018	-	-	-	-	247,273	Held-for-trading financial assets
Stock	601328	BCM	68,481	Fund on hand	231,468	-	232,750	-	-	-	301,231	Other equity instrument investments
Stock	601211	Guotai Junan	8,597	Fund on hand	110,495	-	92,021	-	-	2,970	100,618	Other equity instrument investments
Stock	688009	CRSC	69,466	Fund on hand	51,855	-	1,568	-	-	-	71,034	Other equity instrument investments
Stock	600809	Shanxi Fenjiu	708	Fund on hand	129,209	-	117,385	-	-	-	118,093	Other equity instrument investments
Stock	600322	Tianjin Realty Development	160	Fund on hand	190	-	30	-	-	-	190	Other equity instrument investments
Stock	600061	SDIC Capital	263,849	Fund on hand	624,852	-	258,924	-	27,248	16,679	495,525	Other equity instrument investments
Stock	600885	Hongfa	2,502	Fund on hand	59,158	-	56,742	-	-	-	59,244	Other equity instrument investments
Stock	000759	Zhongbai Holdings Group	1,934	Fund on hand	4,187	-	1,295	-	-	-	3,229	Other equity instrument investments
Stock	002159	Sante Cableway	2,387	Fund on hand	18,212	-	12,925	-	-	-	15,312	Other equity instrument investments
Stock	834898	Zhuzhou Department Stores	360	Fund on hand	1,191	-	1,307	-	-	-	1,667	Other equity instrument investments

Section III Management Discussion and Analysis (Report of Directors) (continued)

Type of securities	Stock code	Abbreviated stock name	Initial investment cost	Source of funds	Carrying value at the beginning of the period	Profit or loss from changes in fair value for the period	Accumulated fair value changes recognised in equity	Amount of purchase for the period	Amount of disposal for the period	Profit or loss from investments for the period	Carrying value at the end of the period	Accounting accounts
Stock	688187	Times Electric	9,800	Fund on hand	356,034	-	474,124	-	-	7,644	483,924	Other equity instrument investments
Stock	600928	Xi'an Bank	100	Fund on hand	653	-	540	-	-	-	640	Other equity instrument investments
Stock	000630	Tongling Non-ferrous Metals	51,836	Fund on hand	246,788	-	219,781	-	-	-	271,617	Other equity instrument investments
Stock	HK00687	Taisheng Group	319,648	Fund on hand	19,153	-	-303,096	-	-	777	17,688	Other equity instrument investments
Stock	001227	Lanzhou Bank	99,227	Fund on hand	112,243	-	3,518	-	-	-	102,745	Other equity instrument investments
Stock	600657	Cinda Real Estate	236	Fund on hand	8,674	-	7,062	-	-	-	7,298	Other equity instrument investments
Fund	000652	Bosera-Yulong Hybrid	17,370	Fund on hand	56,973	-5,350	-	-	-	-	51,623	Held-for-trading financial assets
Fund	519606	Guotai Jinxin	3,908	Fund on hand	6,395	-216	-	-	-	-	6,179	Held-for-trading financial assets
Trust products	/	Yue Cai Trust – CMB China Railway Urban Construction Single Fund Trust Scheme	6,900	Fund on hand	6,900	-	-	-	6,900	306	-	Other non-current financial assets
Trust products	/	CITIC Trust – CRCC Blue Ocean Pooled Fund Trust Scheme (No. 28)	1,000	Fund on hand	1,000	-	-	-	-	76	1,000	Held-for-trading financial assets
Others	/	/	1,036,650	Fund on hand	1,036,650	-	-	-	1,000	23,759	1,035,650	Other non-current financial assets
Others	/	/	5,000,000	Fund on hand	5,162,019	-	-	5,690,000	10,690,000	52,904	-	Other debt investments
Total	/	/	7,602,214	/	8,818,097	54,023	1,176,876	5,690,000	10,725,148	105,115	3,779,544	/

Explanation of investment in securities

Applicable Not applicable

Section III Management Discussion and Analysis (Report of Directors) (continued)

Explanation of investment in private funds

Applicable Not applicable

Unit: '000 Currency: RMB

Name of investee	Amount of initial investment	Shareholding ratio (%)	Carrying value at the end of the period	Profit/loss during the Reporting Period	Changes in owner's equity during the Reporting Period		Source of funds
					Accounting	Accounting	
Jinan Jiayue Transportation Investment and Development Partnership (Limited Partnership)	2,735,380	/	2,735,380	56,006	-	Other non-current financial assets	Fund on hand
Guangxi Transportation Investment Phase 21 Transportation Construction Investment Fund Partnership (Limited Partnership)	1,036,142	7	1,036,142	-	-	Other non-current financial assets	Fund on hand
Tsingtao Metro Line 4 Investment Fund (Limited Partnership)	917,000	25	880,000	24,201	-	Other non-current financial assets	Fund on hand
Mutual Infrastructure FOF Phase I Private Fund	384,180	/	384,180	-	-	Other non-current financial assets	Fund on hand
Hubei Province Chudao No. 1 Infrastructure Investment Partnership (Limited Partnership)	336,000	/	336,000	-504	-	Other non-current financial assets	Fund on hand
Chongqing Pilot Expressway No. 7 Equity Investment Fund Partnership (Limited Partnership)	226,035	/	226,035	-	-	Other non-current financial assets	Fund on hand
Fujian Haisi Expressway Phase II Equity Investment Partnership (Limited Partnership)	192,423	/	192,423	-	-	Other non-current financial assets	Fund on hand
Mutual Infrastructure Investment Private Fund No. 8	180,000	/	180,000	-	-	Other non-current financial assets	Fund on hand
CRCC PPP Tianfu Private Investment Fund	173,860	/	173,860	1,829	-	Other non-current financial assets	Fund on hand
Shaanxi Yideruzhi Equity Investment Partnership (Limited Partnership)	154,990	/	154,990	-	-	Other non-current financial assets	Fund on hand
Shenzhen Shengao Infrastructure Private Equity Investment Fund Partnership (Limited Partnership)	140,000	/	140,000	-	-	Other non-current financial assets	Fund on hand
Tianjin Railway Construction No. 1 Construction Investment Partnership (Limited Partnership)	130,464	/	130,464	9,152	-	Other non-current financial assets	Fund on hand
Guangde CRCC Blue Ocean Fengtie Investment Centre (Limited Partnership)	127,300	/	127,300	-	-	Other non-current financial assets	Fund on hand

Section III Management Discussion and Analysis (Report of Directors) (continued)

Name of investee	Amount of initial investment	Shareholding ratio (%)	Carrying value at the end of the period	Profit/loss during the Reporting Period	Changes in owner's equity during the Reporting Period		Source of funds
					Accounting accounts		
China Railway Construction Government Enterprise Private Equity Investment Fund Environmental Governance No.1	110,390	10	110,390	-	-	Other non-current financial assets	Fund on hand
Guangxi Pinglu Canal Venture Capital Fund Management Co., Ltd	107,950	/	107,950	-	-	Other non-current financial assets	Fund on hand
Guangde CRCC Blue Ocean Hualan Investment Centre (Limited Partnership)	97,235	35	97,235	7,410	-	Other non-current financial assets	Fund on hand
Xinyu CRCC Guangrong Investment Partnership	95,211	18	95,211	-	-	Other non-current financial assets	Fund on hand
Fujian Haisi Expressway Phase IV Equity Investment Partnership (Limited Partnership)	92,787	/	92,787	-	-	Other non-current financial assets	Fund on hand
Xinheng Yintong Fund Management (Beijing) Co., Ltd.- Ziyang Linkong Economy Zone Industry New City PPP Private Investment Fund	80,167	15	80,167	-	-	Other non-current financial assets	Fund on hand
CRCC-China PPP Fund Private Investment Fund No. 1 Highway Construction Fund	67,180	/	67,180	2,220	-	Other non-current financial assets	Fund on hand
Tianjin Binhai New Area Urban Construction High-Quality Development Fund Partnership (Limited Partnership)	60,000	/	60,000	-	-	Other non-current financial assets	Fund on hand
China Railway Construction Government Enterprise Private Equity Investment Fund Inland Navigation No.1	53,300	9	53,300	3,558	-	Other non-current financial assets	Fund on hand
Haitong Securities Co., Ltd. - Nuo'an Capital Haizi Lake No.1 Private Investment Fund	45,000	/	45,000	-	-	Other non-current financial assets	Fund on hand
Others	74,968	/	74,968	2,446	-	Other non-current financial assets	Fund on hand
Total	7,617,962	/	7,580,962	106,318	-	/	/

Explanation of investment in derivatives

Applicable Not applicable

Section III Management Discussion and Analysis (Report of Directors) (continued)

(VI) Disposal of significant assets and equity interest

Applicable Not applicable

(VII) Analysis of major companies controlled and invested in by the Company

Applicable Not applicable

1. Major subsidiaries

During the Reporting Period, the major subsidiaries of the Company are as follows:

Unit: '000 Currency: RMB

Name of Company	Major financial indicators as at 30 June 2024					Principal operations	Industry
	Registered capital	Total assets	Net assets	Net profit			
China Civil Engineering Construction Corporation	3,000,000	33,676,509	10,373,294	413,903	Construction	Construction	
China Railway 11th Bureau Group Co., Ltd.	6,162,382	76,140,884	17,732,617	963,112	Construction	Construction	
China Railway 12th Bureau Group Co., Ltd.	5,060,677	79,902,099	15,299,618	735,830	Construction	Construction	
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	3,200,000	57,767,158	9,462,496	323,577	Construction	Construction	
China Railway 14th Bureau Group Co., Ltd.	3,391,534	95,638,677	14,851,321	710,654	Construction	Construction	
China Railway 15th Bureau Group Co., Ltd.	3,000,000	50,618,515	5,071,879	247,116	Construction	Construction	
China Railway 16th Bureau Group Co., Ltd.	4,400,000	78,949,683	7,900,234	143,268	Construction	Construction	
China Railway 17th Bureau Group Co., Ltd.	3,021,226	65,346,829	7,921,823	218,052	Construction	Construction	
China Railway 18th Bureau Group Co., Ltd.	3,523,404	70,404,766	11,383,343	602,898	Construction	Construction	
China Railway 19th Bureau Group Co., Ltd.	5,080,000	59,133,539	7,990,231	216,740	Construction	Construction	
China Railway 20th Bureau Group Co., Ltd.	3,385,831	60,311,625	10,323,994	386,187	Construction	Construction	
China Railway 21st Bureau Group Co., Ltd.	2,038,000	50,044,706	5,508,209	148,487	Construction	Construction	
China Railway 22nd Bureau Group Co., Ltd.	2,000,000	46,363,382	6,488,564	264,785	Construction	Construction	
China Railway 23rd Bureau Group Co., Ltd.	2,000,000	41,688,035	6,048,278	213,471	Construction	Construction	
China Railway 24th Bureau Group Co., Ltd.	2,000,000	42,716,376	4,990,692	317,895	Construction	Construction	
China Railway 25th Bureau Group Co., Ltd.	2,000,000	36,585,220	3,368,779	111,603	Construction	Construction	
China Railway Construction Group Co., Ltd.	3,502,971	114,980,473	14,080,772	249,303	Construction	Construction	
China Railway Urban Construction Group Co., Ltd.	2,789,839	45,223,028	7,491,760	343,698	Construction	Construction	
China Railway Construction Electrification Bureau Group Co., Ltd.	3,800,000	31,601,963	14,058,347	687,924	Construction	Construction	
CRCC Harbour and Channel Engineering Bureau Group Co. Ltd.	2,500,000	20,611,761	2,788,481	99,634	Construction	Construction	
China Railway Construction Corporation (International) Limited	3,012,500	17,686,031	4,045,708	97,689	Construction	Construction	

Section III Management Discussion and Analysis (Report of Directors) (continued)

Name of Company	Major financial indicators as at 30 June 2024				Principal operations	Industry
	Registered capital	Total assets	Net assets	Net profit		
China Railway Construction Real Estate Group Co., Ltd.	7,000,000	234,975,189	48,507,922	212,254	Real estate development and operation	Real estate
China Railway First Survey and Design Institute Group Co., Ltd.	1,030,000	18,197,280	7,015,647	477,545	Planning, design and consultation	Consultancy
China Railway SIYUAN Survey and Design Group Co., Ltd.	1,052,500	30,933,917	15,611,168	1,022,961	Planning, design and consultation	Consultancy
China Railway Fifth Survey and Design Institute Group Co., Ltd.	175,000	6,192,753	2,677,239	132,311	Planning, design and consultation	Consultancy
China Railway Shanghai Design Institute Group Co., Ltd.	130,000	3,586,619	2,147,838	208,625	Planning, design and consultation	Consultancy
China Railway Material Group Co., Ltd.	3,009,360	38,993,942	5,157,006	374,415	Purchase and sales of goods and materials	Logistics and trade
China Railway Construction Heavy Industry Corporation Limited	5,333,497	27,678,520	16,793,364	723,078	Manufacturing	Industry
CRCC High-Tech Equipment Corporation Limited	1,519,884	9,117,500	6,018,709	61,372	Manufacturing	Industry
China Railway Construction Investment Group Co., Ltd.	12,067,086	189,410,045	40,751,553	1,352,336	Project investment	Investment
CRCC Kunlun Investment Group Co., Ltd.	5,087,166	101,257,223	26,736,339	1,074,294	Project investment	Investment
CRCC Capital Holdings Group Co., Ltd.	9,000,000	49,754,727	9,854,620	344,448	Financial services	Finance
CRCC Finance Company Limited	9,000,000	107,353,280	13,974,665	525,784	Financial services	Finance

2. Major companies in which the Group invested

For details about companies in which the Group invested in, please refer to Note V to the financial statements attached to this report, “14. Long-term Equity Investments” and Note VII to the financial statements, “2. Equity in Joint Ventures and Associates”. The changes in the assets, operation results and other financial indicators of such companies in which the Group invested in have no significant effects on the assets, operation results and other financial indicators of the Group in the current and future years.

(VIII) Status of the structured entity controlled by the Company

Applicable Not applicable

V. OTHER DISCLOSURE

(I) Discussion and analysis of the Company's future development (disclosure pursuant to the requirements of the Hong Kong Listing Rules)

There was no significant change in the discussion and analysis of the Company's future development as compared with those disclosed in the 2023 annual report.

(II) Potential risks

Applicable Not applicable

Through a comprehensive assessment of the changes in the domestic and overseas situation and the internal and external risks, as well as in-depth study and judgment by means of information technology, the Group identifies the following risks as the material risks it will be subject to: international operation and management risks, project operation and management risks, safety and quality risks, investment risks, and "two funds" risks.

In terms of the international operation and management risks, the current international political and economic situation is complex and changeable, the adverse impact of changes in the external environment is increasing, the industry competition is becoming increasingly fierce, and the external risk of international operation faced by the Group is also increasing. The Group will take proactive measures to prevent and mitigate various risks and spare no efforts to improve its operations. The Group will further strengthen risk prevention, strengthen cooperation and promote production and operation efficiently; pay attention to the prevention and control of safety risks of overseas personnel, continue to effectively carry out inspection and patrol duties, continue to improve the ability of emergency response, and improve the level of safety and security of overseas employees. The Group will strengthen the supervision of overseas projects under construction and ensure the implementation of key projects.

In terms of project operation and management risks, the market growth of the traditional construction industry has been slowing down. The Group will adhere to high-quality operation as the orientation and refined management as the starting point, actively serve and integrate into the national strategy, distribute operating resources to regions with strong economic advantages and great development potential, strengthen customer cultivation and industry optimization, strictly implement the requirements of "six no-undertake" and "seven nevers", and focus on improving the quality of project operation and preventing and controlling operational risks from the source. Taking "cost management" as the core, the Group will strengthen the main line of "process control", highlight the principle of "benefit maximization", and strengthen the two management responsibilities of enterprise and project department through the backstage management and control of the project by the enterprise legal person. The fine management will be penetrated into all aspects of project bidding, project planning, project performance, dynamic cost factor control, cost accounting analysis, confirmation of settlement, closing management, assessment and cashing, etc., covering construction and organization, risk control, safety and quality management, environmental protection, energy saving and emission reduction, so as to optimize project management mode, profit mode, and operation mechanism, and improve the quality, efficiency and benefit of project operation and management.

Section III Management Discussion and Analysis (Report of Directors) (continued)

In terms of safety and quality risks, due to the characteristics of the industry, complex working environment, high mobility of personnel and long management chain, the safety production of the Group remains complex and challenging, and there are still hidden dangers and weaknesses in the management of production safety. The Group has firmly established the “double zero” goal of production safety, implemented the concept of intrinsic safety, systematically planned safety and quality work, took the refined management of projects as the starting point, ensured safe production with the standardized and effective operation of the production system, deployed and carried out the three-year action of tackling the root causes of safe production, and insisted on addressing both the symptoms and the root causes with focus on the root causes. Focusing on the three major objectives of “tackling hidden dangers, strengthening the foundation and improving efficiency”, the Group puts emphasis on eight aspects, namely, improving quality, fulfilling responsibilities, improving the system, strengthening prevention, terminal control, safety culture, promoting safety through science and technology, and emergency response, to address the root causes. The Group will further play the role of the Security Committee in organizing, leading and coordinating the work, analyze the situation of production safety, carry out safety risk consultation, study and deploy the work of production safety, and promote the implementation of the safety responsibility system for all employees. In order to effectively prevent and control quality risks, the Group has always maintained a high-pressure situation, firmly adhered to the “six bottom lines” of project management, vigorously carried out quality excellence activities, strengthened the quality control of the whole process, ensured “one-time excellence”, created high-quality projects, strengthened the traceability of quality defects, established and improved the long-term accountability mechanism for engineering quality defects, and put the lifelong responsibility system for quality into practice.

In terms of investment risks, with the transformation of domestic economy from rapid growth stage to high-quality development stage, investment and financing policies are gradually developing towards refined and strict “strong regulation”. The Group insists on preventing and resolving major investment risks as a prerequisite for high-quality development of investment business, resolutely curbs incremental risks, effectively resolves existing risks, and takes effective isolation of potential risks as the working goal to prevent investment risks such as untimely payment collection of projects. The Group strengthens situation analysis, comprehensively strengthens risk prediction, and formulates measures to reduce investment risk in advance through the analysis and judgment of potential risk factors of investment projects. The Group strengthens investment demonstration, strictly controls standards and adheres to the bottom line, strictly analyzes income and adheres to income standards, and resolutely implements the negative list of investment projects. The Group strengthens investment decision-making, strictly implements the decision-making procedures of investment projects, adheres to the principle of “four bottom lines” of investment and financing decisions, and comprehensively improves the scientificity and rationality of investment decisions.

In terms of “two funds” risks, due to the influence of local debts and the complicated internal and external operating environment, the upstream units were in financial constraints, and the pressure on the Company’s “two funds” control increased. The Group will implement the principle of reducing the inventory and curbing the increment, focus on accounts receivable, inventory (two funds) and accounts payable, adopt one policy for one enterprise, one plan for one project, increase the intensity of rewards and punishments, broaden working ideas, innovate working methods, actively carry out the three-year special action to control “two funds” and accounts payable, and intensify its efforts to control them. The Group will pay close attention to source control, and consider “customer credit, payment terms, expected income” as important conditions for bidding decisions, so as to improve the quality of business contracting. The Group will strengthen cash flow management and control, improve the full-cycle management mechanism of project cash flow, highlight process monitoring,

Section III Management Discussion and Analysis (Report of Directors) (continued)

and continuously improve the operating cash ratio. The Group will strengthen the synergy between industry and finance, help optimize the financial structure, and actively promote the de-stocking of real estate and the revitalization of fixed assets, long-term operation and forward repurchase projects, so as to enhance the operational efficiency of assets.

The Group has always attached great importance to the awareness of the bottom line and the red line, and is committed to continuously improving the “big risk control” system, which focuses on legal compliance control and covers all employees, comprehensively and in the whole process. The Group has accelerated the integration of resources, information sharing and joint prevention and common governance by means of informatization and digitalization, and regularly formulated major risk control plans to strengthen the requirements of the whole process control, and enhance the efficiency of risk control.

(III) Other disclosable matter

Applicable Not applicable

On 20 June 2024, the “resolution in relation to medium- and long-term development strategy of the Company” was considered and approved at the thirtieth meeting of the fifth session of the Board of the Company, proposing the full implementation of the “1256” medium- and long-term development strategy. Anchoring “one vision”: to develop into a world-class modernized enterprise; focusing on “two major directions”: to consolidate and upgrade the traditional construction industry and to cultivate and strengthen the strategic emerging industries; opening up “five new tracks”: new infrastructure, new equipment, new materials, new energy, new services; accelerating the “six transformations”: high-end, intelligent, green, refined, digital, international.

Section IV Corporate Governance

I. BRIEF INTRODUCTION TO SHAREHOLDERS' GENERAL MEETINGS

Session of the meeting	Date of meeting	Inquiry index at designated website for which the resolutions were published	Disclosure date of the resolutions	Resolutions at meeting
2024 First Extraordinary General Meeting	30 January 2024	The website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of the Hong Kong Stock Exchange (www.hkex.com.hk)	31 January 2024	The Resolution in Relation to the Addition of an Executive Director of the Company was considered and approved.
2023 Annual General Meeting	20 June 2024	The website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of the Hong Kong Stock Exchange (www.hkex.com.hk)	21 June 2024	13 resolutions including the Resolution on the Work Report of the Board of Directors for 2023 were considered and approved.

Request for convening of extraordinary general meeting by preference shareholders with recovered voting rights

Applicable Not applicable

Explanation on the General Meetings

Applicable Not applicable

II. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY DURING THE REPORTING PERIOD

Applicable Not applicable

Name	Position	Change
DAI Hegen	Secretary of the Communist Party Committee, Chairman, Executive Director	Elected
LIU Xuan	Supervisor	Elected
LIU Zhengchang	Former supervisor	Resigned

Particulars of changes in directors, supervisors and senior management of the Company during the Reporting Period

Applicable Not applicable

On 30 January 2024, the “resolution in relation to the addition of an executive director of the Company” was considered and approved at the first extraordinary general meeting in 2024. Mr. DAI Hegen was added as an executive director of the Company, with term of office being the same as that of the fifth session of the Board, and commencing from the date of his election at the general meeting. On 30 January 2024, at the 25th meeting of the fifth session of the Board, Mr. DAI Hegen was elected as the chairman of the Company and the chairman of the nomination committee. For details, please refer to the relevant announcements published

Section IV Corporate Governance (continued)

by the Company dated 31 January 2024 on China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn), the website of Hong Kong Stock Exchange (www.hkex.com.hk) and the website of the Company (www.crcc.cn).

On 27-28 March 2024, the “resolution in relation to the adjustments to the composition of the strategy and investment committee of the fifth session of the Board” was considered and approved at the twenty-seventh meeting of the fifth session of the Board of the Company, and it was agreed that adjustments will be made to the composition of the strategy and investment committee of the fifth session of the Board. After the adjustment, the strategy and investment committee of the fifth session of the Board comprises five directors, with Mr. DAI Hegen as the chairman of the committee and Mr. WANG Lixin, Mr. GAO Lieyang, Mr. MA Chuanjing and Mr. XIE Guoguang as members of the committee. For details, please refer to the relevant announcements published by the Company dated 29 March 2024 on China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn), the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the website of the Company (www.crcc.cn).

On 24 April 2024, the Supervisory Committee of the Company received a letter of resignation from Mr. LIU Zhengchang, a supervisor of the Company, who resigned from the position as a supervisor of the Company due to work relocation. Mr. LIU Zhengchang no longer holds any position in the Company or its subsidiaries after his resignation. Since the resignation of Mr. LIU Zhengchang will cause the number of supervisors of the Supervisory Committee to fall below the quorum, Mr. LIU Zhengchang’s resignation took effect after the election of a new supervisor in accordance with the relevant provisions of the Company Law of the People’s Republic of China and the Articles of Association of China Railway Construction Corporation Limited. On 20 June 2024, the “resolution in relation to the addition of a shareholder representative supervisor of the Company” was considered and approved at the 2023 annual general meeting, which added Mr. LIU Xuan as a shareholder representative supervisor of the Company, with a term of office commencing from the date of his election at the general meeting and shall be the same as the term of office of the fifth session of the Supervisory Committee of the Company. For details, please refer to the relevant announcements published by the Company dated 25 April 2024 and 21 June 2024 respectively on China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn), the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the website of the Company (www.crcc.cn).

Changes in biographical details of directors, supervisors and president of the Company (disclosure pursuant to the requirements of the Hong Kong Listing Rules)

For details of the changes in biographical details of Mr. DAI Hegen, Mr. WANG Lixin, Mr. LIU Zhengchang and Mr. LIU Xuan, please refer to the section headed “Particulars of changes in directors, supervisors and senior management of the Company during the Reporting Period”. For details of the changes in biographical details of Mr. NI Zhen, please refer to the section headed “VIII. SIGNIFICANT SUBSEQUENT EVENTS (I) Changes of Directors, Supervisors and Senior Management of the Company”.

Section IV Corporate Governance (continued)

III. CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS (DISCLOSURE PURSUANT TO THE REQUIREMENTS OF THE HONG KONG LISTING RULES)

The Company has adopted a code of conduct regarding securities transactions by the directors, supervisors and relevant employees (the “Required Standard”) on terms no less exacting than the required standard for dealing in securities transactions by the directors, supervisors and relevant employees set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Hong Kong Listing Rules. After specific enquiries with all directors and supervisors of the Company, the Company confirmed that the Required Standard had been complied with during the Reporting Period.

IV. PROFIT DISTRIBUTION PLAN OR RESERVE-TO-EQUITY TRANSFER PLAN

The proposed profit distribution plan or reserve-to-equity transfer plan for the half year

Whether to distribute profit or transfer reserves	No
Number of bonus shares for every 10 shares (<i>share</i>)	0
Amount of dividend for every 10 shares (<i>RMB</i>) (<i>tax inclusive</i>)	0
Number of shares transferred for every 10 shares (<i>share</i>)	0

Explanation on profit distribution or reserve-to-equity plan
Not applicable

V. INFORMATION ABOUT THE COMPANY’S SHARE INCENTIVE PLAN, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES AND THEIR IMPACTS

(I) Related share incentive events which were disclosed in the temporary announcements and with no progress or change in subsequent implementation

Applicable Not applicable

(II) Incentive events which were not disclosed in the temporary announcements or with subsequent progress

Information on share incentive

Applicable Not applicable

Other explanation

Applicable Not applicable

Information on employee stock ownership plan

Applicable Not applicable

Other incentive measures

Applicable Not applicable

VI. EMPLOYEES OF THE COMPANY AND THEIR REMUNERATION AND TRAINING (DISCLOSURE PURSUANT TO THE REQUIREMENTS OF THE HONG KONG LISTING RULES)

During the Reporting Period, there were no significant changes in the employees, and their remuneration and training of the Group since the disclosure of the 2023 annual report.

VII. COMPLIANCE WITH CORPORATE GOVERNANCE CODE (DISCLOSURE PURSUANT TO THE REQUIREMENTS OF THE HONG KONG LISTING RULES)

During the Reporting Period, the Company strictly complied with the Company Law, the Securities Law, relevant laws and regulations of Hong Kong and all the code provisions of the Corporate Governance Code in Appendix C1 to the Hong Kong Listing Rules. In the meantime, in accordance with relevant laws and regulations issued by the regulatory department, the Company conducted corporate governance activities, and constantly improved corporate governance structure.

VIII. SIGNIFICANT SUBSEQUENT EVENTS

(I) Changes of Directors, Supervisors and Senior Management of the Company

On 26 July 2024, the Company received a written letter of resignation from Mr. NI Zhen, an executive director of the Company. Mr. NI Zhen applied to the Board of the Company for resignation from his positions as an executive director and a member of the nomination committee of the Board due to work relocation, with effect from the date of delivery of the letter of resignation to the Board. After his resignation, Mr. NI Zhen no longer holds any position in the Company. For details, please refer to the relevant announcements published by the Company dated 27 July 2024 on China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn), the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the website of the Company (www.crcc.cn).

On 29 July 2024, the “resolution in relation to the appointment of CHEN Zhiming and 3 others as vice presidents of the Company” was considered and approved at the thirty-first meeting of the fifth session of the Board of the Company. Mr. CHEN Zhiming, Mr. HUANG Changfu, Mr. LI Xinglong and Mr. YANG Zhefeng were appointed as the Company’s vice presidents, with the term of office starting from the date of the approval by the Board, which is the same as the term of office of the incumbent senior management of the Company. For details, please refer to the relevant announcements published by the Company dated 30 July 2024 on China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn), the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the website of the Company (www.crcc.cn).

Section V Environmental and Social Responsibility

I. ENVIRONMENTAL INFORMATION

(I) **Explanation on environmental protection of companies and their significant subsidiaries classified as the key pollutant discharging units announced by the environmental protection department**

Applicable Not applicable

(II) **Environmental issues of companies other than those classified as the key pollutant discharging units**

Applicable Not applicable

1. Administrative punishments due to environmental issues

Applicable Not applicable

During the Reporting Period, a total of 21 projects under construction by the Group were subject to administrative penalties by relevant local authorities due to dust, noise and sewage discharge and other inadequate environmental protection measures caused by earthwork construction, with a total fine of approximately RMB1,953,700. Relevant entities of each project had paid the fine in full and conducted rectification and acceptance in a timely manner. The above mentioned violations did not cause serious environmental pollution, casualties or social impacts, were not major violations of environmental protection laws and regulations, and the relevant penalties did not have a significant adverse impact on the Company's normal production and operation.

2. Disclosure of other environmental information by companies with reference to the key pollutant discharging units

Applicable Not applicable

In the course of business, the Group strictly abides by the national environmental protection related policies, as well as laws and regulations, resolutely implements the national laws and regulations such as Environmental Protection Law of the People's Republic of China and the Air Pollution Prevention and Control Law of the People's Republic of China, and controls pollution from the source. The Group has always practiced the environmental management concept of "reasonable energy use and green construction", made continuous innovations in environmental protection work with the help of science and technology, and consciously fulfilled and assumed the social responsibility of environmental protection to strengthen the notion for green development, striving to become a "resource-saving and environmentally-friendly" enterprise and to promote the enterprise to achieve high-quality and sustainable development and contributing to the construction of ecological civilisation of the state. The major emissions of the Group in the course of business are CO₂ and non-hazardous construction wastes. The Group was listed in companies other than those classified as the key pollutant discharging units in China as it seldom produced hazardous wastes, oxynitride and oxysulfide due to the nature of the industry.

3. Reasons for non-disclosure of other environmental information

Applicable Not applicable

(III) Explanation of the subsequent progress of or changes in the disclosure of environmental information during the Reporting Period

Applicable Not applicable

(IV) Relevant information that contributes to ecology protection, pollution prevention, and fulfillment of environmental responsibility

Applicable Not applicable

CRCC practices the “eco-friendly CRCC, green development” concept, striving to achieve high-quality and sustainable development of the enterprise by “staying away from the red line, keeping the bottom line and creating highlights”. To adapt to the new era, new trend and new requirements, the Company has formulated and issued, in accordance with the national laws and regulations for energy conservation and ecological environmental protection, the “Administrative Measures for Energy Conservation and Ecological Environmental Protection” and the “Implementing Rules for Assessment and Evaluation of Environmental Protection Targets and Indicators for Engineering Projects”. The Company has continuously carried out the elimination of potential ecological and environmental risks, further strengthened the supervision and management system for energy conservation and ecological and environmental protection, implemented “energy saving, land saving, water saving, material saving and environmental protection” and “six 100% standardisation measures of the construction sites” on project sites, concretely performed the entity responsibility for energy conservation and environmental protection, made efforts to establish a resource-saving and environmental-friendly enterprise.

(V) Measures taken on the decline of carbon emission and their impacts during the Reporting Period

Applicable Not applicable

CRCC has put into practice Xi Jinping’s thoughts on ecological civilisation, stood on a new development stage to implement new development philosophy and establish new development pattern, and adhered to the general principle of “top-level design, coordinated development, high priority of resources conservation and orderly promotion” to actively and steadily promote carbon peak and carbon neutrality. CRCC has implemented a “double control” management approach and took a series of actions to control the energy consumption and carbon dioxide control targets set for the 14th Five-Year Plan. Firstly, enhancing organisational leadership and system construction, formulating the CRCC’s carbon peak action plan, putting forward the “123456” green and low carbon development strategy, and clarifying the goal of carbon emission peak by 2030; secondly, in order to fully implementing CRCC’s green and low-carbon development strategy, combined with the actual situation of the enterprise, it formulated and issued the Implementation Plan for China Railway Construction to Accelerate Green Development and Promote the Construction of a Beautiful China; thirdly, proactively adjusting the energy utilisation structure to cut down the consumption of energy with high carbon dioxide content; fourthly, actively adopting clean energy and promoting clean production strategy; fifthly, accelerating the elimination of obsolete capacity and process, and purchasing energy-saving and advanced equipment; sixthly, continuously optimising the construction plan to develop technology innovation and promote the “four new” results of energy saving as well as reduce energy consumption; seventhly, strengthening the management of material and equipment to improve the efficiency in the use of turnover materials, the recycling of resources, reducing the vacancy rate of equipment, and reducing energy consumption; eighthly, strengthening publicity and education, and actively participating in the activities of national energy conservation publicity weeks and national low-carbon days.

Section V Environmental and Social Responsibility (continued)

During the Reporting Period, the Company compiled and published the “China Railway Construction Energy Conservation and Environmental Protection Handbook”, implemented measures to deepen reform and development, promoted project management refinement, strengthened the management level of energy conservation and ecological and environmental protection, and comprehensively raised the awareness of law-abidance among all employees, so as to carried out energy conservation and environmental protection in accordance with the law and regulations.

II. DETAILS OF CONSOLIDATING THE ACHIEVEMENTS OF POVERTY ALLEVIATION AND RURAL REVITALISATION

Applicable Not applicable

CRCC thoroughly studies and implements the spirit of General Secretary Xi Jinping’s important expositions and instructions on “Sannong”, comprehensively enforces and implements the spirit of the 20th National Congress of the Party, the spirit of the Central Rural Work Conference, and the decisions and deployments of the SASAC, and actively promotes the implementation of various assignments of rural revitalisation based on its own strengths combined the actual situation of the assistance areas.

The headquarters of the Company provided assistance to three designated assistance areas and counties of Wanquan District and Shangyi County, Zhangjiakou, Hebei Province, and Long’an County, Guangxi Zhuang Autonomous Region; and its 18 secondary units undertook 29 paired assistance tasks arranged by local governments and industry departments in accordance with the work arrangements of the local provincial party committees and governments for the rural revitalization in 14 provinces (6 counties, 2 towns, and 25 villages) across the country.

(I) Major work

In the first half of 2024, CRCC directly invested RMB23.318 million in the three designated assistance areas and counties of Wanquan District and Shangyi County, Zhangjiakou, Hebei Province, and Long’an County of Guangxi Zhuang Autonomous Region, among which RMB14.5108 million was invested without compensation and RMB8.807 million was invested with compensation. The introduced assistance funds were RMB1.01 million, of which RMB0.22 million was introduced without compensation and RMB0.79 million was introduced with compensation, attracted investment of RMB2 million, purchased agricultural products of RMB12.8602 million from poverty alleviation areas, helped sell agricultural products of RMB634,000 in poverty alleviation areas, and invested RMB1,636,000 in consolidating the achievement of “no worry about food and clothing and access to compulsory education, basic medical services, and safe housing”, supported 17 leading enterprises, supported 6 rural cooperatives, assisted in establishing 6 assistance workshops, helped 45 out-of-poverty people transfer employment, and trained 236 grassroots cadres at county, township and village levels, 60 rural revitalisation leaders and 169 professional and technical talents.

The relevant units of the local government and industry departments in charge of the arrangement of paired assistance tasks sent 47 people of various levels of cadres, each assisted districts and counties insisted on completing various assistance tasks with high standards and high quality. In the designated areas and counties, CRCC has leveraged its advantages in the whole industrial chain of planning and design, construction and industry introduction, and has demonstrated the image of CRCC as a responsible central enterprise in the comprehensive rural revitalisation.

1. Focus on enhancing momentum and promoting industrial revitalization

Around the construction of rural modern industrial system, CRCC highlighted the ‘project + funds’ ‘creating + conveying’ double assistance, in the main assistance areas to implement agricultural planting and processing, rural culture and tourism, new energy and other types of industrial projects, expanding the industrial assistance coverage. In Wanquan District, Zhangjiakou, CRCC promoted the development of sea buckthorn industry in Shanfangbu Township, with a current planting area of over 10,000 mu, providing jobs, increasing farmers’ income, enhancing the income of the village collectives, and boosting the adjustment and optimisation of the industrial structure; in Sunjia Xiaozhuang Village, CRCC used the concentrated forest land to develop the fruit plantation industry, introduced “banana plum” which is scarce in the market, and organised the establishment of cooperatives by the village collectives, attracted multiple fruit companies in the province to sign procurement contracts, focusing on the problem of delayed planting income, and actively developed the ‘forest economy’ to fill the gap in the first three years, and effectively increased the income of the village collectives and villagers. In Shangyi County, Zhangjiakou, CRCC continued to expand the scale and effectiveness of industrial assistance through multi-period investment and cycling construction. On the basis of investment and construction in 2023, CRCC continued to support the construction of Tebubuluo village sports training base project (Phase II), according to the long-term development needs of Tebubuluo village sports characteristics of the village and the creation of the current stage of the actuality, and further improved the training and study base supporting, pulling the Shangyi County culture, sports, and tourism industry development; CRCC invested of RMB2.3 million funds without compensation to Nanchaonian village of Shangyi County for helping the construction the second phase of the ‘agricultural-photovoltaic complementary rooftop photovoltaic power station construction project’, and the construction of 3,000 square metres of breeding pens and the related supporting 400KW photovoltaic construction, the project can guarantee the village collective annual income of RMB350,000. In Long’an County, Nanning, Guangxi, CRCC took the industrial revitalisation as a breakthrough, and focused on two projects: the renovation project of the Yuancun primary school teaching building homestay in Longhui Village, Buquan Township, and the demonstration site of ethnic unity and progress in Aihua Village, Nanxu Town, with a planned investment of RMB7.3 million, and is expected to drive the collective economy of the annual increase in income of RMB230,000 after the completion of the projects, and provide more than 30 industrial operations and 50 construction jobs, directly benefiting 950 households with 3,708 people, and 440 households with 1,747 people out of poverty.

2. Anchoring and solidifying the foundation, deeply promoting talent revitalization

CRCC organised 465 training sessions for grassroots cadres, rural revitalisation leaders, and professional and technical talents around agricultural production and operation, village public services, village governance, agricultural and rural science and technology, and building construction techniques. In Wanquan District, Zhangjiakou, CRCC invested RMB300,000 to carry out a training program for township and district level department “top leaders” to enhance their ability to perform their duties and department-level leaders training program for rural revitalization strategies. A total of 100 cadres across the region were trained to help them develop new thinking and explore new paths in rural revitalization and investment promotion work. CRCC built the “CRCC-Wanquan rural revitalisation network platform” to teach farming and animal husbandry techniques and organize training for rural wealth leaders. In Long’an County, Guangxi, CRCC organized a joint training course on pitaya planting technology and facility agriculture technology policies with county agricultural departments and rural revitalization department, using the ‘theory of teaching + operation demonstration + practical application’ teaching methods, through hand-to-hand teaching, one-to-one explanation, discussion and exchange, on-site simulation, etc., so that more than 300 trainees to concretely grasp what they had learned.

3. Persist in using educating individuals through culture and effectively promote cultural revitalization

The designated assistance counties and districts have implemented Xi Jinping’s cultural thinking in depth, reshaping the local culture, nurturing rural civilisation and prospering cultural industries by building rural cultural venues and digging into rural cultural connotations. In Long’an County, Guangxi, CRCC promoted the mutual promotion and integration of rural revitalisation and national unity and progress, and planned and implemented the project of national unity and progress demonstration point in Aihua Village, Nanxu Town, in conjunction with the Department of Unification and Warfare of Guangxi Zhuang Autonomous Region; in Wanquan District, Zhangjiakou, CRCC actively built the brand of “CRCC Sunshine”, and stepped up support for the “CRCC Sunshine” kindergarten to improve the teaching conditions, and assisted the “CRCC Sunshine” kindergarten in applying for the Hebei provincial model kindergarten.

4. Focusing on improving human settlements and promoting ecological revitalization

The assistance counties and districts insisted on fighting the battle against pollution in agriculture and rural areas, relying on the advantages of resources and environment, and developing local characteristics of eco-economy, so as to realise green enrichment of the people and benefit the people. In Wanquan District, Zhangjiakou, CRCC took advantage of the entire industrial chain of the construction industry to undertake the “ecological restoration of the riverside buffer zone in the west of the city and the artificial wetland water purification project” and the “Wolong Mountain Cemetery Relocation Project” in Wanquan, and assisted in the construction of the Off-road Club Homestay Project in Yulin Gou, Ximalin Town, and supported the development of the local rural tourism industry by creating an idyllic, ecological and natural rural tourism landscape.

5. Grasping the guidance of Party building and pragmatically promoting organizational revitalization

The assistance counties and districts deepened the joint construction of Party organisations and paired assistance, and helped to raise the level of Party building in the villages in the assistance districts. In the first half of the year, the targeted assistance districts and counties participated in the joint construction of 9 paired Party branches, 10 paired poverty alleviation villages, the districts and counties carried out in-depth learning and education of the Party discipline, the two first secretaries to villages actively taught special party courses to village party members and cadres to strengthen their awareness of party discipline. The first secretary to the village of Wanquan District, Zhangjiakou, combined with banana plum planting industry started by Sunjiaxiao Zhuang village, established the “getting rich through plum” Party member vanguard team, which plays a model and leading role in organizing villagers to raise funds and invest, as well as banana plum planting and daily maintenance.

6. Building agricultural assistance brands and constructing a matrix of assistance brands

CRCC identified leading units in each assisted district and county, coordinated resource mobilization, promoted regional linkage, and achieved a collaborative work pattern. By establishing and improving the working mechanism of “leading by example, leading by demonstration, and connecting by network”, CRCC effectively and orderly promoted the implementation of various rural revitalization work. Around the core of “assisting agriculture and promoting agriculture”, CRCC launched the “CRCC Agricultural Revitalization” rural revitalization work brand. Various regions have created “CRCC Sunshine” and “Ten Thousand CRCC Commerce” sub brands of assistance in the overall promotion of assistance work, actively building a brand matrix of “CRCC Brand, One Local with One Feature”.

(II) Follow-up assistance plan

1. Improving ideological understanding and strengthening organisational promotion.

CRCC strengthened the organisational leadership, adjusted and improved the assistance work in a timely manner, to ensure the completion of the annual target task according to the annual assistance plan and actual work completion status, to maintain a steady and strong assistance work, a steady increase in assistance efforts, and an increase rather than decrease in assistance effectiveness. CRCC strengthened its efforts to cooperate with the designated assistance areas to select and adjust the cadres, implement the mechanism of regular meetings for the rural revitalisation, strengthen business training, and strive to improve the quality of cadres and talents, to create an assistance team with excellent quality and conduct. CRCC strengthened investigation, research and guidance, the main leaders conduct on-site inspections at targeted poverty alleviation counties and adhered to the problem-oriented approach to coordinate planning and advancement of the work.

2. Utilizing industrial advantages to enhance the effectiveness of assistance

Combined with its own advantages, CRCC integrated the experience of the “Ten Million Project” into the specific practice of assistance work. Firstly, CRCC adhered to leveraging its industrial advantages, focusing on its industrial chain advantages in planning and design, investment and construction, commercial operations, and other fields, to promote the integration of the primary, secondary, and tertiary industries in the assisted areas. CRCC made promoting the integration of agriculture, culture, and tourism a key focus of its planning work, strengthened the tracking and construction of projects to promote the integration of agriculture, culture, and tourism, enhance three-dimensional packaging and operation, and improved the effectiveness of promoting the integration of local agriculture, culture, and tourism. Secondly, CRCC strengthened the integration of social resources, adhered to the principle of market-oriented cooperation and win-win, further strengthened internal and external communication and liaison, while coordinating and making good use of internal investment in assistance funds and resources, increased efforts to introduce various external assistance funds and resources, and actively integrated and utilized various social assistance forces. Thirdly, CRCC built a “production + sales” consumption assistance path. CRCC took multiple measures to promote local designated assistance enterprises to connect the “production + sales” path, collaborated with seconded cadres to use the advantages of integrated media to adopt new sales methods such as e-commerce, “live streaming sales”, and creating “cultural and tourism internet celebrities”, actively participated in activities such as the central enterprise consumption assistance “week of agricultural development”, “celebrating the spring festival action”, and “gathering power action”, and organised and mobilized partners to actively purchase and sell agricultural and sideline products from poverty alleviation areas, actively cultivate and enhance the core competitiveness of agricultural enterprises in designated assistance counties, and improve the effectiveness of assistance.

3. Strengthening the summary and publicity of rural revitalization work

In the process of daily work promotion, CRCC fully explored the typical cases and characteristic practices that have emerged in promoting rural revitalization work, invited mainstream media to visit CRCC’s designated assistance counties, comprehensively demonstrated the effectiveness of designated assistance in various regions, promoted and displayed on mainstream media and new media platforms, so as to continuously build up the social image of the Company as a responsible and committed enterprise.

4. Continuously improving the quality and efficiency of rural revitalization work

According to the Company's concept of refined management, CRCC strengthened the process control of targeted assistance work, issued the "Management Measures for CRCC's Designated Assistance and Matchmaking Support Work", strengthened project filing and approval during the stage of determining assistance projects, and ensured that the projects are valuable, implementable, and can be implemented. In the process of promoting project implementation, CRCC strengthened process supervision and regulation, grasped the flow of funds, controlled project progress, fully and accurately grasped the progress of assistance projects and fund payments to timely coordinate and solve problems that arise, achieving a clear understanding in heart and account in hand, and to ensure that the process is legal and compliant. In the final stage of project summary, the "big supervision" work system collaborates would conduct assessment and inspection to objectively evaluate project effectiveness, and enhance the standardization and compliance of rural revitalization work throughout the entire process.

Section VI Significant Events

I. THE PERFORMANCE OF UNDERTAKINGS

(I) Undertakings during or carried forward to the Reporting Period by actual controller, shareholders, related parties, acquirers of the Company and the Company and other related parties

Applicable Not applicable

Undertaking background	Undertaking category	Undertaken by	Undertaking contents	Time of undertakings	Is there a term for fulfilment	Term of undertakings	Is there timely and strict fulfilment	If the undertaking fails to be fulfilled in due time, please explain the specific reasons for the failure	If the undertaking fails to be fulfilled in due time, please state the plan in the next step
Undertaking related to the share reform									
Undertakings in acquisition report or report on changes in equity									
Undertakings associated with major asset reorganisation									
Undertakings associated with IPO									
Undertakings associated with refinancing	Others	China Railway Construction Corporation	If CRCC violates the laws and regulations due to failure in disclosing idle land or other reasons, causing loss to CRCC and its investors, China Railway Construction Corporation shall bear the civil liability of compensation for CRCC and its investors pursuant to the laws. For more details, please refer to relevant announcements published on 13 May 2015 and 3 June 2015 by the Company, on China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times, as well as on the website of Shanghai Stock Exchange (www.sse.com.cn), the website of the Hong Kong Stock Exchange (www.hkex.com.hk) and the Company's website (www.crcc.cn).	2 June 2015	No	Long-term	Yes		
	Others	Directors and senior management of the Company	If CRCC violates the laws and regulations due to failure in disclosing idle land or other reasons, causing loss to CRCC and its investors, the directors and senior management shall bear the civil liability of compensation for CRCC and its investors pursuant to the laws. For more details, please refer to relevant announcements published on 13 May 2015 and 3 June 2015 by the Company, on China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times, as well as on the website of Shanghai Stock Exchange (www.sse.com.cn), the website of the Hong Kong Stock Exchange (www.hkex.com.hk) and the Company's website (www.crcc.cn).	2 June 2015	No	Long-term	Yes		

Section VI Significant Events (continued)

Undertaking background	Undertaking category	Undertaken by	Undertaking contents	Time of undertakings	Is there a term for fulfilment	Term of undertakings	Is there timely and strict fulfilment	If the undertaking fails to be fulfilled in due time, please explain the specific reasons for the failure	If the undertaking fails to be fulfilled in due time, please state the plan in the next step
Undertaking associated with share incentive									
Other undertaking made to minority shareholders of the Company									
Other undertaking	Resolving ownership defects of lands and other properties	China Railway Construction Corporation	Obtaining land certificate and property ownership certificate, covering the costs of obtaining the aforesaid certificates and losses caused thereby. For more details, please refer to relevant announcements published on 29 March 2014 and 19 June 2014 by the Company, on China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times, as well as on the website of Shanghai Stock Exchange (www.sse.com.cn), the website of the Hong Kong Stock Exchange (www.hkex.com.hk) and the Company's website (www.crcc.cn).	18 June 2014	No	Long-term	Yes		
	Shares subject to restriction of sales	China Railway Construction Corporation	For undertakings on the spin-off and listing of the restricted sales of shares of CRCHI, please find more details in the Plan for the Spin-off and Listing of China Railway Construction Heavy Industry Corporation Limited (a subsidiary of the Company) on the Science and Technology Innovation Board of China Railway Construction Corporation Limited (Revised) (《中國鐵建股份有限公司關於分拆所屬子公司中國鐵建重工集團股份有限公司至科创板上市的預案(修訂稿)》) released on the websites of Shanghai Stock Exchange (www.sse.com.cn) and the Company (www.crcc.cn) on 3 April 2020, Announcement on the Resolutions of the Second Extraordinary General Meeting of Shareholders of China Railway Construction Corporation Limited in 2020 (《中國鐵建股份有限公司2020年第二次臨時股東大會決議公告》) on 29 April 2020, and the Prospectus for Initial Public Offering and Listing on the Science and Technology Innovation Board of China Railway Construction Heavy Industry Corporation Limited (《中國鐵建重工集團股份有限公司首次公開發行股票並在科创板上市招股說明書》) released on the website of Shanghai Stock Exchange (www.sse.com.cn) by CRCHI on 16 June 2021. The Company issued the Commitment Letter Regarding the Voluntary Extension of Lock-up Period for Restricted Shares (《關於自願延長所持限售股份鎖定期限的承諾函》) to CRCHI on 18 October 2023. The Company voluntarily extended the lock-up period for its CRCHI shares by 12 months. For more details, please refer to the announcement titled Announcement of China Railway Construction Heavy Industry Corporation Limited on the Voluntary Extension of Lock-up Period for Restricted Shares by Controlling Shareholder (《中國鐵建重工集團股份有限公司關於控股股東自願延長限售股份鎖定期限的公告》) published on the website of Shanghai Stock Exchange (www.sse.com.cn) on 19 October 2023.	28 April 2020, 18 October 2023	Yes	Within 48 months from the listing of CRCHI	Yes		

Section VI Significant Events (continued)

Undertaking background	Undertaking category	Undertaken by	Undertaking contents	Time of undertakings	Is there a term for fulfilment	Term of undertakings	Is there timely and strict fulfilment	If the undertaking fails to be fulfilled in due time, please explain the specific reasons for the failure	If the undertaking fails to be fulfilled in due time, please state the plan in the next step
	Others	The Company	For undertakings on the spin-off and listing of the restricted sales of shares of CRCHI and stabilizing the stock price, please find more details in the Plan for the Spin-off and Listing of China Railway Construction Heavy Industry Corporation Limited (a subsidiary of the Company) on the Science and Technology Innovation Board of China Railway Construction Corporation Limited (Revised) (《中國鐵建股份有限公司關於分拆所屬子公司中國鐵建重工集團股份有限公司至科创板上市的預案(修訂稿)》) released on the websites of Shanghai Stock Exchange (www.sse.com.cn) and the Company (www.crci.cn) on 3 April 2020, Announcement on the Resolutions of the Second Extraordinary General Meeting of Shareholders of China Railway Construction Corporation Limited in 2020 (《中國鐵建股份有限公司2020年第二次臨時股東大會決議公告》) on 29 April 2020, and the Prospectus for Initial Public Offering and Listing on the Science and Technology Innovation Board of China Railway Construction Heavy Industry Corporation Limited (《中國鐵建重工集團股份有限公司首次公開發行股票並在科创板上市招股說明書》) released on the website of Shanghai Stock Exchange (www.sse.com.cn) by CRCHI on 16 June 2021. The Company issued the Commitment Letter Regarding the Voluntary Extension of Lock-up Period for Restricted Shares (《關於自願延長所持限售股份鎖定期限的承諾函》) to CRCHI on 18 October 2023. The Company voluntarily extended the lock-up period for its CRCHI shares by 12 months. For more details, please refer to the announcement titled Announcement of China Railway Construction Heavy Industry Corporation Limited on the Voluntary Extension of Lock-up Period for Restricted Shares by Controlling Shareholder (《中國鐵建重工集團股份有限公司關於控股股東自願延長限售股份鎖定期限的公告》) published on the website of Shanghai Stock Exchange (www.sse.com.cn) on 19 October 2023.	28 April 2020, 18 October 2023	Yes	Within 48 months from the listing of CRCHI	Yes		
	Others	The Company	For undertakings on the spin-off and listing of the purpose of intention and reduction of shareholding of shares after the end of the shares lock-up period of CRCHI, please find more details in the Prospectus for Initial Public Offering and Listing on the Science and Technology Innovation Board of China Railway Construction Heavy Industry Corporation Limited (《中國鐵建重工集團股份有限公司首次公開發行股票並在科创板上市招股說明書》) released on the website of Shanghai Stock Exchange (www.sse.com.cn) by CRCHI on 16 June 2021.	16 June 2021	Yes	Within 2 years from the expire of lock-up period	Yes		

Section VI Significant Events (continued)

Undertaking background	Undertaking category	Undertaken by	Undertaking contents	Time of undertakings	Is there a term for fulfilment	Term of undertakings	Is there timely and strict fulfilment	If the undertaking fails to be fulfilled in due time, please explain the specific reasons for the failure	If the undertaking fails to be fulfilled in due time, please state the plan in the next step
	Others	China Railway Construction Corporation	For undertakings on the authenticity, accuracy and completeness of spin-off and listing of the restricted sales of shares of CRCHI, undertakings on no fraudulent issuance of shares buyback, undertakings on no misrepresentations or misleading statements contained in, or material omissions in the Prospectus, Letter of Undertaking to Make up for Diluted Immediate Returns, Letter of Undertaking to Reduce and Regulate Related Party Transactions, undertakings on binding measures in the event of not observing undertakings, the Letter of Undertaking to Avoid Horizontal Competition, please find more details in the Plan for the Spin-off and Listing of China Railway Construction Heavy Industry Corporation Limited (a subsidiary of the Company) on the Science and Technology Innovation Board of China Railway Construction Corporation Limited (Revised) (《中國鐵建股份有限公司關於分拆所屬子公司中國鐵建重工集團股份有限公司至科创板上市的預案(修訂稿)》) released on the websites of Shanghai Stock Exchange (www.sse.com.cn) and the Company (www.crcc.cn) on 3 April 2020, Announcement on the Resolutions of the Second Extraordinary General Meeting of Shareholders of China Railway Construction Corporation Limited in 2020 (《中國鐵建股份有限公司2020年第二次臨時股東大會決議公告》) on 29 April 2020, and the Prospectus for Initial Public Offering and Listing on the Science and Technology Innovation Board of China Railway Construction Heavy Industry Corporation Limited (《中國鐵建重工集團股份有限公司首次公開發行股票並在科创板上市招股說明書》) released on the website of Shanghai Stock Exchange (www.sse.com.cn) by CRCHI on 16 June 2021.	28 April 2020	No	Long-term	Yes		

Section VI Significant Events (continued)

Undertaking background	Undertaking category	Undertaken by	Undertaking contents	Time of undertakings	Is there a term for fulfilment	Term of undertakings	Is there timely and strict fulfilment	If the undertaking fails to be fulfilled in due time, please explain the specific reasons for the failure	If the undertaking fails to be fulfilled in due time, please state the plan in the next step
	Others	The Company	For undertakings on the authenticity, accuracy and completeness of spin-off and listing of the restricted sales of shares of CRCHI, the undertakings on reduction of shareholding of shares, no fraudulent issuance of shares buyback, there are no misrepresentations or misleading statements contained in, or material omissions in the Prospectus, Letter of Undertaking to Make up for Diluted Immediate Returns, Letter of Undertaking to Reduce and Regulate Related Party Transactions, undertakings on binding measures in the event of not observing undertakings, the Letter of Undertaking to Avoid Horizontal Competition, please find more details in the Plan for the Spin-off and Listing of China Railway Construction Heavy Industry Corporation Limited (a subsidiary of the Company) on the Science and Technology Innovation Board of China Railway Construction Corporation Limited (Revised) ((中國鐵建股份有限公司關於分拆所屬子公司中國鐵建重工集團股份有限公司至科创板上市的預案(修訂稿))) released on the websites of Shanghai Stock Exchange (www.sse.com.cn) and the Company (www.crcc.cn) on 3 April 2020, Announcement on the Resolutions of the Second Extraordinary General Meeting of Shareholders of China Railway Construction Corporation Limited in 2020 ((中國鐵建股份有限公司2020年第二次臨時股東大會決議公告)) on 29 April 2020, and the Prospectus for Initial Public Offering and Listing on the Science and Technology Innovation Board of China Railway Construction Heavy Industry Corporation Limited ((中國鐵建重工集團股份有限公司首次公開發行股票並在科创板上市招股說明書)) released on the website of Shanghai Stock Exchange (www.sse.com.cn) by CRCHI on 16 June 2021.	28 April 2020	No	Long-term	Yes		
	Others	Directors, supervisors and senior management of the Company	For undertakings on the authenticity, accuracy and completeness of spin-off and listing of the restricted sales of shares of CRCHI, please find more details in the Plan for the Spin-off and Listing of China Railway Construction Heavy Industry Corporation Limited (a subsidiary of the Company) on the Science and Technology Innovation Board of China Railway Construction Corporation Limited (Revised) ((中國鐵建股份有限公司關於分拆所屬子公司中國鐵建重工集團股份有限公司至科创板上市的預案(修訂稿))) released on the websites of Shanghai Stock Exchange (www.sse.com.cn) and the Company (www.crcc.cn) on 3 April 2020 and the Announcement on the Resolutions of the Second Extraordinary General Meeting of Shareholders of China Railway Construction Corporation Limited in 2020 ((中國鐵建股份有限公司2020年第二次臨時股東大會決議公告)) on 29 April 2020.	28 April 2020	No	Long-term	Yes		

II. THE CONTROLLING SHAREHOLDER OF THE COMPANY OR ITS ASSOCIATES HAS MISAPPROPRIATED THE COMPANY'S FUNDS FOR PURPOSES OTHER THAN FOR BUSINESS DURING THE REPORTING PERIOD

Applicable Not applicable

III. NON-COMPLIED GUARANTEES

Applicable Not applicable

IV. INFORMATION IN RELATION TO THE AUDITING IN THE INTERIM REPORT

Applicable Not applicable

V. INFORMATION IN RELATION TO THE REVIEW ON THE INTERIM REPORT BY THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee of the Board of the Company has reviewed the interim financial statements of the Group for the six months ended 30 June 2024, which have been reviewed by Deloitte Touche Tohmatsu CPA LLP, and has also discussed with the management of the Company on the adopted accounting policies and practices, internal control and other matters.

VI. CHANGES AND HANDLING ON MATTERS RELATED TO NON-STANDARD AUDIT OPINIONS OF LAST YEAR'S ANNUAL REPORT

Applicable Not applicable

VII. EVENTS REGARDING BANKRUPTCY AND RESTRUCTURING

Applicable Not applicable

VIII. MATERIAL LITIGATION AND ARBITRATION

The Company had material litigation and arbitration during the Reporting Period

The Company had no material litigation and arbitration during the Reporting Period

IX. PUNISHMENTS AND RECTIFICATIONS INVOLVED BY THE LISTED COMPANY, ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS, ACTUAL CONTROLLER SUSPECTED OF VIOLATING LAWS AND REGULATIONS

Applicable Not applicable

X. EXPLANATION ON CREDIBILITY OF THE COMPANY AND ITS CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLER DURING THE REPORTING PERIOD

Applicable Not applicable

Section VI Significant Events (continued)

XI. MATERIAL RELATED-PARTY TRANSACTIONS

(I) The related-party transactions in relation to the ordinary operations

1. Events disclosed in temporary announcements and with no progress or change in subsequent implementation

Applicable Not applicable

Summary of the events

Inquiry index

The 49th meeting of the third session of the Board of the Company was held on 30 October 2017. At the meeting, the Resolution on Renewal of the Property Leasing Framework Agreement and the Proposed Caps for Continuing Connected Transactions for 2018–2019 was considered and approved; the Company agreed to renew the Property Leasing Framework Agreement with the Controlling Shareholder and to determine caps of the relevant related-party transactions. According to the Property Leasing Framework Agreement entered into between the Company and the Controlling Shareholder, the annual caps of expenditures in respect of leasing of all properties and lands from the Controlling Shareholder by the Company are RMB300 million. Prior to submission to the Board of the Company for review, the resolution has been approved by independent non-executive directors. During the Board review process, independent non-executive directors also gave independent opinions in favor of the resolution. The 31st meeting of the fourth session the Board of the Company was held on 18 December 2019. At the meeting, the Resolution on Renewal of the Property Leasing Framework Agreement and the Proposed Caps for Continuing Connected Transactions for 2020–2022 was considered and approved; the Company agreed to renew the Property Leasing Framework Agreement with the Controlling Shareholder and to determine caps of the relevant related-party transactions. Prior to submission to the Board of the Company for review, the resolution has been approved by independent non-executive directors. During the Board review process, independent non-executive directors also gave independent opinions in favor of the resolution. The eleventh meeting of the fifth session of the Board of the Company was held on 28 October 2022. At the meeting, the Resolution on Renewal of the Property Leasing Framework Agreement for 2023 and the Proposed Caps for Continuing Related (Connected) Transactions for 2023 was considered and approved; the Company agreed to renew the Property Leasing Framework Agreement with the Controlling Shareholder and to determine caps of the relevant related-party transactions. Prior to submission to the Board of the Company for review, the resolution has been approved by independent non-executive directors. During the Board review process, independent non-executive directors also gave independent opinions in favor of the resolution. The 20th meeting of the fifth session of the Board of the Company was held on 30 October 2023. At the meeting, the Resolution on Renewal of the Property Leasing Framework Agreement for 2024 and the Proposed Caps for Continuing Related (Connected) Transactions for 2024 was considered and approved; the Company agreed to renew the Property Leasing Framework Agreement with the Controlling Shareholder and to determine caps of the relevant related-party transactions. Prior to submission to the Board of the Company for review, the resolution has been approved by independent non-executive directors; in the review process by the Board, independent non-executive directors also gave independent opinions in favor of the resolution.

For details, please refer to the announcements of the Company dated 31 October 2017, 19 December 2019, 28 October 2022 and 30 October 2023 published in China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times as well as on the website of Shanghai Stock Exchange (www.sse.com.cn), the website of the Hong Kong Stock Exchange (www.hkex.com.hk) and the Company's website (www.crcc.cn).

Section VI Significant Events (continued)

Summary of the events

Inquiry index

The 12th meeting of the fourth session of the Board of the Company was held on 30 October 2018. At the meeting, the Resolution on Adjustment to Cap for Daily Related-party Transactions for 2018 was considered and approved; the Company agreed to adjust the cap for daily related-party transactions under the Service Provision Framework Agreement entered into with the Controlling Shareholder. The 14th meeting of the fourth session of the Board of the Company was held on 13 December 2018. At the meeting, the Resolution on Renewal of Service Provision Framework Agreement and Proposed Caps for Continuing Connected Transactions for 2019–2021 was considered and approved. Pursuant to the Service Provision Framework Agreement entered into between the Company and the Controlling Shareholder, the proposed annual caps for 2019–2021 shall not exceed RMB2 billion. Before submission to the Board of the Company for review, the resolution has been approved by independent non-executive directors; in the review process by the Board, independent non-executive directors also gave independent opinions for approving the resolution. The 1st meeting of the fifth session of the Board of the Company was held on 21 December 2021. At the meeting, the Resolution on Renewal of Service Provision Framework Agreement and Proposed Caps for Continuing Connected Transactions for 2022–2024 was considered and approved, and the proposed annual caps for 2022–2024 shall not exceed RMB2 billion. Prior to submission to the Board of the Company for review, the resolution has been approved by independent non-executive directors; in the review process by the Board, independent non-executive directors also gave independent opinions in favor of the resolution.

For details, please refer to the announcements of the Company dated 31 October 2018, 14 December 2018 and 21 December 2021 published in China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times as well as on the website of Shanghai Stock Exchange (www.sse.com.cn), the website of the Hong Kong Stock Exchange (www.hkex.com.hk) and the Company's website (www.crcc.cn).

The 14th meeting of the fourth session of the Board of the Company was held on 13 December 2018. At the meeting, the Resolution on Renewal of the Financial Services Agreement and Determination of Caps of Continuing Connected Transactions for 2019–2021 was considered and approved; CRCC Finance Company Limited, being a subsidiary controlled by the Company, was approved to renew the Financial Services Agreement with the Controlling Shareholder, and to provide deposit, loan, clearing and other financial services to the Controlling Shareholder and its subsidiaries (excluding the Company) based on the agreement. Before submission to the Board of the Company for review, the resolution has been approved by independent non-executive directors; in the review process by the Board, independent non-executive directors also gave independent opinions for approving the resolution. The 1st meeting of the fifth session of the Board of the Company was held on 21 December 2021. At the meeting, the Resolution on Renewal of the Financial Services Agreement and Determination of Caps of Continuing Connected Transactions for 2022–2024 was considered and approved; CRCC Finance Company Limited, being a subsidiary controlled by the Company, was approved to renew the Financial Services Agreement with the Controlling Shareholder, and to provide deposit, loan, clearing and other financial services to the Controlling Shareholder and its subsidiaries (excluding the Company) based on the agreement. Prior to submission to the Board of the Company for review, the resolution has been approved by independent non-executive directors; in the review process by the Board, independent non-executive directors also gave independent opinions in favor of the resolution.

For details, please refer to the announcements of the Company dated 14 December 2018 and 21 December 2021 published in China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times as well as on the website of Shanghai Stock Exchange (www.sse.com.cn), the website of the Hong Kong Stock Exchange (www.hkex.com.hk) and the Company's website (www.crcc.cn).

Section VI Significant Events (continued)

During the Reporting Period, the abovementioned related-party transactions in relation to ordinary operations have been conducted in accordance with provisions of the agreements, and no change has been made. During the Reporting Period, actual execution of the abovementioned related-party transactions is as follows:

(1) *Related-party transactions with the Controlling Shareholder in relation to ordinary operations of the Group*

Unit: '000 Currency: RMB

Related party	Related party transactions type	Related party transactions content	Pricing principle of related party transactions	Related party transactions price	Related party transactions amount	Proportion in similar transaction (%)	Settlement method of related party transactions	Market price	Reason for the difference between transaction price and market price
12 companies including Shaanxi Railway Engineering Investigation Co., Ltd.	Expenditure for labour service	Planing, design and consultation	Agreement pricing	-	53,950	0.01	Cash	-	-
Controlling Shareholder and associates	Property leasing expense	Property lease	Agreement pricing	-	8,669	0.002	Cash	-	-

(2) *Continuing related-party transaction between CRCC Finance Company Limited, a controlled subsidiary of the Company, and the Controlling Shareholder*

See "Claims and liabilities between related parties" in XI (IV) of this section for details.

2. Events disclosed in the temporary announcements but with progress or change in subsequent implementation

Applicable Not applicable

3. Events not disclosed in temporary announcements

Applicable Not applicable

Section VI Significant Events (continued)

(II) Related-party transactions from acquisition of assets and acquisition and disposal of equity interests

1. **Events disclosed in the temporary announcements with no progress or change in subsequent implementation**

Applicable Not applicable

2. **Events disclosed in the temporary announcements but with progress or change in subsequent implementation**

Applicable Not applicable

3. **Events not disclosed in temporary announcements**

Applicable Not applicable

4. **If agreement upon performance is involved, the performance achievements during the Reporting Period shall be disclosed**

Applicable Not applicable

(III) Significant related-party transactions on the joint external investment

1. **Events disclosed in the temporary announcements with no progress or change in subsequent implementation**

Applicable Not applicable

2. **Events disclosed in the temporary announcements but with progress or change in subsequent implementation**

Applicable Not applicable

3. **Events not disclosed in temporary announcements**

Applicable Not applicable

Section VI Significant Events (continued)

(IV) Claims and liabilities between related parties

1. Events disclosed in the temporary announcements with no progress or change in subsequent implementation

Applicable Not applicable

2. Events disclosed in the temporary announcements but with progress or change in subsequent implementation

Applicable Not applicable

Unit: '000 Currency: RMB

Related party	Related party relationship	Provision of funds to related party by the listed company			Provision of funds to the listed company by related party		
		Opening balance	Accrual	Closing balance	Opening balance	Accrual	Closing balance
China Railway Construction Corporation ^{Note 1}	Controlling Shareholder	1,650,000	48,000	1,698,000	1,423,276	-	1,423,276
China Railway Construction Corporation ^{Note 2}	Controlling Shareholder	-	-	-	166,979	-8,038	158,941
China Railway Jinli Assets Management Co., Ltd. ^{Note 2}	Wholly-owned subsidiary of the Controlling Shareholder	-	-	-	560,642	-29,177	531,465
Total		1,650,000	48,000	1,698,000	2,150,897	-37,215	2,113,682

Section VI Significant Events (continued)

During the Reporting Period, the amount of funds provided to the Controlling Shareholder and its subsidiaries by the Company (<i>in RMB'000</i>)	48,000
Cause to claims and liabilities between related parties	Claims and liabilities between the Company and the related parties were claims and liabilities resulted from operations.
Settlement of claims and liabilities between related parties	Settlement by normal progress.
Undertakings related to claims and liabilities between related parties	None
Impact of such claims and liabilities between related parties on the Company's operating result and financial position	No significant impact.

Notes:

1. The funds provided by the listed company to the related parties are the principal of the loan provided from CRCC Finance Company Limited to the Controlling Shareholder. The funds provided by the related parties to the listed company are mainly the amount granted by the Ministry of Finance to the Controlling Shareholder, and deemed as the Controlling Shareholder's entrusted loan to the Company, and the interest rate of such entrusted loans is determined according to the loan prime rate (LPR) announced by the National Interbank Funding Center.
2. The amount mainly includes deposits of the Controlling Shareholder and its subsidiaries in CRCC Finance Company Limited, a subsidiary of the Group.

3. Events not disclosed in temporary announcements

Applicable Not applicable

Section VI Significant Events (continued)

(V) The financial businesses between the Company and the related financial company, the Company's holding financial company and the related party

Applicable Not applicable

1. Deposit service

Applicable Not applicable

Unit: '000 Currency: RMB

Related party	Related party relationship	The maximum daily deposit limit	Interest rate on deposit	Opening balance	Accrual this period		Closing balance
					Total amount deposited during the period	Total amount drawn during the period	
China Railway Construction Corporation	Controlling Shareholder	/	0.40%-2.85%	166,979	414,449	422,487	158,941
China Railway Jinli Assets Management Co., Ltd.	Wholly-owned subsidiary of the Controlling Shareholder	/	0.40%-2.85%	560,642	477,481	506,658	531,465
Total	/	/	/	727,621	891,930	929,145	690,406

2. Loan services

Applicable Not applicable

Unit: '000 Currency: RMB

Related party	Related party relationship	Loan facility	Interest rate on loan	Opening balance	Accrual this period		Closing balance
					Total amount lent during the period	Total amount repaid during the period	
China Railway Construction Corporation	Controlling Shareholder	4,000,000	2.50%	1,650,000	67,788	19,788	1,698,000
Total	/	/	/	1,650,000	67,788	19,788	1,698,000

Section VI Significant Events (continued)

3. Facilities businesses and other financial businesses

Applicable Not applicable

Unit: '000 Currency: RMB

Related party	Related party relationship	Business type	Total amount	Actual amount
China Railway Construction Corporation	Controlling Shareholder	Entrusted loan service fee	50,000	47
China Railway Construction Corporation	Controlling Shareholder			
China Railway Jinli Assets Management Co., Ltd.	Wholly-owned subsidiary of the Controlling Shareholder	Settlement service fee	50,000	–
Total	/	/	100,000	47

4. Other explanation

Applicable Not applicable

(VI) Other material related-party transactions

Applicable Not applicable

(VII) Other

Applicable Not applicable

Section VI Significant Events (continued)

XII. MATERIAL CONTRACTS AND PERFORMANCE

(I) Trusteeship, contracting and leasing matters

Applicable Not applicable

(II) Major guarantees performed and outstanding during the Reporting Period

Applicable Not applicable

Unit: '000 Currency: RMB

Guarantees (Other than guarantees for subsidiaries)															
Guarantor	Relationship between the guarantor and listed company		Party guaranteed	Guarantee amount	Date of guarantee occurrence (date of signing the agreement)	Guarantee starting date	Guarantee due date	Guarantee type	Principal debt	Guarantee object (if any)	Performance		Counter guaranteed or not	Guarantee by related party	Related party relationship
	company										completed or not	Overdue or not			
The Company	The Company itself	ECUACORRIENTE S.A.		203,759	22 June 2020	10 August 2020	9 July 2025	Joint Responsibility Guarantee	Normal	No	No	No	Yes	No	
China Railway Construction Real Estate Group Co., Ltd.	Wholly-owned subsidiary	Wuhan Zhaonui Real Estate Co., Ltd.		537,530	22 July 2022	17 August 2022	30 December 2027	Joint Responsibility Guarantee	Normal	No	No	No	No	Yes	Associate
China Railway 20th Bureau Group Co., Ltd.	Controlled subsidiary	Guizhou Wengma Railway Co., Ltd.		614,913	31 March 2016	31 March 2016	31 March 2039	Joint Responsibility Guarantee	Normal	No	No	No	No	Yes	Associate
China Railway 16th Bureau Group Co., Ltd.	Wholly-owned subsidiary	Oriental Anzhen (Beijing) Hospital Management Co., Ltd.		66,183	24 May 2021	25 May 2021	14 December 2039	Joint Responsibility Guarantee	Normal	No	No	No	No	No	
China Civil Engineering Group Co., Ltd.	Wholly-owned subsidiary	Jiangxi Copper Corporation Limited		72,763	31 May 2021	31 May 2021	22 June 2028	Joint Responsibility Guarantee	Normal	No	No	No	No	No	
CRCC International Investment Co., Ltd.	Wholly-owned subsidiary	Jiangxi Copper Corporation Limited		145,526	31 May 2021	31 May 2021	22 June 2028	Joint Responsibility Guarantee	Normal	No	No	No	No	No	
China Railway Construction Group Properties Co., Ltd.	Controlled subsidiary	Pengruiliyunmen (Hangzhou) Real Estate Co., Ltd.		448,590	14 June 2022	14 June 2022	21 December 2031	Joint Responsibility Guarantee	Normal	No	No	No	No	Yes	Associate
China Railway Construction Real Estate Group Co., Ltd.	Wholly-owned subsidiary	Wuhan Zhaonui Real Estate Co., Ltd.		0	9 July 2021	9 July 2021	27 March 2024	Joint Responsibility Guarantee	Normal	No	Yes	No	No	Yes	Associate

Section VI Significant Events (continued)

Total amount of guarantees for the Reporting Period (exclusive of the guarantees for subsidiaries)	-357,273
Closing balance of guarantees for the Reporting Period (A) (exclusive of the guarantees for subsidiaries)	2,089,264

Guarantees for subsidiaries by the Company

Total amount of guarantees for subsidiaries for the Reporting Period	-14,517,739
Closing balance of guarantees for subsidiaries for the Reporting Period (B)	81,685,511

Total guarantees by the Company (inclusive of such guarantees to its subsidiaries)

Total guarantees (A+B)	83,774,775
The proportion of total guarantees in net assets of the Company (%)	26.46
Among which:	
The amount of guarantees for the Company's shareholders, actual controller and their related parties (C)	-
Debt guarantees directly or indirectly to the party guaranteed with the gearing ratio higher than 70% (D)	79,362,901
Of total guarantees, the portion in excess of 50% net assets of the Company (E)	-
Total of the above three categories of guarantees (C+D+E)	79,362,901
Explanation on the potential joint liability arising from the immature guarantees	N/A

Explanation on the guarantees

As at the end of the Reporting Period, the total balance of guarantees provided by the Company and its wholly-owned and controlled subsidiaries was RMB83.7748 billion (excluding mortgage guarantees provided to small homeowners for home purchases as a result of real estate operations). The total balance of guarantees provided by the Company and its wholly-owned and controlled subsidiaries to the subsidiaries amounted to RMB81.6855 billion, among which the balance of guarantees provided by the Company to its wholly-owned and controlled subsidiaries amounted to RMB4.5400 billion, the balance of guarantees provided by wholly-owned and controlled subsidiaries of the Company to its subsidiaries amounted to RMB77.1455 billion. The balance of guarantees provided to entities outside the consolidated statements of the listed company (excluding small homeowners for home purchases) by the Company and its wholly-owned and controlled subsidiaries was RMB2.0893 billion. The Company had no overdue guarantees.

The Company has fulfilled its decision-making procedures and information disclosure obligations in strict accordance with the relevant regulatory documents and corporate governance measures in the provision of external guarantees, and there were no guarantees provided in violation of regulations.

Section VI Significant Events (continued)

(III) Other material contracts

Applicable Not applicable

1. Domestic business contract

Unit: '00 million Currency: RMB

No.	Date of contract	Name of project	Contract		Term of performance
			amount	Contracting party of the Company	
1	January 2024	Section HWZQ-1 of Pre-construction Work of Newly-built HefeiWuhan High-speed Railway (Hubei Section) (新建合肥至武漢高速鐵路(湖北段)站前工程HWZQ-1標段)	34.19	China Railway 18th Bureau Group Co., Ltd.	54 months
2	January 2024	EPC Project for 11 Engineering Projects including the Construction Project of Lvyin Rural Tourism in Zhaoyang District, Zhaotong City (昭通市昭陽區綠蔭鄉村旅遊建設項目等11個工程項目工程總承包(EPC))	43.21	China Railway 24th Bureau Group Co., Ltd., China Railway 24th Bureau Group Southwest Construction Co., Ltd., China Railway 24th Bureau Group Fujian Railway Construction Co., Ltd., China Railway 12th Bureau Group Co., Ltd. and China Railway SIYUAN Survey and Design Group Co., Ltd.	5 years
3	January 2024	Section WSZQ-01SG of Pre-construction Work of Newly-built WeifangSuqian High-speed Railway (Jiangsu Section) (新建濰坊至宿遷高速鐵路江蘇段站前工程WSZQ-01SG標段)	30.48	China Railway 12th Bureau Group Co., Ltd.	1,643 calendar days
4	January 2024	Section HWZQ-3 of Pre-construction Work of Newly-built HefeiWuhan High-speed Railway (Anhui Section) (新建合肥至武漢高速鐵路安徽段站前工程 HWZQ-3標段)	32.13	China Railway 11th Bureau Group Co., Ltd.	1,644 calendar days
5	January 2024	Section WSZQ-9 of Pre-construction Work of Newly-built Weifang-Suqian High-speed Railway (Linyi Section) (新建濰坊至宿遷高速鐵路臨沂段站前工程WSZQ-9標段)	33.65	China Railway 14th Bureau Group Co., Ltd.	1,644 calendar days
6	February 2024	Section JHKRZQSG-2 of Newly-built Jinhua-Yiwu Railway Nos. 3 and 4 Lines and Introduction of Related Projects to Jinhua Area (Jinhua Railway Hub Expansion and Reconstruction Project) (新建金華至義烏鐵路三四線及引入金華地區相關工程(金華鐵路樞紐擴容改造工程) JHKRZQSG-2標)	30.27	China Railway 24th Bureau Group Co., Ltd.	42 months
7	February 2024	Section ZSZQ-1 of Pre-construction Work of Newly-built Zhangzhou-Shantou Highspeed Railway (Fujian Section) (新建漳州至汕頭高速鐵路(福建段)站前工程ZSZQ-1標段)	31.04	China Railway 11th Bureau Group Co., Ltd.	1,642 calendar days

Section VI Significant Events (continued)

No.	Date of contract	Name of project	Contract		Term of performance
			amount	Contracting party of the Company	
8	February 2024	Section ZSZQ-2 of Pre-construction Work of Newly-built Zhangzhou-Shantou Highspeed Railway (Fujian Section) (新建漳州至汕頭高速鐵路(福建段)站前工程ZSZQ-2標段)	31.84	China Railway 12th Bureau Group Co., Ltd.	1,642 calendar days
9	February 2024	Section ZSGDSG-1 of Lump Sum Contracting for Pre-construction Work of Newly-built Zhangzhou-Shantou High-speed Railway (Guangdong Section) (新建漳州至汕頭高速鐵路(廣東段)站前工程施工總價承包ZSGDSG-1標)	32.87	China Railway 12th Bureau Group Co., Ltd.	1,644 calendar days
10	March 2024	Section 1 of Suzhou West Station Area Comprehensive Development Phase I Master Development Project (宿州西站片區綜合開發一期總體開發項目一標段)	30.81	China Railway 24th Bureau Group Co., Ltd., China Railway 24th Bureau Group Suzhou Engineering Co., Ltd., China Railway Shanghai Design Institute Group Co., Ltd.	1,825 calendar days
11	May 2024	Fuzhou New Area Cold Chain Industrial Park and Supporting Infrastructure Project (Integrated Construction and Operation) (福州新區冷鏈產業園及配套基礎設施項目(建設、運營一體化))	36.1	China Railway 22nd Bureau Group Co., Ltd.	36 months

2. Overseas operation contracts

Unit: '00 million Currency: RMB

No.	Date of contract	Name of project	Contract amount	Contracting party of the Company	Term of performance

XIII. EXPLANATION ON THE USE OF PROCEEDS

Applicable Not applicable

XIV. EXPLANATION ON OTHER SIGNIFICANT EVENTS

Applicable Not applicable

XV. OTHER SIGNIFICANT SUBSEQUENT EVENTS

Applicable Not applicable

Section VII Changes in Shares and Particulars of Shareholders

I. CHANGES IN SHARE CAPITAL

(I) *Table of changes in shares*

1. **Table of changes in shares**

The Company's total shares and share capital structure had no changes during the Reporting Period.

2. **Particulars of changes in shares**

Applicable Not applicable

3. **Effect of changes in shares on financial indicators such as earnings per share and net assets per share within the period from the end of the Reporting Period to the disclosure date of the interim report (if any)**

Applicable Not applicable

4. **Other contents that the Company deemed necessary or securities regulatory authorities require to disclose**

Applicable Not applicable

(II) *Changes in shares subject to trading moratorium*

Applicable Not applicable

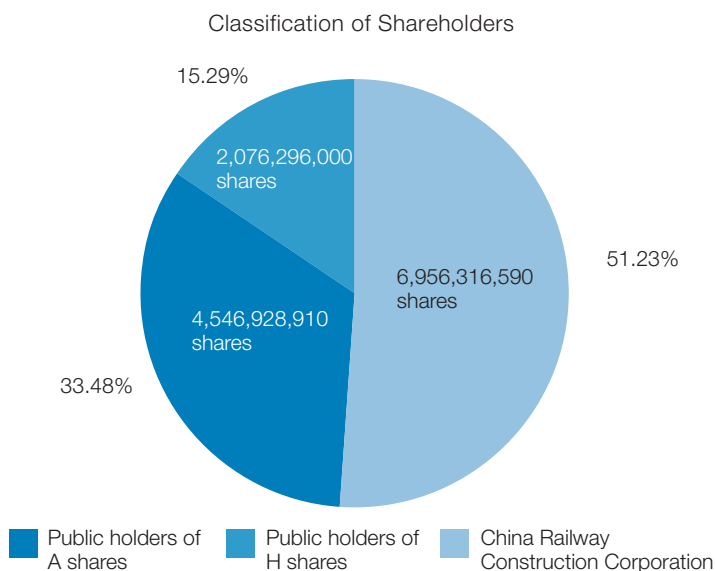
(III) *Repurchase, sales or redemption of securities of the Company (disclosure pursuant to the requirements of the Hong Kong Listing Rules)*

During the Reporting Period, neither the Company nor its subsidiaries had repurchased, sold or redeemed any securities (including treasury shares) of the Company. During the Reporting Period, the Company did not hold any treasury shares (as defined in the Hong Kong Listing Rules) of the Company.

Section VII Changes in Shares and Particulars of Shareholders (continued)

II. PARTICULARS OF SHAREHOLDERS

(I) Share capital structure (disclosure pursuant to the requirements of the Hong Kong Listing Rules)

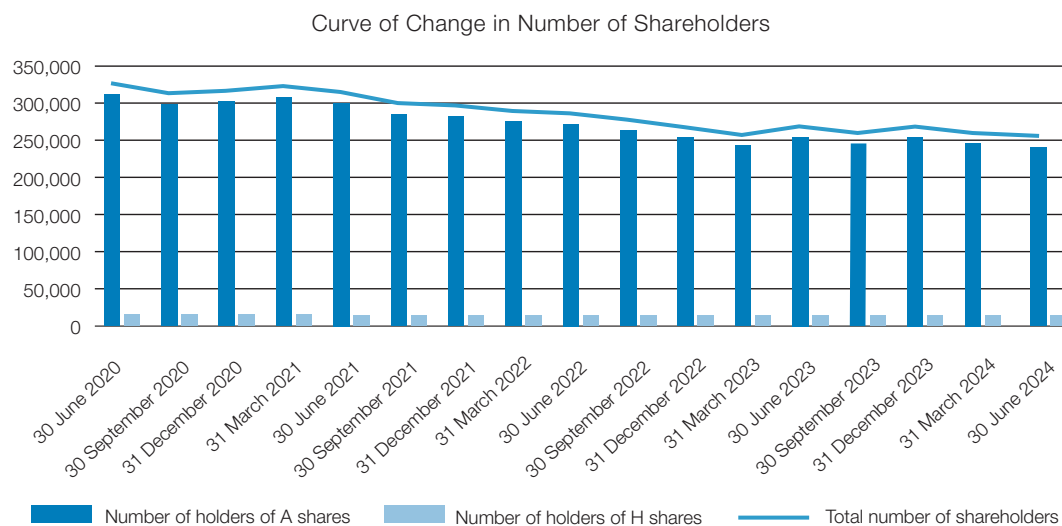


As at 30 June 2024, the share capital structure of the Company is set out as follows:

Name of shareholder	Class of shares	Number of shares (share)	Percentage of total issued share capital (%)
China Railway Construction Corporation	A shares	6,956,316,590	51.23
Public holders of A shares	A shares	4,546,928,910	33.48
Public holders of H shares	H shares	2,076,296,000	15.29
Total	/	13,579,541,500	100.00

Section VII Changes in Shares and Particulars of Shareholders (continued)

(II) Total number of shareholders



As at 30 June 2024, the total number of shareholders of the Company was 254,080, of which 240,320 were holders of A shares and 13,760 were holders of H shares.

Total number of ordinary shareholders as at the end of the Reporting Period (<i>holder</i>)	254,080
Total number of shareholders of preference shares with restored voting rights as at the end of the Reporting Period (<i>holder</i>)	N/A

Section VII Changes in Shares and Particulars of Shareholders (continued)

(III) Particulars of shareholdings of the top ten shareholders and the top ten shareholders of tradable shares (or shareholders not subject to trading moratorium) as at the end of the Reporting Period

Unit: share

**Particulars of shareholdings of the top ten shareholders
(excluding shares lent through refinancing)**

Name of shareholder (full name)	Change of Shareholding during the Reporting Period	Number of shares held as at the end of the period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Condition of shares	Number	Nature of shareholder
China Railway Construction Corporation	0	6,956,316,590	51.23	0	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED	127,750	2,061,314,182	15.18	0	Unknown	0	Overseas legal person
China Securities Finance Corporation Limited	0	323,087,956	2.38	0	Nil	0	Other
Central Huijin Asset Management Corporation Limited	0	138,521,000	1.02	0	Nil	0	Other
Bosera Fund – Agricultural Bank of China – Bosera CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
E Fund – Agricultural Bank of China – E Fund CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
Da Cheng Fund – Agricultural Bank of China – Da Cheng CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
Harvest Fund – Agricultural Bank of China – Harvest CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
GF Fund – Agricultural Bank of China – GF CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
Zhong Ou Fund – Agricultural Bank of China – Zhong Ou CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
China Asset Management – Agricultural Bank of China – China Asset Management CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
Yinhua Fund – Agricultural Bank of China – Yinhua CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
CSAM – Agricultural Bank of China – CSAM CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Assets Management Scheme	0	81,847,500	0.60	0	Nil	0	Other

Section VII Changes in Shares and Particulars of Shareholders (continued)

Particulars of shareholdings of the top ten shareholders not subject to trading moratorium (excluding shares lent through refinancing)

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of share	
		Class	Number
China Railway Construction Corporation	6,956,316,590	RMB ordinary share	6,956,316,590
HKSCC NOMINEES LIMITED	2,061,314,182	Overseas listed foreign share	2,061,314,182
China Securities Finance Corporation Limited	323,087,956	RMB ordinary share	323,087,956
Central Huijin Asset Management Corporation Limited	138,521,000	RMB ordinary share	138,521,000
Bosera Fund – Agricultural Bank of China – Bosera CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
E Fund – Agricultural Bank of China – E Fund CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
Da Cheng Fund – Agricultural Bank of China – Da Cheng CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
Harvest Fund – Agricultural Bank of China – Harvest CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
GF Fund – Agricultural Bank of China – GF CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
Zhong Ou Fund – Agricultural Bank of China – Zhong Ou CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
China Asset Management – Agricultural Bank of China – China Asset Management CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
Yinhua Fund – Agricultural Bank of China – Yinhua CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
CSAM – Agricultural Bank of China – CSAM CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Assets Management Scheme	81,847,500	RMB ordinary share	81,847,500
Explanations on the repurchase of special accounts among the top ten shareholders		N/A	
Explanation of the above-mentioned shareholders' entrusting voting rights, entrusted voting rights, and waiver of voting rights		N/A	
Explanations on the connected relationship or concerted action among the above shareholders		The Company has no information on whether there exists any related-party relationship between the top ten shareholders not subject to trading moratorium and the top ten shareholders and whether the shareholders are persons acting in concert as specified in the Measures for the Administration of the Acquisition of Listed Companies.	
Explanation on the preference shareholders with voting right restored and their shareholdings		N/A	

Note: The H shares held by HKSCC Nominees Limited were held for and on behalf of numerous clients. As at the end of the Reporting Period, HKSCC Nominees Limited held 2,061,314,182 shares of the Company. However, details regarding whether the shares were pledged or frozen were unknown.

Section VII Changes in Shares and Particulars of Shareholders (continued)

Shareholders holding more than 5% of the shares, the top ten shareholders and the top ten shareholders not subject to trading moratorium participating in the lending of shares through refinancing business

Applicable Not applicable

Change in top ten shareholders and top ten shareholders of shares not subject to trading moratorium as a result of lending/returning of refinancing business

Applicable Not applicable

Number of shares held by the top ten shareholders subject to trading moratorium and conditions of such trading moratorium

Applicable Not applicable

(IV) Top ten shareholders from strategic investors or general legal persons participating in the placing of the new shares

Applicable Not applicable

(V) Particulars of shareholdings of substantial shareholders disclosed in accordance with the SFO (disclosure pursuant to the requirements of the Hong Kong Listing Rules)

So far as the directors of the Company are aware, as at 30 June 2024, the persons other than directors, supervisors or chief executive of the Company who have interests or short positions in the shares or underlying shares of the Company which are required to be recorded in the register referred therein under Section 336 of Part XV of the SFO were as follows:

Name of substantial shareholder	Class of share	Capacity	Number of shares interested <i>(share)</i>	Percentage of issued share capital of the relevant class of shares	Percentage of total issued share capital
China Railway Construction Corporation	A Share	Beneficial owner	6,956,316,590(L)	60.47%	51.23%

Note: L – long position.

Section VII Changes in Shares and Particulars of Shareholders (continued)

III. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

(I) Changes in shareholding of current and resigned directors, supervisors and senior management during the Reporting Period

Applicable Not applicable

Explanation for other matters

Applicable Not applicable

(II) The equity incentives granted to the directors, supervisors and senior management during the Reporting Period

Applicable Not applicable

(III) Other explanation

Applicable Not applicable

1. Directors', supervisors' and senior management's interests in the securities of the Company (disclosure pursuant to the requirements of the Hong Kong Listing Rules)

As at the end of the Reporting Period, none of the directors, supervisors or members of senior management of the Company held any shares of the Company, nor were they granted any share options or restricted shares of the Company.

As at the end of the Reporting Period, none of the directors, supervisors and chief executive of the Company and their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are (a) required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO; or (b) required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Appendix C3 to the Hong Kong Listing Rules.

IV. CHANGES IN THE CONTROLLING SHAREHOLDER OR ACTUAL CONTROLLER

Applicable Not applicable

Section VIII Particulars of Preference Shares

Applicable Not applicable



Section IX Particulars of Corporate Bonds

I. CORPORATE BONDS (INCLUDING ENTERPRISE BONDS) AND NON-FINANCIAL CORPORATE DEBT FINANCING INSTRUMENTS

Applicable Not applicable

(I) Corporate bonds (including enterprise bonds)

Applicable Not applicable

1. Basic Information of Corporate Bonds

Unit: '000 Currency: RMB

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
					31 August 2024										date
China Railway Construction Corporation Limited on 2019 public offering of renewable corporate bonds (first tranche) (variety II) for qualified investors	19 CRCC Y2	153869	28 October 2019	29 October 2019	29 October 2024	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 years) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	499,775	4.30	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, Industrial Securities Co., Ltd., Morgan Stanley Huaxin Securities Company Limited	CITIC Securities Company Limited	Qualified investors	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of repayment and interest payment	Exchange platform	Principal underwriter	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction	
					date after 31 August 2024									31 August 2024	Whether there is a risk of terminating the listing transaction
China Railway Construction Corporation Limited on 2019 public offering of renewable corporate bonds (second tranche) (variety II) for qualified investors	19 CRCC Y4	155866	15 November 2019	18 November 2019	18 November 2024	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,499,319	4.39	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	OTIC Securities Company Limited, CSC Financial Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Financing Services Co., Ltd.	OTIC Securities Company Limited	Qualified investors	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2021 public offering of renewable corporate bonds (second tranche) (variety I) for professional investors	21 CRCC Y3	185039	22 November 2021	23 November 2021	23 November 2024	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 years) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,998,684	3.30	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	OTIC Securities Company Limited, China International Capital Corporation Limited, China Merchants Securities Co., Ltd.	OTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of principal repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
					date after 31 August 2024										31 August 2024
China Railway Construction Corporation Limited on 2021 public offering of renewable corporate bonds (third tranche) (variety I) for professional investors	21 CRCC	185120 Y5	9 December 2021	10 December 2021	10 December 2024	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	499,611	3.20	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd.	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2019 public offering of renewable corporate bonds (third tranche) (variety II) for qualified investors	19 CRCC	163970 Y6	16 December 2019	17 December 2019	17 December 2024	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	999,495	4.20	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, China International Capital Corporation Limited, Industrial Securities Co., Ltd.	CITIC Securities Company Limited	Qualified investors	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of repayment and principal	Exchange platform	Principal underwriter	Trustee	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
					31 August 2024										date after 31 August 2024
China Railway Construction Corporation Limited on 2021 public offering of renewable corporate bonds (fourth tranche) (variety I) for professional investors	21 CRCC Y7	185198	29 December 2021	30 December 2021	30 December 2024	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	999,346	3.17	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CTIC Securities Company Limited, China International Capital Corporation Limited,	CTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2022 public offering of renewable corporate bonds (first tranche) (variety I) for professional investors	22 CRCC Y1	185731	22 April 2022	25 April 2022	25 April 2025	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	2,198,695	3.17	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CTIC Securities Company Limited, China International Capital Corporation Limited, Everbright Securities Co., Ltd.	CTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of principal repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor	Trading mechanism	Whether there is a risk of terminating the listing transaction
					date after 31 August 2024								suitability arrangements (if any)		
China Railway Construction Corporation Limited on 2022 public offering of renewable corporate bonds (second tranche) (sustainable linkage) (variety I) for professional investors	22 CRCC	137533 Y3	15 July 2022	18 July 2022	18 July 2025	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,498,101	2.98	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, China International Capital Corporation Limited, CSC Financial Co., Ltd.	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2022 public offering of STI renewable corporate bonds (first tranche) (variety I) for professional investors	CRCC	138759 YK01	20 December 2022	21 December 2022	21 December 2025	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	2,998,221	3.95	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, CSC Financial Co., Ltd., Huatai United Securities Co., Ltd.	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of repayment and principal interest payment	Exchange platform	Principal underwriter	Trustee	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
					31 August 2024										date after
China Railway Construction Corporation Limited on 2022 public offering of STI renewable corporate bonds (second tranche) (variety I) for professional investors	CRCC	138800 YK03	28 December 2022	29 December 2022	29 December 2025	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,998,692	3.75	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	OTIC Securities Company Limited, CSC Financial Co., Ltd.	OTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2021 public offering of renewable corporate bonds (first tranche) (variety II) for qualified investors	21 CRCC	188253 Y2	17 June 2021	18 June 2021	18 June 2026	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,299,338	4.00	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	OTIC Securities Company Limited, China International Capital Corporation Limited, Industrial Securities Co., Ltd.	OTIC Securities Company Limited	Qualified investors	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of principal repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
					date after 31 August 2024										Whether there is a risk of terminating the listing transaction
China Railway Construction Corporation Limited on 2023 public offering of STI renewable corporate bonds (first tranche) (variety I) for professional investors	CRCC	115551	19 June 2023	20 June 2023	20 June 2026	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	999,383	3.08	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, CSC Financial Co., Ltd., Industrial Securities Co., Ltd., Guotai Junan Securities Co., Ltd.	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2021 public offering of renewable corporate bonds (second tranche) (variety II) for professional investors	21 CRCC	185038	22 November 2021	23 November 2021	23 November 2026	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	999,342	3.64	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, China International Capital Corporation Limited, China Merchants Securities Co., Ltd.	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor	Trading mechanism	Whether there is a risk of terminating the listing transaction
					31 August 2024								date after		suitability arrangements (if any)
China Railway Construction Corporation Limited on 2021 public offering of renewable corporate bonds (third tranche) (variety II) for professional investors	21 CROC Y6	185119	9 December 2021	10 December 2021	10 December 2026	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	999,223	3.58	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CTIC Securities Company Limited, China International Capital Corporation Limited, Sherwan Hongyuan Securities Co., Ltd.	CTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2023 public offering of ST1 renewable corporate bonds (second tranche) (variety I) for professional investors	CROC YK07	240445	26 December 2023	27 December 2023	27 December 2026	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,698,476	2.97	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CTIC Securities Company Limited, CSC Financial Co., Ltd., China International Capital Corporation Limited, Guotai Junan Securities Co., Ltd.	CTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of principal repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor	Trading mechanism	Whether there is a risk of terminating the listing transaction
					date after 31 August 2024								suitability arrangements (if any)		
China Railway Construction Corporation Limited on 2021 public offering of renewable corporate bonds (fourth tranche) (variety II) for professional investors	21 CRCC	185196 Y8	29 December 2021	30 December 2021	30 December 2026	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	999,346	3.50	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, China International Capital Corporation Limited	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2022 public offering of renewable corporate bonds (first tranche) (variety II) for professional investors	22 CRCC	185732 Y2	22 April 2022	25 April 2022	25 April 2027	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	799,525	3.55	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, China International Capital Corporation Limited, Everbright Securities Co., Ltd.	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
					31 August 2024										date after
China Railway Construction Corporation Limited on 2024 public offering of STI renewable corporate bonds (first tranche) (variety I) for professional investors	CRCC	241095 YK09	4 June 2024	6 June 2024	6 June 2027	The basic term of the bonds will be 3 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 3 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,499,101	2.30	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	OTIC Securities Company Limited, CSC Financial Co., Ltd., China International Capital Corporation Limited, Huatai United Securities Co., Ltd.	OTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2022 public offering of renewable corporate bonds (second tranche) (sustainable linkage) (variety II) for professional investors	22 CRCC	137634 Y4	15 July 2022	18 July 2022	18 July 2027	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,499,101	3.37	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	OTIC Securities Company Limited, China International Capital Corporation Limited, CSC Financial Co., Ltd.	OTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of principal repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor	Trading mechanism	Whether there is a risk of terminating the listing transaction
					date after 31 August 2024								suitability arrangements (if any)		
China Railway Construction Corporation Limited on 2023 public offering of ST1 renewable corporate bonds (first tranche) (variety II) for professional investors	CRCC	115552	19 June 2023	20 June 2023	20 June 2028	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	1,499,074	3.45	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, CSC Financial Co., Ltd., Industrial Securities Co., Ltd., Guotai Junan Securities Co., Ltd.	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited on 2024 public offering of ST1 renewable corporate bonds (first tranche) (variety II) for professional investors	CRCC	241096	4 June 2024	6 June 2024	6 June 2029	The basic term of the bonds will be 5 years. At the end of the agreed basic term and the end of the cycle of each renewal period, the issuer is entitled to exercise the option to renew. The maturity date will extend one cycle (i.e., an extension of 5 year) when the issuer exercises the option to renew. The renewable corporate bonds will become due if the issuer decides not to exercise the option to renew and the full amount is repaid.	999,401	2.43	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	CITIC Securities Company Limited, CSC Financial Co., Ltd., China International Capital Corporation Limited, Huatai United Securities Co., Ltd.	CITIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Code	Issuance date	Value date	Latest resale	Maturity date	Balance of the bond	Interest rate	Method of repayment and interest payment	Exchange platform	Principal underwriter	Trustee	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
					31 August 2024										date after
China Railway Construction Corporation Limited on 2024 public offering of STI renewable corporate bonds (first tranche) (variety III) for professional investors	CRCC	241097 YK11	4 June 2024	6 June 2024	6 June 2024	499,700	2.70	Bond interest will be paid once a year if the Company does not exercise the option of deferred interest payment.	Shanghai Stock Exchange	OTIC Securities Company Limited, CSC Financial Co., Ltd., China International Capital Corporation Limited, Huatai United Securities Co., Ltd.	OTIC Securities Company Limited	Professional investor	Auction, quote, inquiry, and agreement transaction	No	

Company's response to the risk of termination of listing and trading of bonds

Applicable Not applicable

2. Triggering and implementation of issuers' or investors' option terms and investors' protection terms

Applicable Not applicable

3. Adjustment of credit rating results

Applicable Not applicable

Section IX Particulars of Corporate Bonds (continued)

4. Changes, variations, and implementation status in the status of guarantees, debt service plans and other debt service guarantees and their impact during the Reporting Period

Applicable Not applicable

(II) Non-financial corporate debt financing instruments in the inter-bank bond market

Applicable Not applicable

1. Non-financial corporate debt financing instruments

Unit: '000 Currency: RMB

Bond	Short name	Date of Code issuance	Value date	Maturity date	Balance of the bond	Interest	Method of principle repayment and interest payment	Exchange platform	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
China Railway Construction Corporation Limited - 2019 second issue of medium-term note (variety II)	19 CRCC MTN002B	101901637	28 November 2019	29 November 2019	1,495,643	4.35	The interests of the note are paid in installments annually if the Company does not exercise the right of deferred payment of interest.	National Interbank Bond Market	Institutional investors in the national interbank bond market (excluding purchasers prohibited by the state's laws and regulations)	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited - 2021 first issue of medium-term note	21 CRCC MTN001	102101658	24 August 2021	25 August 2021	1,994,120	3.30	The interests of the note are paid in installments annually if the Company does not exercise the right of deferred payment of interest.	National Interbank Bond Market	Institutional investors in the national interbank bond market (excluding purchasers prohibited by the state's laws and regulations)	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Bond	Short name	Date of issuance	Value date	Maturity date	Balance of the bond	Interest	Method of principle repayment and interest payment	Exchange platform	Investor suitability arrangements (if any)	Trading mechanism	Whether there is a risk of terminating the listing transaction
China Railway Construction Corporation Limited - 2022 first issue of medium-term note	22 CRCC MTN001	102282224	11 October 2022	12 October 2022	2,995,372	2.79	The interests of the note are paid in installments annually if the Company does not exercise the right of deferred payment of interest.	National Interbank Bond Market	Institutional investors in the national interbank bond market (excluding purchasers prohibited by the state's laws and regulations)	Auction, quote, inquiry, and agreement transaction	No
China Railway Construction Corporation Limited - 2023 first issue of medium-term note	23 CRCC MTN001	102382483	14 September 2023	15 September 2023	2,995,466	3.23	The interests of the note are paid in installments annually if the Company does not exercise the right of deferred payment of interest.	National Interbank Bond Market	Institutional investors in the national interbank bond market (excluding purchasers prohibited by the state's laws and regulations)	Auction, quote, inquiry, and agreement transaction	No

Section IX Particulars of Corporate Bonds (continued)

Company's response to the risk of termination of listing and trading of bonds

Applicable Not applicable

Overdue bonds

Applicable Not applicable

Explanations on overdue debts

Applicable Not applicable

2. Triggering and implementation of issuers' or investors' option terms and investor protection terms

Applicable Not applicable

3. Adjustment of credit rating results

Applicable Not applicable

4. Implementation and changes in the status of guarantees, debt service plans and other debt service guarantees and their impact during the Reporting Period

Applicable Not applicable

5. Other explanations on non-financial corporate debt financing instruments

Applicable Not applicable

During the Reporting Period, the Company's debt financing instruments had no matters such as the exercise of renewal option, jump in interest rate, deferred interest, and mandatory interest payment. The debt financing instruments issued by the Company meet the definition and classification conditions of equity instruments in relevant accounting standards and are included in the accounting of other equity instruments.

Section IX Particulars of Corporate Bonds (continued)

(III) Proceeds from the corporate bonds

None of the Company's corporate bonds involved the use of proceeds or rectification during the Reporting Period.

Corporate bonds involved the use of proceeds or rectification during the Reporting Period

1. Bond Code: 241095.SH

Bond abbreviation: CRCC YK09

(1) Basic information

Unit: '00 million Currency: RMB

Full name of bond	China Railway Construction Corporation Limited on 2024 public offering of STI renewable corporate bonds (first tranche) (variety I) for professional investors
Whether it is one of certain types of bonds	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The specific type of certain types of bonds	Renewable corporate bonds and STI corporate bonds
Total proceeds raised	15.00
Balance of proceeds at the end of the Reporting Period	–
Balance of the special account at the end of the Reporting Period	–

(2) Adjustment of changes in the use of proceeds

Agreed use of proceeds (please list in full)	The proceeds from the bonds, after deduction of issuance costs, are intended to be used entirely to supplement the current funds required for the Company's daily production and operation, such as its main business.
Whether to change the use of proceeds	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The procedure for the change of the use of proceeds, and whether the procedure conforms to the provisions of the prospectus	Not applicable
The information disclosure on change of the use of proceeds	Not applicable
Use of proceeds upon change and its legality and compliance.	Not applicable

Section IX Particulars of Corporate Bonds (continued)

(3) Actual utilisation of proceeds (excluding temporary replenishment of working capital)

Unit: '00 million Currency: RMB

Actual amount of proceeds used during the Reporting Period	15.00
3.1.1 Amount to repay interest-bearing debt (excluding corporate bonds)	–
3.1.2 Repayment of interest-bearing debt (excluding corporate bonds)	/
3.2.1 Amount to repay corporate bonds	–
3.2.2 Repayment of corporate bonds	/
3.3.1 Amount to replenish the working capital	15.00
3.3.2 Replenishment of the working capital	The proceeds from the bonds, after deduction of issuance costs, will be used to supplement the current funds required for the Company's daily production and operation, such as its main business.
3.4.1 Amount for investment in fixed assets	–
3.4.2 Investment in fixed assets	/
3.5.1 Amount of equity investments, debt investments or asset acquisitions	–
3.5.2 Equity investments, debt investments or asset acquisitions	/
3.6.1 Amount for other purposes	–
3.6.2 Other purposes	/

Section IX Particulars of Corporate Bonds (continued)

(4) Use of Proceeds for Specific Projects

4.1	Whether the proceeds are to be used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4.1.1	Project progress	Not applicable
4.1.2	Operational benefits	Not applicable
4.1.3	Project collateralisation or pledging status (if any)	Not applicable
4.2	Whether there were any significant changes in the project during the Reporting Period, which may affect the plan for investment and use of proceeds.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4.2.1	Changes in projects	Not applicable
4.2.2	Procedural fulfilment of project changes	Not applicable
4.2.3	Changes in the use of proceeds after changes in the project (if any)	Not applicable
4.3	Whether the net income of the project at the end of the Reporting Period has decreased by more than 50% as compared with that disclosed in the prospectus or other documents, or whether other material adverse events have occurred during the Reporting Period that may affect the actual operation of the project	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4.3.1	Changes in project net income	Not applicable
4.3.2	Impact of changes in net income from projects on the Company's solvency and investors' equity, and countermeasures, etc.	Not applicable
4.4	Other matters requiring disclosure for project construction	Not applicable

Section IX Particulars of Corporate Bonds (continued)

(5) *Information on temporary replenishment of working capital*

Unit: '00 million Currency: RMB

Whether the proceeds raised during the Reporting Period were used for temporary replenishment of working capital	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Amount of temporary replenishment of working capital	Not applicable
Information on temporary replenishment of working capital, including but not limited to the purpose of temporary replenishment of working capital, commencement and restitution time, procedures for performance	Not applicable

(6) *Proceeds compliance*

Actual use of proceeds as at the end of the Reporting Period (including actual use and temporary replenishment of working capital)	The proceeds from the bonds, after deduction of issuance costs, will be used to supplement the current funds required for the Company's daily production and operation, such as its main business.
Whether the actual use is consistent with the agreed use (including the agreed use in the prospectus and the use after compliance change)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Compliance with the management and use of the proceeds account during the Reporting Period	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Details of non-compliance (if any)	Not applicable
Punishment for non-compliance utilization of proceeds (if any)	Not applicable
Whether the correction of non-compliance with the use of proceeds has been completed and information on the correction (if any)	Not applicable
Whether the use of proceeds was in line with the debt administrative provisions of the local government	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable
The violation of debt administrative provisions of the local government and correction (if any)	Not applicable

Section IX Particulars of Corporate Bonds (continued)

2. Bond Code: 241096.SH

Bond abbreviation: CRCC YK10

(1) Basic information

Unit: '00 million Currency: RMB

Full name of bond	China Railway Construction Corporation Limited on 2024 public offering of STI renewable corporate bonds (first tranche) (variety II) for professional investors
Whether it is one of certain types of bonds	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The specific type of certain types of bonds	Renewable corporate bonds and STI corporate bonds
Total proceeds raised	10.00
Balance of proceeds at the end of the Reporting Period	–
Balance of the special account at the end of the Reporting Period	–

(2) Adjustment of changes in the use of proceeds

Agreed use of proceeds (please list in full)	The proceeds from the bonds, after deduction of issuance costs, are intended to be used entirely to supplement the current funds required for the Company's daily production and operation, such as its main business.
Whether to change the use of proceeds	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The procedure for the change of the use of proceeds, and whether the procedure conforms to the provisions of the prospectus	Not applicable
The information disclosure on change of the use of proceeds	Not applicable
Use of proceeds upon change and its legality and compliance	Not applicable

Section IX Particulars of Corporate Bonds (continued)

(3) Actual utilisation of proceeds (excluding temporary replenishment of working capital)

Unit: '00 million Currency: RMB

Actual amount of proceeds used during the Reporting Period	10.00
3.1.1 Amount to repay interest-bearing debt (excluding corporate bonds)	–
3.1.2 Repayment of interest-bearing debt (excluding corporate bonds)	/
3.2.1 Amount to repay corporate bonds	–
3.2.2 Repayment of corporate bonds	/
3.3.1 Amount to replenish the working capital	10.00
3.3.2 Replenishment of the working capital	The proceeds from the bonds, after deduction of issuance costs, will be used to supplement the current funds required for the Company's daily production and operation, such as its main business.
3.4.1 Amount for investment in fixed assets	–
3.4.2 Investment in fixed assets	/
3.5.1 Amount of equity investments, debt investments or asset acquisitions	–
3.5.2 Equity investments, debt investments or asset acquisitions	/
3.6.1 Amount for other purposes	–
3.6.2 Other purposes	/

Section IX Particulars of Corporate Bonds (continued)

(4) Use of Proceeds for Specific Projects

4.1	Whether the proceeds are to be used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4.1.1	Project progress	Not applicable
4.1.2	Operational benefits	Not applicable
4.1.3	Project collateralisation or pledging status (if any)	Not applicable
4.2	Whether there were any significant changes in the project during the Reporting Period, which may affect the plan for investment and use of proceeds.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4.2.1	Changes in projects	Not applicable
4.2.2	Procedural fulfilment of project changes	Not applicable
4.2.3	Changes in the use of proceeds after changes in the project (if any)	Not applicable
4.3	Whether the net income of the project at the end of the Reporting Period has decreased by more than 50% as compared with that disclosed in the prospectus or other documents, or whether other material adverse events have occurred during the Reporting Period that may affect the actual operation of the project	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4.3.1	Changes in project net income	Not applicable
4.3.2	Impact of changes in net income from projects on the Company's solvency and investors' equity, and countermeasures, etc.	Not applicable
4.4	Other matters requiring disclosure for project construction	Not applicable

Section IX Particulars of Corporate Bonds (continued)

(5) Information on temporary replenishment of working capital

Unit: '00 million Currency: RMB

Whether the proceeds raised during the Reporting Period were used for temporary replenishment of working capital	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Amount of temporary replenishment of working capital	Not applicable
Information on temporary replenishment of working capital, including but not limited to the purpose of temporary replenishment of working capital, commencement and restitution time, procedures for performance	Not applicable

(6) Proceeds compliance

Actual use of proceeds as at the end of the Reporting Period (including actual use and temporary replenishment of working capital)	The proceeds from the bonds, after deduction of issuance costs, will be used to supplement the current funds required for the Company's daily production and operation, such as its main business.
Whether the actual use is consistent with the agreed use (including the agreed use in the prospectus and the use after compliance change)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Compliance with the management and use of the proceeds account during the Reporting Period	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Details of non-compliance (if any)	Not applicable
Punishment for non-compliance utilization of proceeds (if any)	Not applicable
Whether the correction of non-compliance with the use of proceeds has been completed and information on the correction (if any)	Not applicable
Whether the use of proceeds was in line with the debt administrative provisions of the local government	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable
The violation of debt administrative provisions of the local government and correction (if any)	Not applicable

Section IX Particulars of Corporate Bonds (continued)

3. Bond Code: 241097.SH

Bond abbreviation: CRCC YK11

(1) *Basic information*

Unit: '00 million Currency: RMB

Full name of bond	China Railway Construction Corporation Limited on 2024 public offering of STI renewable corporate bonds (first tranche) (variety III) for professional investors
Whether it is one of certain types of bonds	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The specific type of certain types of bonds	Renewable corporate bonds and STI corporate bonds
Total proceeds raised	5.00
Balance of proceeds at the end of the Reporting Period	–
Balance of the special account at the end of the Reporting Period	–

(2) *Adjustment of changes in the use of proceeds*

Agreed use of proceeds (please list in full)	The proceeds from the bonds, after deduction of issuance costs, are intended to be used entirely to supplement the current funds required for the Company's daily production and operation, such as its main business.
Whether to change the use of proceeds	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The procedure for the change of the use of proceeds, and whether the procedure conforms to the provisions of the prospectus	Not applicable
The information disclosure on change of the use of proceeds	Not applicable
Use of proceeds upon change and its legality and compliance	Not applicable

Section IX Particulars of Corporate Bonds (continued)

(3) Actual utilisation of proceeds (excluding temporary replenishment of working capital)

Unit: '00 million Currency: RMB

Actual amount of proceeds used during the Reporting Period	5.00
3.1.1 Amount to repay interest-bearing debt (excluding corporate bonds)	-
3.1.2 Repayment of interest-bearing debt (excluding corporate bonds)	/
3.2.1 Amount to repay corporate bonds	-
3.2.2 Repayment of corporate bonds	/
3.3.1 Amount to replenish the working capital	5.00
3.3.2 Replenishment of the working capital	The proceeds from the bonds, after deduction of issuance costs, will be used to supplement the current funds required for the Company's daily production and operation, such as its main business.
3.4.1 Amount for investment in fixed assets	-
3.4.2 Investment in fixed assets	/
3.5.1 Amount of equity investments, debt investments or asset acquisitions	-
3.5.2 Equity investments, debt investments or asset acquisitions	/
3.6.1 Amount for other purposes	-
3.6.2 Other purposes	/

Section IX Particulars of Corporate Bonds (continued)

(4) Use of Proceeds for Specific Projects

- | | |
|--|---|
| 4.1 Whether the proceeds are to be used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4.1.1 Project progress | Not applicable |
| 4.1.2 Operational benefits | Not applicable |
| 4.1.3 Project collateralisation or pledging status (if any) | Not applicable |
| 4.2 Whether there were any significant changes in the project during the Reporting Period, which may affect the plan for investment and use of proceeds. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4.2.1 Changes in projects | Not applicable |
| 4.2.2 Procedural fulfilment of project changes | Not applicable |
| 4.2.3 Changes in the use of proceeds after changes in the project (if any) | Not applicable |
| 4.3 Whether the net income of the project at the end of the Reporting Period has decreased by more than 50% as compared with that disclosed in the prospectus or other documents, or whether other material adverse events have occurred during the Reporting Period that may affect the actual operation of the project | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4.3.1 Changes in project net income | Not applicable |
| 4.3.2 Impact of changes in net income from projects on the Company's solvency and investors' equity, and countermeasures, etc. | Not applicable |
| 4.4 Other matters requiring disclosure for project construction | Not applicable |

Section IX Particulars of Corporate Bonds (continued)

(5) Information on temporary replenishment of working capital

Unit: '00 million Currency: RMB

Whether the proceeds raised during the Reporting Period were used for temporary replenishment of working capital	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Amount of temporary replenishment of working capital	Not applicable
Information on temporary replenishment of working capital, including but not limited to the purpose of temporary replenishment of working capital, commencement and restitution time, procedures for performance	Not applicable

(6) Proceeds compliance

Actual use of proceeds as at the end of the Reporting Period (including actual use and temporary replenishment of working capital)	The proceeds from the bonds, after deduction of issuance costs, will be used to supplement the current funds required for the Company's daily production and operation, such as its main business.
Whether the actual use is consistent with the agreed use (including the agreed use in the prospectus and the use after compliance change)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Compliance with the management and use of the proceeds account during the Reporting Period	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Details of non-compliance (if any)	Not applicable
Punishment for non-compliance utilization of proceeds (if any)	Not applicable
Whether the correction of non-compliance with the use of proceeds has been completed and information on the correction (if any)	Not applicable
Whether the use of proceeds was in line with the debt administrative provisions of the local government	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable
The violation of debt administrative provisions of the local government and correction (if any)	Not applicable

Section IX Particulars of Corporate Bonds (continued)

(IV) Other Matters to be Disclosed for Certain Types of Bonds

Applicable Not applicable

1. The Company as an issuer of convertible bonds

Applicable Not applicable

2. The Company as an issuer of green corporate bonds

Applicable Not applicable

3. The Company as an issuer of renewable corporate bonds

Applicable Not applicable

(1)

Unit: '00 million Currency: RMB

Bond code	155869.SH
Bond abbreviation	19 CRCC Y2
Balance of Bond	5.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(2)

Unit: '00 million Currency: RMB

Bond code	155856.SH
Bond abbreviation	19 CRCC Y4
Balance of Bond	15.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(3)

Unit: '00 million Currency: RMB

Bond code	163970.SH
Bond abbreviation	19 CRCC Y6
Balance of Bond	10.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(4)

Unit: '00 million Currency: RMB

Bond code	188253.SH
Bond abbreviation	21 CRCC Y2
Balance of Bond	13.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(5)

Unit: '00 million Currency: RMB

Bond code	185039.SH
Bond abbreviation	21 CRCC Y3
Balance of Bond	20.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(6)

Unit: '00 million Currency: RMB

Bond code	185038.SH
Bond abbreviation	21 CRCC Y4
Balance of Bond	10.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(7)

Unit: '00 million Currency: RMB

Bond code	185120.SH
Bond abbreviation	21 CRCC Y5
Balance of Bond	5.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(8)

Unit: '00 million Currency: RMB

Bond code	185119.SH
Bond abbreviation	21 CRCC Y6
Balance of Bond	10.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(9)

Unit: '00 million Currency: RMB

Bond code	185198.SH
Bond abbreviation	21 CRCC Y7
Balance of Bond	10.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(10)

Unit: '00 million Currency: RMB

Bond code	185196.SH
Bond abbreviation	21 CRCC Y8
Balance of Bond	10.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(11)

Unit: '00 million Currency: RMB

Bond code	185731.SH
Bond abbreviation	22 CRCC Y1
Balance of Bond	22.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(12)

Unit: '00 million Currency: RMB

Bond code	185732.SH
Bond abbreviation	22 CRCC Y2
Balance of Bond	8.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(13)

Unit: '00 million Currency: RMB

Bond code	137533.SH
Bond abbreviation	22 CRCC Y3
Balance of Bond	15.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(14)

Unit: '00 million Currency: RMB

Bond code	137534.SH
Bond abbreviation	22 CRCC Y4
Balance of Bond	15.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(15)

Unit: '00 million Currency: RMB

Bond code	138759.SH
Bond abbreviation	CRCC YK01
Balance of Bond	30.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(16)

Unit: '00 million Currency: RMB

Bond code	138800.SH
Bond abbreviation	CRCC YK03
Balance of Bond	20.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(17)

Unit: '00 million Currency: RMB

Bond code	115551.SH
Bond abbreviation	CRCC YK05
Balance of Bond	10.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(18)

Unit: '00 million Currency: RMB

Bond code	115552.SH
Bond abbreviation	CRCC YK06
Balance of Bond	15.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(19)

Unit: '00 million Currency: RMB

Bond code	240445.SH
Bond abbreviation	CRCC YK07
Balance of Bond	17.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(20)

Unit: '00 million Currency: RMB

Bond code	241095.SH
Bond abbreviation	CRCC YK09
Balance of Bond	15.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(21)

Unit: '00 million Currency: RMB

Bond code	241096.SH
Bond abbreviation	CRCC YK10
Balance of Bond	10.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

(22)

Unit: '00 million Currency: RMB

Bond code	241097.SH
Bond abbreviation	CRCC YK11
Balance of Bond	5.00
Renewal status	Not involved during the Reporting Period
Interest rate jumps	Not involved during the Reporting Period
Interest deferral	Not involved during the Reporting Period
Compulsory interest payments	Not involved during the Reporting Period
Remaining in equity and related accounting treatment	Included in owners' equity – other equity instruments
Other matters	Nil

4. The Company as an issuer of corporate bonds for poverty alleviation

Applicable Not applicable

5. The Company as an issuer of corporate bonds for rural revitalisation

Applicable Not applicable

6. The Company as an issuer of corporate bonds for the Belt and Road Initiative

Applicable Not applicable

Section IX Particulars of Corporate Bonds (continued)

7. The Company as an issuer of technological innovation corporate bonds or innovation and entrepreneurship corporate bonds

Applicable Not applicable

(1)

Unit: '00 million Currency: RMB

Bond code	138759.SH
Bond abbreviation	CRCC YK01
Balance of Bond	30.00
Progress of innovation and technology projects	Not applicable
Effectiveness in promoting development of science, technology and innovation	Good
Operation of ITF products (if any)	Not applicable
Other matters	Nil

(2)

Unit: '00 million Currency: RMB

Bond code	138800.SH
Bond abbreviation	CRCC YK03
Balance of Bond	20.00
Progress of innovation and technology projects	Not applicable
Effectiveness in promoting development of science, technology and innovation	Good
Operation of ITF products (if any)	Not applicable
Other matters	Nil

(3)

Unit: '00 million Currency: RMB

Bond code	115551.SH
Bond abbreviation	CRCC YK05
Balance of Bond	10.00
Progress of innovation and technology projects	Not applicable
Effectiveness in promoting development of science, technology and innovation	Good
Operation of ITF products (if any)	Not applicable
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(4)

Unit: '00 million Currency: RMB

Bond code	115552.SH
Bond abbreviation	CRCC YK06
Balance of Bond	15.00
Progress of innovation and technology projects	Not applicable
Effectiveness in promoting development of science, technology and innovation	Good
Operation of ITF products (if any)	Not applicable
Other matters	Nil

(5)

Unit: '00 million Currency: RMB

Bond code	240445.SH
Bond abbreviation	CRCC YK07
Balance of Bond	17.00
Progress of innovation and technology projects	Not applicable
Effectiveness in promoting development of science, technology and innovation	Good
Operation of ITF products (if any)	Not applicable
Other matters	Nil

(6)

Unit: '00 million Currency: RMB

Bond code	241095.SH
Bond abbreviation	CRCC YK09
Balance of Bond	15.00
Progress of innovation and technology projects	Not applicable
Effectiveness in promoting development of science, technology and innovation	Good
Operation of ITF products (if any)	Not applicable
Other matters	Nil

Section IX Particulars of Corporate Bonds (continued)

(7)

Unit: '00 million Currency: RMB

Bond code	241096.SH
Bond abbreviation	CRCC YK10
Balance of Bond	10.00
Progress of innovation and technology projects	Not applicable
Effectiveness in promoting development of science, technology and innovation	Good
Operation of ITF products (if any)	Not applicable
Other matters	Nil

(8)

Unit: '00 million Currency: RMB

Bond code	241097.SH
Bond abbreviation	CRCC YK11
Balance of Bond	5.00
Progress of innovation and technology projects	Not applicable
Effectiveness in promoting development of science, technology and innovation	Good
Operation of ITF products (if any)	Not applicable
Other matters	Nil

8. The Company as an issuer of corporate bonds of low-carbon transformation (linked)

Applicable Not applicable

9. The Company as an issuer of relief corporate bonds

Applicable Not applicable

10. The Company as an issuer of micro, small and medium-sized enterprise (MSME) backed bonds.

Applicable Not applicable

11. Other certain corporate bond issues

Applicable Not applicable

Section IX Particulars of Corporate Bonds (continued)

(V) Significant events relating to the corporate bonds during the Reporting Period

Applicable Not applicable

1. Non-operation receivables and funds loan

(1) Balance of non-operation receivables and funds loan

At the beginning of the Reporting Period, the balance of non-operating exchange or fund lending from other parties (hereinafter referred to as non-operation receivables and funds loan) that were not directly generated by production and operation was RMB6,149,290,000 on a consolidated basis;

During the reporting period, whether there was any non-compliance with the relevant covenants or undertakings in the prospectus in respect of non-operating exchange or fund lending

Applicable Not applicable

At the end of the Reporting Period, the total amount of unrecovered non-operation receivables and funds loan: RMB6,137,373,000.

(2) Breakdown of non-operation receivables and funds loan

As at the end of the Reporting Period, the proportion of unrecovered non-operation receivables and funds loan to the net assets on a consolidated basis was: 1.48%.

Whether it exceeds 10% of the net assets on a consolidated basis:

Applicable Not applicable

(3) Implementation of payback arrangements disclosed in previous reporting periods

Fully implemented Not fully implemented

Section IX Particulars of Corporate Bonds (continued)

2. Debt

(1) Interest-bearing debt and changes therein

1.1 Corporate debt structure

At the beginning of the Reporting Period and at the end of the Reporting Period, the balance of the Company's interest-bearing debt (not on a consolidated basis of the Company) amounted to RMB4,140,276,000 and RMB6,997,276,000 respectively, representing a year-on-year change of 69.01% in the balance of the Company's interest-bearing debt during the Reporting Period.

Unit: '000 Currency: RMB

Type of interest-bearing debt	Expiry time			Total Amount	Amount percentage of interest-bearing debt (%)
	Overdue	Within 6 months (inclusive)	More than 6 months		
Corporate credit bonds	-	-	-	-	-
Bank loans	-	120,000	6,877,276	6,997,276	100.00
Loans from non-bank financial institutions	-	-	-	-	-
Other interest-bearing debt	-	-	-	-	-
Total	-	120,000	6,877,276	6,997,276	100.00

At the end of the Reporting Period, among the Company's corporate credit bonds, the balance of corporate bonds was RMB0, the balance of corporate bonds was RMB0, the balance of non-financial corporate debt financing instruments was RMB0, and a total of RMB0 of corporate credit bonds were due for maturity or resale within the period from September to December 2024 for repayment.

Section IX Particulars of Corporate Bonds (continued)

1.2 Structure of interest-bearing debt of the Company on a consolidated basis

At the beginning and end of the Reporting Period, the balance of the Company's interest-bearing debt within the scope of the consolidated financial statements was RMB322,871,982,000 and RMB445,323,510,000 respectively, with a year-on-year change of 37.93% in the balance of interest-bearing debt during the Reporting Period.

Unit: '000 Currency: RMB

Type of interest-bearing debt	Overdue	Expiry time		Total Amount	Amount percentage of interest-bearing debt (%)
		Within 6 months (inclusive)	More than 6 months		
Corporate credit bonds	-	3,192,372	39,691,849	42,884,221	9.63
Bank loans	-	74,664,748	313,405,817	388,070,565	87.14
Loans from non-bank financial institutions	-	3,349,000	6,353,950	9,702,950	2.18
Other interest-bearing debt	-	3,672,152	993,622	4,665,774	1.05
Total	-	84,878,272	360,445,238	445,323,510	100.00

At the end of the Reporting Period, among the corporate credit bonds of the Company's consolidated accounts, the balance of corporate bonds was RMB21,296,563,000, the balance of corporate bonds was RMB0, the balance of non-financial corporate debt financing instruments was RMB17,150,844,000, and a total of RMB2,052,729,000 of corporate credit bonds were due for maturity or resale within the period from September to December 2024 for repayment.

1.3 Offshore bonds

As at the end of the Reporting Period, the balance of offshore bonds issued within the scope of the consolidated financial statements of the Company was RMB4,436,814,000, and the balance of offshore bonds maturing between September and December 2024 was RMB0.

Section IX Particulars of Corporate Bonds (continued)

- (2) *At the end of the Reporting Period, the Company and its subsidiaries had interest-bearing debt with an overdue amount of more than RMB10 million or the Company's credit bonds were overdue*

Applicable Not applicable

- (3) *Main debt situation and reasons for changes*

Unit: '000 Currency: RMB

Debt item	Balance at the end of the period	Balance at 2023	Percentage change (%)	If the percentage of change exceeds 30%, state the reason
Short-term loans	163,522,721	81,839,758	99.81	Mainly due to the Group's supplement of working capital during the Reporting Period.
Bills payable	41,060,153	53,461,242	-23.20	
Trade payables	469,938,518	491,567,214	-4.40	
Long-term loans	238,916,568	197,826,997	20.77	
Bonds payable	42,884,221	43,205,227	-0.74	

- (4) *Priority debts senior to third-party claims*

As of the end of the Reporting Period, there are priority debts senior to third-party claims within the scope of the Company's consolidated statements:

Applicable Not applicable

- (VI) *The loss within the scope of consolidated statements of the Company during the Reporting Period exceeds 10% of its net assets at the end of the previous year*

Applicable Not applicable

Section IX Particulars of Corporate Bonds (continued)

(VII) Key accounting data and financial indicators

Applicable Not applicable

Unit: '000 Currency: RMB

Principal indicators	At the end of Reporting Period	At the end of last year	Increase or decrease of the end of the Reporting Period as compared with the end of last year (%)	Reasons for change
	The Reporting Period (January to June)	The corresponding period of last year	Increase or decrease in the Reporting Period as compared with the corresponding period of last year (%)	
Liquidity ratio	1.05	1.07	-1.87	
Quick ratio	0.47	0.47	-	
Gearing ratio (%)	76.28	74.92	Increased by 1.36 percentage points	
Net profit deducting non-recurring profit or loss	11,150,727	12,897,085	-13.54	
Total debt ratio of EBITDA	2.51%	2.65%	Decreased by 0.14 percentage point	
Interest coverage ratio	3.01	3.50	-14.00	
Cash flow interest coverage ratio	-9.37	-1.38	Not applicable	Mainly due to the significant decrease in net cash flows from operating activities.
Interest coverage multiples EBITDA	4.55	5.06	-10.08	
Loan repayment rate (%)	100	100	-	
Interest repayment rate (%)	100	100	-	

II. CONVERTIBLE BONDS OF THE COMPANY

Applicable Not applicable

III. CHANGES TO THE COMPANY'S INFORMATION DISCLOSURE AFFAIRS MANAGEMENT SYSTEM

During the Reporting Period, there were no changes to the Company's information disclosure affairs management system.

Section X Financial Report

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

De Shi Bao (Yue) Zi (24) No. R00054

To the shareholders of China Railway Construction Corporation Limited:

We have reviewed the accompanying financial statements of China Railway Construction Corporation Limited (“the Company”), which comprise the consolidated and the Company’s statements of financial position as at 30 June 2024, and the consolidated and the Company’s statements of profit or loss and other comprehensive income, the consolidated and the Company’s statements of changes in equity and the consolidated and the Company’s statements of cash flows for the six months then ended, and the notes to the financial statements. The preparation of these financial statements is the responsibility of the management of the Company. Our responsibility is to express a report on review of these financial statements based on our review.

We conducted our review in accordance with China Certified Public Accountant Review Standard No. 2101 – Review of Financial Statements. This Standard requires us to plan and perform the review to obtain limited assurance about whether the financial statements are free from material misstatements. A review is limited primarily to procedures as enquiry of the entity’s personnel and analytical review procedures applied to the financial information and thus provides less assurance than an audit. We have not performed an audit, and therefore we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not prepared in accordance with the requirements of Accounting Standards for Business Enterprises and cannot present fairly, in all material respects, the consolidated and the Company’s financial position as at 30 June 2024, and financial performance and cash flows for the six months ended 30 June 2024.

Deloitte Touche Tohmatsu CPA LLP
Shanghai China

Chinese Certified Public Accountant: **Chen Xi**

Chinese Certified Public Accountant: **Zhou Hongyu**

30 August 2024

This Report on Review of Interim Financial Statements and the accompanying financial statements are English translations of the Report on Review of Interim Financial Statements prepared under accounting principles and practices generally accepted in the People’s Republic of China. These financial statements are not intended to present the financial position and financial performance and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

Consolidated Statement of Financial Position

As at 30 June 2024

RMB'000

ASSETS	Note V	30 June 2024 (unaudited)	31 December 2023
Current assets			
Cash and bank balances	1	158,706,502	166,957,837
Held-for-trading financial assets	2	1,561,016	1,629,785
Bills receivable	3	1,525,080	3,229,041
Receivables at fair value through other comprehensive income	4	1,718,133	2,723,520
Trade receivables	5	180,180,279	155,809,067
Advances to suppliers	6	24,774,821	21,712,629
Other receivables	7	64,568,691	56,902,615
Inventories	8	314,045,025	307,642,792
Contract assets	9	302,595,876	291,782,104
Current portion of non-current assets	10	18,532,277	29,531,809
Other current assets	11	37,782,051	26,831,432
Total current assets		1,105,989,751	1,064,752,631
Non-current assets			
Loans and advances to customers	12	1,725,125	1,686,305
Long-term receivables	13	120,717,474	109,859,078
Long-term equity investments	14	154,781,882	149,278,357
Debt investments	15	5,790,516	6,016,176
Other debt investments		–	5,115,845
Other non-current financial assets	16	11,669,171	10,287,149
Other equity instrument investments	17	12,929,050	12,575,571
Investment properties	18	11,477,930	11,399,446
Fixed assets	19	73,200,252	73,269,486
Construction in progress	20	5,644,712	5,810,715
Right-of-use assets	21	7,364,649	7,140,700
Intangible assets	22	87,047,034	69,736,458
Development expenditure		16,169	15,472
Goodwill	23	55,617	55,617
Long-term prepayments		904,702	852,730
Deferred tax assets	24	11,550,447	11,211,912
Other non-current assets	25	134,977,040	123,955,930
Total non-current assets		639,851,770	598,266,947
TOTAL ASSETS		1,745,841,521	1,663,019,578

The accompanying notes form part of the financial statements.

The financial statements on page 128 to page 411 have been signed by the following:

Chairman of the Company
Dai Hegen

CFO
Zhu Hongbiao

Head of the Finance Department:
Wang Lei

Consolidated Statement of Financial Position (continued)

As at 30 June 2024

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	Note V	30 June 2024 (unaudited)	31 December 2023
Current liabilities			
Short-term loans	26	163,522,721	81,839,758
Due to customers	27	1,276,334	1,356,691
Bills payable	28	41,060,153	53,461,242
Trade payables	29	469,938,518	491,567,214
Advances from customers		292,374	233,083
Contract liabilities	30	121,842,746	150,196,302
Employee benefits payable	31	14,818,707	16,117,433
Taxes payable	32	6,159,085	9,059,277
Other payables	33	133,151,039	106,058,137
Current portion of non-current liabilities	34	64,745,945	54,468,518
Other current liabilities	35	35,192,149	33,694,786
Total current liabilities		1,051,999,771	998,052,441
Non-current liabilities			
Long-term loans	36	201,419,722	165,621,478
Bonds payable	37	26,665,330	31,031,549
Lease liabilities	38	4,011,675	4,080,407
Long-term payables	39	42,236,181	41,263,172
Long-term employee benefits payable		59,162	65,376
Provisions		1,537,895	1,449,484
Deferred income		964,370	1,012,593
Deferred tax liabilities	24	1,903,073	2,008,603
Other non-current liabilities		987,666	1,314,702
Total non-current liabilities		279,785,074	247,847,364
Total liabilities		1,331,784,845	1,245,899,805
Shareholders' equity			
Share capital	40	13,579,542	13,579,542
Other equity instruments	41	60,662,550	59,463,430
Capital reserve	42	48,529,306	48,847,173
Other comprehensive income	43	(702,807)	(667,494)
Special reserve	44	-	-
Surplus reserve	45	6,789,771	6,789,771
Retained earnings	46	187,735,905	181,825,095
Total equity attributable to owners of the Company		316,594,267	309,837,517
Non-controlling interests		97,462,409	107,282,256
Total shareholders' equity		414,056,676	417,119,773
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,745,841,521	1,663,019,578

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

RMB'000

ITEM	Note V	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June, 2023 (unaudited)
Revenue	47	516,136,718	541,059,991
Less: Cost of sales	47	469,070,241	492,871,297
Taxes and surcharges	48	1,561,668	1,512,628
Selling and distribution expenses	49	2,964,103	3,316,927
General and administrative expenses	50	10,235,150	10,536,637
Research and development expenses	51	8,610,730	8,293,309
Finance costs	52	2,958,492	1,598,169
Including: Interest expenses		4,201,799	3,127,939
Interest income		1,683,522	2,051,357
Add: Other income		288,889	363,403
Investment losses	55	(953,297)	(1,814,446)
Including: Share of (losses)/profits of associates and joint ventures		(504,647)	203,817
Losses from derecognition of financial assets measured at amortised cost		(878,391)	(2,504,301)
Losses on fair value changes		(278,239)	(12,516)
Impairment losses on assets	53	(558,173)	(636,240)
Impairment of credit losses	54	(1,703,619)	(1,314,307)
Gains on disposal of assets		167,206	51,953
Operating profit		17,699,101	19,568,871
Add: Non-operating income	56	483,766	449,181
Less: Non-operating expenses	57	321,831	299,826
Profit before tax		17,861,036	19,718,226
Less: Income tax expenses	59	2,902,778	3,226,648
Net profit		14,958,258	16,491,578
Classified by the continuity of operation			
Net profit from continuing operations		14,958,258	16,491,578
Net profit from discontinued operations		-	-

Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

For the six months ended 30 June 2024

RMB'000

ITEM	Note V	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June, 2023 (unaudited)
Classified by the ownership			
Net profit attributable to owners of the Company		11,902,158	13,648,610
Net profit attributable to non-controlling interests		3,056,100	2,842,968
Other comprehensive (expenses)/income, net of tax	43	(3,492)	1,006,819
Other comprehensive (expenses)/income attributable to owners of the Company, net of tax		(63,693)	990,323
Other comprehensive income/(expenses) not to be reclassified to profit or loss			
Changes in fair value of other equity instrument investments		49,888	(94,047)
Other comprehensive income/(expenses) to be reclassified to profit or loss			
Shares of other comprehensive income that will be reclassified subsequently into profit or loss by the investee under equity method		2,320	507,097
Changes in fair value of other debt investments		(7,651)	5,946
Exchange differences on translation of foreign operations		(104,731)	569,363
Changes in fair value of receivables at fair value through other comprehensive income		(3,519)	1,964
Other comprehensive income attributable to non-controlling interests, net of tax		60,201	16,496
Total comprehensive income		14,954,766	17,498,397
Including:			
Total comprehensive income attributable to owners of the Company		11,838,465	14,638,933
Total comprehensive income attributable to non-controlling interests		3,116,301	2,859,464
Earnings per share:			
Basic earnings per share (<i>RMB/share</i>)	60	0.79	0.91
Diluted earnings per share (<i>RMB/share</i>)	60	0.79	0.91

Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

RMB'000

ITEM	Note V	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June, 2023 (unaudited)
1. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from the sale of goods or rendering of services		496,064,021	540,413,537
Refunds of tax		933,485	1,090,597
Net decrease in due to customers and due to banks		(80,357)	(1,725,900)
Cash received from other operating activities	61(1)	10,039,124	11,136,526
Subtotal of cash inflows from operating activities		506,956,273	550,914,760
Cash paid for goods and services		519,838,813	503,318,852
Net decrease in loans and advances to customers		47,180	250,000
Net (decrease)/increase in balances with the central bank		(16,680)	268,331
Cash paid to and on behalf of employees		41,808,029	40,026,830
Payments of various types of taxes		14,325,018	15,888,997
Cash paid for other operating activities	61(2)	12,630,196	10,504,727
Subtotal of cash outflows from operating activities		588,632,556	570,257,737
Net cash flows used in operating activities	62(1)	(81,676,283)	(19,342,977)
2. CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash received from disposal of investments		10,504,732	5,925,140
Cash received from investment income		757,597	703,284
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		720,373	767,518
Net decrease in cash and bank balances with title restrictions		384,485	167,825
Cash received from other investing activities		1,562,603	105,500
Subtotal of cash inflows from investing activities		13,929,790	7,669,267
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		17,960,099	14,987,958
Cash paid for acquisition of investments		15,838,860	19,546,355
Net cash payments for acquisitions of subsidiaries and other business units		-	197
Cash paid for other investing activities		1,109,220	1,485,186
Subtotal of cash outflows from investing activities		34,908,179	36,019,696
Net cash flows used in investing activities		(20,978,389)	(28,350,429)

Consolidated Statement of Cash Flows (continued)

For the six months ended 30 June 2024

RMB'000

ITEM	Note V	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June, 2023 (unaudited)
3. CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash received as capital contributions		4,452,804	3,995,992
Including: Cash received from non-controlling shareholders of subsidiaries		1,454,602	1,497,535
Cash received from issuing bonds		5,175,000	11,900,000
Cash received from borrowings		240,379,857	147,987,926
Cash received from other financing activities		1,158,500	411,997
Subtotal of cash inflows from financing activities		251,166,161	164,295,915
Cash repayments for borrowings		131,948,845	93,167,307
Cash paid for distribution of dividends or profits and for interest expenses		10,464,440	8,941,452
Including: Cash paid to non-controlling shareholders for distribution of dividends by subsidiaries		2,323,200	2,081,623
Cash paid for other financing activities	61(3)	13,420,939	1,250,738
Subtotal of cash outflows from financing activities		155,834,224	103,359,497
Net cash flows generated from financing activities		95,331,937	60,936,418
4. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(550,674)	(499,625)
5. NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(7,873,409)	12,743,387
Add: Cash and cash equivalents at beginning of the period	62(3)	152,637,777	144,515,492
6. CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	62(3)	144,764,368	157,258,879

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

RMB'000

ITEM	For the six months ended 30 June 2024 (unaudited)									
	Equity attributable to owners of the Company								Non-controlling interests	Total shareholders' equity
	Share capital	Other equity instruments	Capital reserve	Other Comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal		
I. As at 31 December 2023	13,579,542	59,463,430	48,847,173	(667,494)	-	6,789,771	181,825,095	309,837,517	107,282,256	417,119,773
II. Increase/(decrease) during the period	-	1,199,120	(317,867)	(35,313)	-	-	5,910,810	6,756,750	(9,819,847)	(3,063,097)
(I) Total comprehensive income	-	-	-	(63,693)	-	-	11,902,158	11,838,465	3,116,301	14,954,766
(II) Capital contributions and withdrawals by shareholders	-	1,199,120	(317,867)	-	-	-	-	881,253	(10,427,605)	(9,546,352)
1. Capital contributions and withdrawals by Shareholders	-	-	(383,324)	-	-	-	-	(383,324)	(11,623,187)	(12,006,511)
2. Capital contributions and withdrawals by other equity instruments holders (Note V.41)	-	1,199,120	(918)	-	-	-	-	1,198,202	-	1,198,202
3. Equity transactions with non-controlling interests (Note V.42)	-	-	66,375	-	-	-	-	66,375	1,195,582	1,261,957
(III) Profit distribution	-	-	-	-	-	-	(5,962,968)	(5,962,968)	(2,508,543)	(8,471,511)
1. Distribution to shareholders (Note V.46)	-	-	-	-	-	-	(5,962,968)	(5,962,968)	(2,508,543)	(8,471,511)
(IV) Special reserve (Note V.44)	-	-	-	-	-	-	-	-	-	-
1. Appropriated in current period	-	-	-	-	8,757,149	-	-	8,757,149	-	8,757,149
2. Used in current period	-	-	-	-	(8,757,149)	-	-	(8,757,149)	-	(8,757,149)
(V) Others (Note V.43)	-	-	-	28,380	-	-	(28,380)	-	-	-
III. As at 30 June 2024	13,579,542	60,662,550	48,529,306	(702,807)	-	6,789,771	187,735,905	316,594,267	97,462,409	414,056,676

Consolidated Statement of Changes in Equity (continued)

For the six months ended 30 June 2024

RMB'000

ITEM	For the six months ended 30 June 2023 (unaudited)									
	Equity attributable to owners of the Company									Total shareholders' equity
	Share capital	Other equity instruments	Capital reserve	Other Comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests	
I. As at 31 December 2022	13,579,542	59,959,677	48,907,056	(819,139)	-	6,789,771	162,067,076	290,483,983	95,531,880	386,015,863
(I) Changes in accounting policies	-	-	-	-	-	-	(85,944)	(85,944)	(9,867)	(95,811)
II. As at 1 January 2023	13,579,542	59,959,677	48,907,056	(819,139)	-	6,789,771	161,981,132	290,398,039	95,522,013	385,920,052
III. Increase/(decrease) during the period	-	2,498,457	(1,423)	990,323	-	-	8,592,250	12,079,607	2,525,853	14,605,460
(I) Total comprehensive income	-	-	-	990,323	-	-	13,648,610	14,638,933	2,859,464	17,498,397
(II) Capital contributions and withdrawals by shareholders	-	2,498,457	(1,423)	-	-	-	-	2,497,034	1,910,955	4,407,989
1. Capital contributions and withdrawals by Shareholders	-	-	-	-	-	-	-	-	1,497,535	1,497,535
2. Capital contributions and withdrawals by other equity instruments holders (Note V.41)	-	2,498,457	-	-	-	-	-	2,498,457	-	2,498,457
3. Equity transactions with non-controlling interests	-	-	(1,423)	-	-	-	-	(1,423)	413,420	411,997
(III) Profit distribution	-	-	-	-	-	-	(5,056,360)	(5,056,360)	(2,244,566)	(7,300,926)
1. Distribution to shareholders (Note V.46)	-	-	-	-	-	-	(5,056,360)	(5,056,360)	(2,244,566)	(7,300,926)
(IV) Special reserve (Note V.44)	-	-	-	-	-	-	-	-	-	-
1. Appropriated in current period	-	-	-	-	7,874,849	-	-	7,874,849	-	7,874,849
2. Used in current period	-	-	-	-	(7,874,849)	-	-	(7,874,849)	-	(7,874,849)
IV. As at 30 June 2023	13,579,542	62,458,134	48,905,633	171,184	-	6,789,771	170,573,382	302,477,646	98,047,866	400,525,512

The Company's Statement of Financial Position

As at 30 June 2024

RMB'000

ASSETS	<i>Note XIV</i>	30 June 2024 (unaudited)	31 December 2023
Current assets			
Cash and bank balances		28,772,142	19,640,835
Held-for-trading financial assets		57,803	63,368
Trade receivables	1	2,457,226	2,854,061
Advances to suppliers		223,226	574,398
Other receivables	2	23,617,375	18,985,581
Inventories		280	2,758
Contract assets		445,018	666,681
Current portion of non-current assets		5,179,053	10,800,000
Other current assets		155,159	149,127
Total current assets		60,907,282	53,736,809
Non-current assets			
Long-term receivables		48,696,733	43,541,609
Long-term equity investments	3	103,305,853	103,305,853
Other equity instrument investments		360,201	307,245
Fixed assets		340,512	352,035
Construction in progress		49,530	21,146
Right-of-use assets		8,988	3,200
Intangible assets		178,186	191,072
Long-term prepayments		5,341	6,494
Other non-current assets		2,915,005	2,411,623
Total non-current assets		155,860,349	150,140,277
TOTAL ASSETS		216,767,631	203,877,086

The Company's Statement of Financial Position (continued)

As at 30 June 2024

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	Note XIV	30 June 2024 (unaudited)	31 December 2023
Current liabilities			
Short-term loans		2,900,000	–
Trade payables		8,013,280	9,451,734
Contract liabilities		380,912	388,349
Employee benefits payable		168,216	138,035
Taxes payable		5,799	8,799
Other payables	4	19,114,651	14,427,368
Current portion of non-current liabilities		313,169	542,228
Other current liabilities		512,042	595,629
Total current liabilities		31,408,069	25,552,142
Non-current liabilities			
Long-term loans	5	3,891,276	3,734,276
Lease liabilities		4,477	661
Long-term payables		3,540,890	3,030,202
Long-term employee benefits payable		4,863	4,904
Deferred income		–	4,050
Deferred tax liabilities		37,557	30,442
Total non-current liabilities		7,479,063	6,804,535
Total liabilities		38,887,132	32,356,677
Shareholders' equity			
Share capital	Note V. 40	13,579,542	13,579,542
Capital reserve		46,857,038	46,857,956
Other comprehensive income		104,157	64,440
Other equity instruments	Note V. 41	60,662,550	59,463,430
Special reserve		–	–
Surplus reserve	Note V. 45	6,789,771	6,789,771
Retained earnings		49,887,441	44,765,270
Total shareholders' equity		177,880,499	171,520,409
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		216,767,631	203,877,086

The Company's Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

RMB'000

ITEM	Note XIV	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Revenue	6	5,255,972	4,162,787
Less: Cost of sales	6	5,174,237	3,786,455
Taxes and surcharges		1,266	2,850
Selling and distribution expenses		17,519	261,884
General and administrative expenses		274,669	249,425
Research and development expenses		17,890	1,863
Finance costs	7	(1,087,338)	(971,588)
Including: Interest expenses		225,923	359,066
Interest income		1,346,537	1,477,692
Add: Other income		6,127	1,488
Investment income	8	10,224,556	8,615,659
Losses on fair value changes		(5,565)	(2,505)
Impairment (losses)/gains on assets		(3,094)	7,905
Impairment of credit gains/(losses)		1,573	(10,428)
Operating profit		11,081,326	9,444,017
Add: Non-operating income		61	72
Less: Non-operating expenses		2,372	139
Profit before tax		11,079,015	9,443,950
Less: Income tax expenses		(6,124)	108,854
Net profit		11,085,139	9,335,096
Classified by the continuity of operation			
Net profit from continuing operations		11,085,139	9,335,096
Net profit from discontinued operations		-	-
Other comprehensive income, net of tax		39,717	31,256
Other comprehensive income not to be reclassified to profit or loss			
Changes in fair value of other equity instrument investments		39,717	31,256
Total comprehensive income		11,124,856	9,366,352

The Company's Statement of Cash Flows

For the six months ended 30 June 2024

RMB'000

ITEM	Note XIV	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
1. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from the sale of goods or rendering of services		6,529,297	4,756,233
Refunds of tax		–	69
Cash received from other operating activities		11,022,502	7,080,289
Subtotal of cash inflows from operating activities		17,551,799	11,836,591
Cash paid for goods and services		6,397,671	4,746,942
Cash paid to and on behalf of employees		177,040	183,576
Cash paid for all taxes		10,421	11,253
Cash paid for other operating activities		12,248,768	4,240,368
Subtotal of cash outflows from operating activities		18,833,900	9,182,139
Net cash flows (used in)/generated from operating activities	9(1)	(1,282,101)	2,654,452
2. CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash received from investment income		6,840,698	8,116,700
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		1	2
Subtotal of cash inflows from investing activities		6,840,699	8,116,702
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		34,912	18,723
Net increase in cash and bank balances with title restrictions		1,449	11,266
Subtotal of cash outflows from investing activities		36,361	29,989
Net cash flows generated from investing activities		6,804,338	8,086,713

The Company's Statement of Cash Flows (continued)

For the six months ended 30 June 2024

RMB'000

ITEM	Note XIV	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
3. CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash received as capital contributions		2,998,202	2,498,457
Cash received from borrowings		10,226,800	–
Cash received from issuing bonds		–	6,000,000
Subtotal of cash inflows from financing activities		13,225,002	8,498,457
Cash repayments for borrowings		7,358,900	11,262,968
Cash paid for distribution of dividends or profits and for interest expenses		693,841	489,880
Cash paid for other financing activities		1,803,226	2,031
Subtotal of cash outflows from financing activities		9,855,967	11,754,879
Net cash flows generated from/(used in) financing activities		3,369,035	(3,256,422)
4. EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS		5,787	25,017
5. NET INCREASE IN CASH AND CASH EQUIVALENTS		8,897,059	7,509,760
Add: Opening Balance of Cash and Cash Equivalents	9(2)	20,064,143	18,757,618
6. CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	9(2)	28,961,202	26,267,378

The Company's Statement of Changes in Equity

For the six months ended 30 June 2024

RMB'000

ITEM	For the six months ended 30 June 2024 (unaudited)							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. As at 31 December 2023	13,579,542	59,463,430	46,857,956	64,440	-	6,789,771	44,765,270	171,520,409
II. Increase/(decrease) during the period	-	1,199,120	(918)	39,717	-	-	5,122,171	6,360,090
(I) Total comprehensive income	-	-	-	39,717	-	-	11,085,139	11,124,856
(II) Capital contributions and withdrawals by shareholders	-	1,199,120	(918)	-	-	-	-	1,198,202
1. Capital contributions and withdrawals by other equity instruments holders (Note V.41)	-	1,199,120	(918)	-	-	-	-	1,198,202
(III) Profit distribution	-	-	-	-	-	-	(5,962,968)	(5,962,968)
1. Distribution to shareholders (Note V.46)	-	-	-	-	-	-	(5,962,968)	(5,962,968)
(IV) Special reserve (Note V.44)	-	-	-	-	-	-	-	-
1. Appropriated in current period	-	-	-	-	72,647	-	-	72,647
2. Used in current period	-	-	-	-	(72,647)	-	-	(72,647)
III. As at 30 June 2024	13,579,542	60,662,550	46,857,038	104,157	-	6,789,771	49,887,441	177,880,499

The Company's Statement of Changes in Equity (continued)

For the six months ended 30 June 2024

RMB'000

ITEM	For the six months ended 30 June 2023 (unaudited)							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. As at 31 December 2022	13,579,542	59,959,677	46,869,310	41,971	-	6,789,771	39,435,692	166,675,963
(i) Changes in accounting policies	-	-	-	-	-	-	184	184
II. As at 1 January 2023	13,579,542	59,959,677	46,869,310	41,971	-	6,789,771	39,435,876	166,676,147
III. Increase during the period	-	2,498,457	-	31,256	-	-	4,278,736	6,808,449
(i) Total comprehensive income	-	-	-	31,256	-	-	9,335,096	9,366,352
(ii) Capital contributions and withdrawals by shareholders	-	2,498,457	-	-	-	-	-	2,498,457
1. Capital contributions and withdrawals by other equity instruments holders <i>(Note V.41)</i>	-	2,498,457	-	-	-	-	-	2,498,457
(iii) Profit distribution	-	-	-	-	-	-	(5,056,360)	(5,056,360)
1. Distribution to shareholders <i>(Note V.46)</i>	-	-	-	-	-	-	(5,056,360)	(5,056,360)
(iv) Special reserve <i>(Note V.44)</i>	-	-	-	-	-	-	-	-
1. Appropriated in current period	-	-	-	-	69,254	-	-	69,254
2. Used in current period	-	-	-	-	(69,254)	-	-	(69,254)
IV. As at 30 June 2023	13,579,542	62,458,134	46,869,310	73,227	-	6,789,771	43,714,612	173,484,596

Notes to the Financial Statements

For the six months ended 30 June 2024

I. CORPORATE INFORMATION

China Railway Construction Corporation Limited (the “Company”) is a joint stock limited company with limited liability registered in Beijing in the People’s Republic of China (the “PRC” or “Mainland China”) on 5 November 2007. The Company’s shares have been listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange. The registered address of the Company’s head office is located at East No. 40 Fuxing Road, Haidian District, Beijing, PRC.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) mainly consist of construction operations, plan, design and consultancy operations, trade and logistics, manufacturing operations and real estate development operations.

The Company’s parent and ultimate holding company is China Railway Construction Corporation (referred to as the “Controlling Shareholder”), a company registered in PRC.

These financial statements have been approved and authorised for issue by the board of directors of the Company on 30 August 2024.

The scope of consolidated financial statements shall be determined on the basis of control. Refer to Note VI for the changes of consolidation scope for the period.

II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared by the Group on a going-concern basis in accordance with *Accounting Standards for Business Enterprises* and other relevant provisions issued and revised subsequently by the Ministry of Finance of the People’s Republic of China (“Ministry of Finance”) (collectively referred to as “Accounting Standards for Business Enterprises”). In addition, the financial statements are also disclosed in accordance with *Information Disclosure and Presentation Rules for Companies Public offering Securities No. 15 – General Provisions on Financial Reporting* (revised by China Securities Regulatory Commission in 2023).

In accordance with the *Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong* issued by the Hong Kong Stock Exchange in December 2010, the corresponding amendments to the Hong Kong Listing Rules, as well as the relevant documents issued by the Ministry of Finance and China Securities Regulatory Commission (“CSRC”), the Company ceased to provide financial reports prepared in accordance with *Accounting Standards for Business Enterprises* and *International Financial Reporting Standards* separately to A-share shareholders and H-share shareholders from the year of 2011 with the approval of the Company’s general meeting of shareholders. Instead, the Company provides all shareholders with financial reports solely prepared in accordance with *China Accounting Standards*, taking into account the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited in preparing such financial reports.

The Group has adopted accrual basis for accounting measurement. The financial statements have been presented under the historical cost, except for certain financial assets which have been measured at fair value. If the assets are impaired, the corresponding provisions for impairment shall be made according to relevant requirements.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

According to the characteristics of its production and operation, the Group formulated a series of specific accounting policies and accounting estimates, including the impairment of receivables and contract assets, the measurement of inventories, the provisions for decline in value of inventories, the depreciation methods and the depreciation rates of the fixed assets, the amortisation methods of the intangible assets, the method of long-term assets impairment testing, and the policy for revenue recognition, etc.

1. **Statement of compliance with Accounting Standards for Business Enterprises**

The financial statements present fairly and fully the financial position of the Group and the Company as at 30 June 2024 and the consolidated and the Company's financial performance, the consolidated and the Company's changes in equity and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

2. **Accounting period**

The accounting year of the Group is from 1 January to 31 December of each calendar year. The reporting period for the financial statements is from 1 January 2024 to 30 June 2024.

3. **Functional currency**

Renminbi ("RMB") is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose RMB as their functional currency. The overseas subsidiaries of the Company may determine their own functional currencies based on their specific economic environments. The Group adopts RMB to prepare its financial statements.

4. **Determination method for materiality criterion and basis for selection**

The Group applies the principle of materiality to prepare and present financial statements. An item is material if it is reasonably expected that the omission or misstatement of the item in the financial statements would affect the economic decision made by the user accordingly. When judging the materiality, the Group determined whether the item is material from two aspects, the nature of the item (whether it arises from the Group's normal activities, whether it materially affects the Group's financial position, financial performance, and cash flows, etc) and the amount of the item (the proportion of the amount to the Group's key financial indicator, including revenue, cost of sales, net profit, total assets, total liabilities, total shareholders' equity or the proportion to the amount of specific line item).

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. *Business combinations*

Business combinations are classified into business combinations involving entities under common control and business combinations not involving entities under common control.

5.1 **Business**

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs, and its costs or revenue generated can be calculated independently.

The sets of activities and assets acquired in the combination can be considered as business only when the sets include an input and a substantive process that together significantly contribute to the ability to create outputs.

When no output created on the acquisition date, the acquired processes are considered substantive by the Group if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes, and including necessary materials, rights, other necessary economic resources and other necessary inputs, for example techniques, research and development projects, real estates, mining equity, etc.

When outputs created on the acquisition date, the acquired processes are considered substantive by the Group if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant costs.

When judging the sets of activities and assets acquired in the combination can be considered as business, the Group considers that it can be managed and operated as a business from the perspective of market participants, rather than judging by the management intention or the operating history of the acquiree.

5.2 **Business combinations involving entities under common control**

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. For a business combination involving entities under common control, the party that, on the combination date, obtains control of another entity participating in the combination is the acquirer, while the other entity participating in the combination is a party being acquired. The combination date is the date on which the acquirer effectively obtains control of the party being acquired.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. *Business combinations (continued)*

5.2 **Business combinations involving entities under common control (continued)**

Assets and liabilities (including the goodwill recognised by the ultimate controlling party in acquisition of the acquiree) that are obtained by the acquirer in a business combination shall be measured at their carrying amounts at the combination date as recorded by the ultimate controlling party. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of the shares issued as consideration) is adjusted to share premium under capital reserve. If the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss in the year in which they are incurred.

5.3 **Business combinations involving entities not under common control**

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the combination. For a business combination involving entities not under common control, the party that, on the acquisition date, obtains control of another entity participating in the combination is the acquirer, while the other entity participating in the combination is the acquiree. The acquisition date is the date on which the acquirer effectively obtains control of the acquiree.

The cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree. The intermediary expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other associated administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The acquirer shall measure the acquiree's identifiable assets, liabilities and contingent liabilities acquired in the business combination at their fair values on the purchase date.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. *Business combinations (continued)*

5.3 **Business combinations involving entities not under common control (continued)**

Goodwill is measured at cost being the excess of the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the acquirer's previously held equity interest in the acquiree over the acquirer's interest in the fair value of the acquiree's net identifiable assets. Goodwill is subsequently measured at cost deducted by accumulated provision. If the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the acquirer's previously held equity interest in the acquiree is lower than the acquirer's interest in the fair value of the acquiree's net identifiable assets, the difference is, after reassessment of the fair value of each identifiable asset, liability and contingent liability acquired from the acquiree and the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the acquirer's previously held equity interest in the acquiree, recognised in profit or loss.

If either the fair values of identifiable assets, liabilities and contingent liabilities acquired in a combination or the cost of business combination can be determined only provisionally by the end of the period in which the business combination was affected, the acquirer recognises and measures the combination using those provisional values. Any adjustments to those provisional values within twelve months after the acquisition date are treated as if they had been recognised and measured on the acquisition date.

6. **Consolidated financial statements**

The consolidation scope of the consolidated financial statements is determined on the basis of control. Control exists when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes of the above elements of the definition of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Consolidated financial statements (continued)

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company.

All intra-group transactions are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as minority interests and presented as "non-controlling interests" in the consolidated statement of financial position within shareholders' equity. The portion of net profits or losses of subsidiaries for the period attributable to non-controlling interests is presented as "net profit attributable to non-controlling interests" in the consolidated statement of profit or loss and other comprehensive income below the "net profit" line item.

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of shareholders' equity of the subsidiary, the excess amount is still allocated against non-controlling interests.

Acquisition of minority interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Company's interests and minority interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve under shareholders' equity. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

When the Group loses control over a subsidiary due to disposal of certain equity interest or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between (1) the aggregate of the consideration received on disposal and the fair value of any retained interest and (2) the share of the former subsidiary's net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognised as investment income in the period in which control is lost. Other comprehensive income associated with investment in the former subsidiary is reclassified to investment income in the period in which control is lost.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. *Consolidated financial statements (continued)*

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights related to administrative tasks only. The relevant activities of a structured entity are directed by means of contractual agreements. When the Group acts as an asset manager in a structured entity, the Group is required to determine whether it is exercising decision-making rights as a principal or an agent in the structured entities. If the Group (as an asset manager) is only acting as an agent, it exercises decision-making rights on behalf of the principal (other investors of the structured entities) and does not control the structured entities. If the Group (as an asset manager) is exercising decision-making rights on its own behalf, it is the principal and controls the structured entities.

7. *Joint arrangement and joint operations*

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

In respect of joint operations, the Group as a party of joint operation recognises its interest in a joint operation: (1) its assets held individually and its share of assets held jointly; (2) its liabilities assumed individually and its share of liabilities assumed jointly; (3) its revenue from the sale of its share of the output arising from the joint operation; (4) its share of the revenue from the sale of the output by the joint operation; and (5) its expenses incurred individually and its share of expenses incurred jointly.

The Group measures its joint ventures under equity method, please refer to Note III. 13.3.2.

8. *Cash and cash equivalents*

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments held by the Group, that are readily convertible into known amounts of cash, and which are subject to an insignificant risk of changes in value.

9. *Foreign currency transactions and foreign currency translations*

The Group translates the amounts of foreign currency transactions into its functional currency.

Foreign currency transactions are initially recorded using the functional currency spot exchange rate ruling at the dates of the transactions. Monetary items denominated in foreign currencies are translated into functional currencies at the spot exchange rate ruling at the balance sheet date. All differences are recognised in profit or loss, except those related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation for the purpose of acquisition, construction or production of qualifying assets. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated into functional currencies using the foreign spot exchange rates at the transaction dates and do not change the amounts of functional currency.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. *Foreign currency transactions and foreign currency translations (continued)*

Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the foreign exchange spot rate at the date the fair value is determined; the exchange differences are recognised in profit or loss or other comprehensive income depending on the nature of the non-monetary items.

For foreign operations, the Group translates functional currencies of overseas financial statements into RMB financial statements. All assets and liabilities are translated at the spot exchange rates ruling at the balance sheet date; the shareholders' equity, with the exception of retained earnings, is translated at the spot exchange rates ruling at the transaction dates; all items in the statement of profit or loss and other comprehensive income and items reflect amounts of profit distribution are translated at the spot exchange rates at the transaction dates. The undistributed profit at the beginning of the year/period equals the translated undistributed profit of the previous year/period; the undistributed profit at the end of the year/period is calculated according to the translated profit distribution items. Exchange fluctuations arising from the translations mentioned above are recognised as other comprehensive income. When an overseas business is disposed of, the exchange fluctuation reserve of the overseas business will be transferred to profit or loss in the same period.

Foreign currency cash flows and cash flows of overseas subsidiaries are translated into RMB at the spot exchange rates ruling at the dates of the cash flows. The effect of changes in exchange rates on cash and cash equivalents are presented as a reconciled item separately in the statement of cash flows.

10. *Financial instruments*

The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument. For the financial assets that are purchased and sold under regular ways, the assets to be acquired and the liabilities to be assumed are recognised on the trade days, and the assets sold are derecognised on the trade days.

On initial recognition, financial assets and financial liabilities are recognised at fair value. For financial assets and financial liabilities at fair value through profit or loss (FVTPL), relevant transaction costs are directly recognised in profit or loss; transaction costs relating to other categories of financial assets and financial liabilities are included in the value initially recognised. For trade receivables initially recognised that do not contain a significant financing component or a financing component included in the contracts less than one year which are not considered, which are within the scope of *Accounting Standard for Business Enterprises No. 14 – Revenue* (ASBE No. 14), transaction prices shall be adopted on initial recognition.

The effective interest method is a method that is used in the calculation of the amortised cost of a financial asset or a financial liability and in the allocation of the interest income or interest expense in profit or loss over the relevant period.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. *Financial instruments (continued)*

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability to the carrying amount of a financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates future cash flows by considering all the contractual terms of the financial asset or financial liability (for example, prepayment, extension, call option or similar options) but shall not consider the expected credit losses ("ECL").

The amortised cost of a financial asset or a financial liability is the amount of a financial asset, or a financial liability initially recognised net of principal repaid, plus or less the cumulative amortised amount arising from amortisation of the difference between the amount initially recognised and the amount at the maturity date using the effective interest method, net of cumulative credit loss allowance (only applicable to financial assets).

10.1 Classification and measurement of financial assets

Subsequent to initial recognition, the Group's financial assets of various categories are subsequently measured at amortised cost, at fair value through other comprehensive income (FVTOCI) or at FVTPL.

10.1.1 *Financial assets measured as at amortised cost*

If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model of which objective is to hold financial assets in order to collect contractual cash flows, such asset is classified into financial assets measured at amortised cost. The Group's financial assets measured at amortised cost including cash and bank balances, bills receivable, trade receivables, other receivables, loans and advances to customers, long-term receivables due within one year that are presented under non-current assets due within one year and debt investments due within one year that are presented under non-current assets due within one year.

The above financial assets are subsequently measured at amortised cost using the effective interest method. Gain or loss arising from impairment or derecognition is recognised in profit or loss.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (continued)

10.1 Classification and measurement of financial assets (continued)

10.1.1 Financial assets measured as at amortised cost (continued)

Interest income from financial assets at amortised cost is recognised based on the effective interest method. The Group calculates interest income by applying the effective interest rate to the gross carrying amount of the financial asset, except:

- (1) For the purchased or internally generated credit-impaired financial assets, the Group recognises interest income based on amortised cost and credit-adjusted effective interest rate of such financial assets since initial recognition.
- (2) For the purchased or internally generated financial assets without credit-impairment but subsequently becoming credit-impaired, the Group subsequently recognises their interest income based on amortised costs and effective interest rate of such financial assets. If the credit impairment no longer exists due to an improvement in credit risk of the financial instruments subsequently and such improvement is relevant to some events occurred after applying the policies mentioned above, the Group recognises interest income based on applying effective interest rate to gross carrying amount of the financial assets.

10.1.2 Financial assets classified as at FVTOCI

Financial assets that meet the following conditions are subsequently measured at FVTOCI: the financial asset is held within a business model of which objective is achieved by both collecting contractual cash flows and selling; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets classified as at FVTOCI are presented by the Group as other debt investments (non-current assets due within one year and are present as Current portion of non-current assets) and receivables at FVTOCI in financial statements.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (continued)

10.1 Classification and measurement of financial assets (continued)

10.1.2 Financial assets classified as at FVTOCI (continued)

Financial assets classified as at FVTOCI's relevant loss/gain on impairment and interest income based on effective interest rate are recognised in profit or loss. Except for the above circumstances, changes in fair value of such financial assets are all recognised in other comprehensive income. Such financial assets' changes that are recognised in profit or loss in each period equal to their changes that are recognised in profit or loss in each period as they are measured at amortised cost from acquisition date. Upon derecognition of the financial assets, cumulative gains or losses previously recognised in other comprehensive income are transferred and included in profit or loss.

10.1.3 Financial assets designated as at FVTOCI

On initial recognition, the Group may irrevocably designate non-trading equity instruments as financial assets at FVTOCI on an individual basis. Financial assets designated as at FVTOCI are presented by the Group as other equity instrument investments in financial statements.

The fair value changes of such financial asset is recognised in other comprehensive income. Upon derecognition of the financial asset, cumulative gains or losses previously recognised in other comprehensive income are transferred and included in retained earnings. During the period for which the Group holds the investments in equity instruments, dividend income is recognised in profit or loss for the period when the Group has right to collect dividend, the economic benefits associated with dividend will probably flow into the Group and the amount of dividend can be reliably measured.

10.1.4 Financial assets measured at FVTPL

Any financial assets that do not qualify for amortised cost measurement or measurement at FVTOCI or designated at FVTOCI are classified into financial assets at FVTPL. FVTPL are presented by the Group as held-for-trading financial assets and other non-current financial assets items in the statement of financial position, based on its liquidity.

The above financial assets are subsequently measured at fair value. Gains or losses arising from fair value changes and dividends and interest income in relation to such financial assets are recognised in profit or loss for the period.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. *Financial instruments (continued)*

10.2 Impairment of financial assets

The Group recognises loss allowance for financial assets measured as at amortised cost, financial assets classified as at FVTOCI, lease receivables, contract assets and financial guarantee contracts based on ECL.

The Group measures loss allowance for contract assets, trade receivables and lease receivables based on the amount of full lifetime ECL.

For other financial instruments, except for the purchased or internally generated credit-impaired financial assets, at each balance sheet date, the Group assesses changes in credit risk of relevant financial instruments since initial recognition. If the credit risk of the above financial instruments has not increased significantly since initial recognition, the Group recognises loss allowance based on 12-month ECL of the financial instrument. If the credit risk of the above financial instruments has increased significantly, the Group measures loss based on the amount of ECL for their full lifetime. The increase or reversal of credit loss allowance is included in profit or loss as loss/gain on impairment. Except for financial assets classified as at FVTOCI, allowance for credit losses decreases the gross carrying amount of financial assets. For financial assets classified as at FVTOCI, the Group recognises credit loss allowance in other comprehensive income and does not decrease the carrying amount of such financial assets in the statement of financial position.

The Group measured loss allowance at the full lifetime ECL of the financial instruments in the prior accounting period. However, at each balance sheet date, for the above financial instruments, due to failure to qualify as significant increase in credit risk since initial recognition, the Group measures loss allowance for the financial instrument at 12-month ECL at each balance sheet date. Relevant reversal of loss allowance is included in profit or loss for the current period as gain on impairment.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (continued)

10.2 Impairment of financial assets (continued)

10.2.1 Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group uses available, reasonable and supportable forward-looking information, to compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. For financial guaranteed contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition in the application of criteria related to the financial instrument for impairment.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly: Whether the actual or expected operating results of the debtor have changed significantly; Whether supervisory, economic or technical environment for the debtor has significant detrimental changes; Whether value of collateral against debt mortgage or guarantee/credit enhancement provided by a third party has changed significantly. It is expected that the aforesaid changes are economic motives that will lower the debtor's repayment based on contractual stipulation or have an impact on probability of default; Whether the debtor's expected performance and repayment activities have changed significantly; Whether the Group's financial instrument management measures have changed, etc.

At the balance sheet date, the Group assumes that credit risk of the financial instrument has not increased significantly since initial recognition when the Group determines that the financial instrument is only exposed to low credit risk. A financial instrument is determined to have low credit risk if i) it has a low risk of default, ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the debtor to fulfil its contractual cash flow obligations.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (continued)

10.2 Impairment of financial assets (continued)

10.2.2 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes observable data about the following events:

- (1) Significant financial difficulty of the issuer or debtor;
- (2) A breach of contract by the debtor, such as a default or overdue in interest or principal payments;
- (3) The creditor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession that the creditor would not otherwise consider;
- (4) It becomes probable that the debtor will enter bankruptcy or other financial reorganisations;
- (5) Other objective evidence indicating the impairment of financial assets.

10.2.3 Measurement and recognition of ECL

The Group recognises credit losses for lease receivables and financial guarantee contracts on an individual basis. For trade receivables and contract assets, the Group individually assesses credit losses for those individually significant and credit-impaired and uses provision matrix to assess credit losses for the remaining. For other financial assets measured as at amortised cost and financial assets measured at FVTOCI, the Group assesses credit losses on an individual basis for those individually significant and credit-impaired or those individually significant and their credit risk has increased significantly since initial recognition but not credit-impaired, besides, the Group uses provision matrix to assess credit losses for the remaining. The Group classifies financial instruments into different groups based on credit risk characteristics. Credit risk characteristics include type of financial instruments, credit risk rating, contractual billing period and industry of debtor etc.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (continued)

10.2 Impairment of financial assets (continued)

10.2.3 Measurement and recognition of ECL (continued)

ECL of relevant financial instruments is recognised based on the following methods:

- (1) For a financial asset, credit loss is the present value of difference between the contractual cash flows and the cash flows that the Group expects to receive.
- (2) For a lease receivable, credit loss is the present value of difference between the contractual cash flows and the cash flows that the Group expects to receive.
- (3) For a financial guarantee contract, credit loss is the present value of difference between the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.
- (4) For credit-impaired financial assets other than the purchased or internally generated of credit-impaired financial assets at the balance sheet date, credit loss is the difference between the gross carrying amount of financial assets and the present value of expected future cash flows discounted at original effective interest rate.

The Group's measurement of ECL of financial instruments reflects factors including unbiased probability weighted average amount recognised by assessing a series of possible results, time value of money, reasonable and supportable information related to historical events, current condition and forecast of future economic position that is available without undue cost or effort at the balance sheet date.

10.2.4 Reduction in financial assets

The Group directly reduces the gross carrying amount of financial assets when ceasing to reasonably expect that the contractual cash flow of such financial assets may be fully or partially recoverable. Such reduction comprises derecognition of relevant financial assets.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (continued)

10.3 Transfer of financial assets

The Group derecognises a financial asset if one of the following conditions is satisfied: (1) the contractual rights to the cash flows from the financial asset expire; or (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred to the transferee; or (3) although the financial asset has been transferred and the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the Group has not retained control of the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it retains control of the financial asset, it recognises the financial asset to the extent of its continuing involvement in the transferred financial asset and recognises an associated liability. Relevant liabilities are measured using the following methods:

- (1) For transferred financial assets carried at amortised cost, the carrying amount of relevant liabilities is the carrying amount of financial assets transferred with continuing involvement less amortised cost of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of amortised cost of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Relevant liabilities are not designated as financial liabilities at FVTPL.
- (2) For transferred financial assets carried at fair value, the carrying amount of relevant financial liabilities is the carrying amount of financial assets transferred with continuing involvement less fair value of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of fair value of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Accordingly, the fair value of relevant rights and obligations shall be measured on an individual basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred at the date of derecognition and the consideration received from the transfer; and (2) the accumulated changes in fair value initially recorded in other comprehensive income is recognised in profit or loss. While regarding non-trading equity instruments designated as at FVTOCI, cumulative gains or losses previously recognised in other comprehensive income are transferred and included in retained earnings.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (continued)

10.3 Transfer of financial assets (continued)

If a part of the transferred financial asset qualifies for derecognition, the overall carrying amount of the financial asset prior to transfer is allocated between the part that continues to be recognised and the part that is derecognised, based on the respective fair values of those parts at the date of transfer. The difference between (1) the consideration received from the transfer; and (2) the cumulative changes in fair value previously recognised in other comprehensive income allocated to the part derecognised plus the carrying amount allocated to the part derecognised is recognised in profit or loss. If the Group transfers a financial asset that belongs to non-trading equity instrument investments designated as at FVTOCI, the cumulative gains or losses previously recognised in other comprehensive income allocated to the part derecognised are transferred and included in retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognise the transferred financial asset in its entirety and recognises the consideration received as a liability.

10.4 Classification and measurement of financial liabilities

The Group's financial instruments or their components are, on initial recognition, classified into financial liabilities or equity instruments on the basis of contractual terms for issuance and the economic substance reflected by such terms and in combination with definitions of financial liability and equity instruments, instead of only on the basis of the legal form.

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

10.4.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL consist of financial liabilities held for trading (including derivative instruments that are financial liabilities) and those designated as at FVTPL.

Held-for-trading financial liabilities are subsequently measured at fair value, any gains or losses arising from changes in fair value and any dividend or interest income earned on the financial liabilities are recognised in profit or loss.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (continued)

10.4 Classification and measurement of financial liabilities (continued)

10.4.2 Other financial liabilities

The Group shall classify all financial liabilities as subsequently measured at amortised cost, except for financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, gains or losses arising from derecognition, or amortisation are recognised in profit or loss for the period.

10.4.2.1 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs when a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at FVTPL are measured at the higher of: (1) amount of loss provision; and (2) the amount initially recognised less cumulative amortisation amount during the guarantee period.

10.5 Derecognition of financial liabilities

The Group derecognises a financial liability (or part of it) when the underlying present obligation (or part of it) is discharged. An agreement between the Group (the debtor) and the creditor to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognises a financial liability or a part of it, it recognises the difference between the carrying amount of the financial liability (or part of the financial liability) derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss.

10.6 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognised as changes of equity. Changes of fair value of equity instruments is not recognised by the Group. Transaction costs related to equity transactions are deducted from equity.

The Group recognises the distribution to holders of the equity instruments as distribution of profits, dividends paid do not affect total amount of shareholders' equity.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. *Financial instruments (continued)*

10.7 Derivatives and embedded derivatives

Derivative financial instruments related to the Group include option contracts. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently re-measured at fair value. The changes in fair value are recognised in profit or loss.

For hybrid contract constituted by embedded derivatives and host contract, if the host contract is a financial asset, the embedded derivative is not separated from the hybrid contract, and the hybrid contract shall be taken as a whole to apply to the accounting standards for the classification of financial assets.

If the host contract included in the hybrid contract is not a financial asset and meets all of the following criteria, the embedded derivative shall be separated from the hybrid contract by the Group and treated as a standalone derivative.

- (1) The economic characteristics and risks of the embedded derivative are not highly related to the economic characteristics and risks of the host contract;
- (2) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- (3) The hybrid instrument is not designated as a financial asset or financial liability at FVTPL.

If the embedded derivative is separated from the hybrid contract, the host contract shall be accounted for in accordance with the appropriate standards. If the Group is unable to measure reliably the fair value of an embedded derivative on the basis of its terms and conditions, the fair value of the embedded derivative is the difference between the fair value of the hybrid contract and the fair value of the host. If the Group is still unable to measure the fair value of the embedded derivative separately either at acquisition or at a subsequent reporting date after the above methods are applied, it designates the entire hybrid contract as a financial instrument at FVTPL.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. *Financial instruments (continued)*

10.8 **Convertible bonds**

Convertible bonds issued by the Group that contain liability and conversion option are classified separately into respective items on initial recognition. Conversion option that is settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is accounted for as equity rather than conversion option derivatives.

Convertible bonds are initially recognised at fair value at the issue date. If the convertible bonds include equity instruments, the fair value of liability component of the convertible bonds is determined based on the market value of similar bonds which have no conversion option. The balance of issue price and the fair value of liability is the value of conversion option and is recognised in shareholders' equity. The liability and conversion-embedded derivatives of the convertible bonds which include conversion embedded derivatives are initially recognised at fair value at the issue date.

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The derivative financial instruments are measured at fair value with changes in fair value recognised in profit or loss. The conversion option classified as equity remains in equity. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs incurred for the issue of the convertible bonds are allocated to the liability, equity and derivative financial instruments components in proportion to their respective fair values. Transaction costs relating to the liability component are included in the carrying amount of the liability component and amortised over the period of the convertible bonds using the effective interest method. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the derivative financial instruments are charged to profit or loss.

10.9 **Offsetting financial assets and financial liabilities**

Where the Group has a legal right that is currently enforceable to set off the recognised financial assets and financial liabilities, and intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset, and the net amount is presented in the statement of financial position. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the statement of financial position and shall not be offset.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. *Inventories*

Inventories include raw materials, work in progress, finished goods, turnover materials, properties under development and completed properties held for sale. Costs of properties under development and completed properties held for sale mainly consist of the acquisition cost of land use rights, expenditures of land development, construction costs, infrastructure costs, costs of supporting facilities and other relevant costs.

Inventories are initially measured at actual cost. Cost of inventories comprises all costs of purchase, costs of conversion and other costs. The actual cost of inventories transferred out is determined using the first-in first-out, weighted average or specific identification method. Turnover materials include low value consumables and packing materials. Low value consumables and packing materials are amortised using immediate write-off, and other turnover materials are amortised based on the number of times that they are estimated to be used.

Inventories are accounted for using the perpetual inventory system.

At each balance sheet date, inventories shall be measured at the lower of cost and net realisable value. If the cost is in excess of net realisable value, provision for inventories is recognised in the statement of profit or loss. When the circumstances that previously caused inventories to be written down below cost no longer exist and the net realisable value is higher than the carrying amount, the original amount of the write-down is reversed and charged to the profit or loss for the current period.

Net realisable value is the estimated selling price under normal business terms deducted by the estimated costs to completion, the estimated selling expenses and related taxes. Provision is considered on a category basis for inventories in large quantity and with relatively low unit prices and on an individual basis for all other inventories.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. *Held-for-sale assets*

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction (including an exchange of nonmonetary assets with commercial substance) rather than through continuing use.

This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Where the carrying amount is higher than the net amount of fair value less costs to sell, carrying amount should be reduced to the net amount of fair value less costs to sell, and such reduction is recognised in impairment loss of assets and included in profit or loss for the period. Meanwhile, provision for impairment of held-for-sale assets is made. When there is increase in the net amount of fair value of non-current assets held for sale less costs to sell at the balance sheet date, the original deduction should be reversed in impairment loss of assets recognised after the classification of held-for-sale category, and the reverse amount is included in profit or loss for the period. The impairment loss of assets recognised before being classified to held-for-sale category is not reversed.

Non-current assets classified as held-for-sale or disposal groups are not depreciated or amortised, interest and other costs of liabilities of disposal group classified as held for sale continue to be recognised.

13. *Long-term equity investments*

13.1 **Basis for determining joint control and significant influence**

Control exists when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. Joint control is the contractually agreed sharing of control over an economic activity and exists only when the strategic financial and operating policy decisions relating to the activity require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When determining whether an investing enterprise is able to exercise control or significant influence over an investee, the effect of potential voting rights of the investee (for example, warrants and convertible debts) held by the investing enterprises or other parties that are currently exercisable or convertible shall be considered.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (continued)

13.2 Determination of initial investment cost

For a long-term equity investment acquired through a business combination involving enterprises under common control, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the shareholders' equity of the acquiree on the date of combination in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost and the carrying amount of cash paid, non-cash assets transferred, and liabilities assumed adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings.

For a long-term equity investment acquired through business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment is the cost of acquisition on the date of combination. For the stepwise acquisition of equity interest till acquiring control after a few transactions and leading to business combination not under common control, this should be dealt with for whether this belongs to 'package deal': if it belongs to 'package deal', transactions will be dealt as one transaction to acquire control. If it does not belong to 'package deal', the investment cost of the long-term equity investment is the aggregate of the carrying amount of the equity interest held in the acquiree prior to the acquisition date and the cost of the additional investment at the acquisition date. When the equity held was accounted for under equity method, relevant other comprehensive income is not accounted temporarily; when the equity held was accounted for other investments in equity instruments, the difference between the fair value and carrying amount, together with the cumulative changes in fair value recognised in other comprehensive income are included in retained earnings for the current period.

The intermediary fees incurred by the absorbing party or acquirer such as audit, legal, valuation and consulting fee, etc. and other related administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee due to additional investment, the cost of long-term equity investments is the sum of the fair value of previously held equity investments determined in accordance with *Accounting Standard for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement* (ASBE No. 22) and the additional investment cost.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (continued)

13.3 Subsequent measurement and recognition of profit or loss

13.3.1 Long-term equity investment accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the Company's separate financial statements. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognised in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

13.3.2 Long-term equity investment accounted for using the equity method

The Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence, and a joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognised in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (continued)

13.3 Subsequent measurement and recognition of profit or loss (continued)

13.3.2 Long-term equity investment accounted for using the equity method (continued)

Under the equity method, the Group recognises its share of the net profit or loss and other comprehensive income of the investee for the period as investment income or other comprehensive income respectively for the period. Meanwhile, the carrying amount of long-term equity investments will be adjusted accordingly; for the share of the investee's profit or cash dividends declared by the investee, the carrying amount of long-term equity should be decreased accordingly; for changes in owner's equity rather than the investee's net profit or loss, other comprehensive income and profit distribution, carrying amount of long-term equity investments should be adjusted and included in capital reserve. The Group recognises its share of the investee's net profit or loss based on the fair value of the investee's individual separately identifiable assets, etc. at the acquisition date after making appropriate adjustments. When the investee adopts different accounting policies and accounting period with the Company's, the financial statements are adjusted in accordance with the Company's accounting policies and accounting period, and then investment income and other comprehensive income are recognised. Unrealised profits or losses resulting from the Group's transactions with its associates and joint ventures and contributions or sales of assets that do not constitute business are recognised as investment income or loss to the extent that those attributable to the Group's equity interest are eliminated. However, unrealised profit or loss resulting from the Group's transactions with its investee which represent impairment losses on the transferred assets are not eliminated.

The Group discontinues recognising its share of net losses of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, a provision is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognising its share of those profits only after its share of the profits exceeds the share of losses previously not recognised.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (continued)

13.4 Disposal of long-term equity investments

For disposal of long-term equity investments, the difference between the carrying amount and the consideration shall be recorded through profit or loss in the current period. For a long-term equity investment accounted for using the equity method, if remaining shares after the disposal are still accounted for using the equity method, other comprehensive income is accounted on the basis of directly disposed related assets and liabilities of investee, recognised in profit or loss of current period and carried forward proportionately; other shareholders' equity recognised from changes of shareholders' equity except for net profit or loss, other comprehensive income and profit distribution is recognised in profit or loss of current period and carried forward proportionately. For a long-term equity investment accounted for using the cost method, if remaining shares after the disposal are still accounted for using the cost method, other comprehensive income recognised before controlling the investee according to equity method or recognition and measurement of financial instruments, is accounted for on the basis of directly disposed related assets and liabilities of the investee, and recognised in profit or loss for the period and carried forward proportionately; changes of shareholders' equity except for net profit or loss, other comprehensive income and profit distribution are recognised in profit or loss for the current period and carried forward proportionately.

The Group loses control on investee due to disposal of part of shares, when preparing separate financial statement, remaining shares after disposal which can make joint control or significant influence on investee, are accounted under equity method, and are adjusted as they are accounted under equity method from acquisition date; if remaining shares after disposal cannot make joint control or significant influence on investee, they are accounted according to recognition and measurement of financial instrument, and the difference between fair value on date of losing control and carrying amount is recognised in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. *Investment properties*

Investment property is property held to earn rentals or for capital appreciation or for both purposes. It includes land use rights that are leased out; land use rights held for transfer upon capital appreciation; and buildings that are leased out.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

The Group uses the cost model for subsequent measurement of investment properties and adopts a depreciation or amortisation policy for the investment property which is consistent with that for buildings or land use rights.

When an investment real estate is disposed of or permanently retired from use and no economic benefits are expected from its disposal, the investment real estate shall be derecognised.

When an investment property is sold, transferred, retired or damaged, the Group recognises the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss for the period.

When the Group has evidence indicating the self-occupied houses and buildings are converted to leasing or leasing out its properties held for sale under operating leases, the carrying amount of such fixed assets, intangible assets or inventories before the conversion are transferred to investment properties.

When the Group has evidence indicating the property held to earn rentals or for capital appreciation are converted to self-occupation or the property intended for operating lease purpose are open for sale, the carrying amount of such properties before the conversion are transferred to fixed assets, intangible asset or inventories.

15. *Fixed assets*

A fixed asset is a tangible asset of which useful life exceeds one accounting year and which is held for production of goods, rendering services, offering leases or operation and management. A fixed asset is recognised only when the economic benefits associated with the asset will probably flow to the Group and the cost of the asset can be measured reliably. Subsequent expenditure incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditure shall be recognised in profit or loss for the period in which it is incurred.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Fixed assets (continued)

Fixed assets are initially measured at cost. The purchase cost of a fixed asset comprises its purchase price, related taxes and any directly attributable expenditure for bringing the asset to its working condition for its intended use, such as transportation costs and installation expenses. If the payment for a purchased fixed asset is deferred beyond the normal credit terms, the cost of the fixed asset shall be determined based on the present value of the instalment payments. The difference between the actual payment and the present value of the purchase price is recognised in profit or loss over the credit period, except for such difference that is capitalised according to *Accounting Standard for Business Enterprises No. 17 – Borrowing Costs* (ASBE No. 17).

The accelerated depreciation method is adopted for depreciation of the fixed assets specifically used for research and development. The unit of production method is adopted for the depreciation of part of the large-scaled construction equipment. For other fixed assets, the straight-line method is adopted.

For fixed assets depreciated with the straight-line method, the estimated useful lives, estimated residual value rates and annual depreciation rates by category are as follows:

Category	Estimated residual value rates	Useful lives	Annual depreciation rates
Buildings	5%	20-35 years	2.71%-4.75%
Machinery	5%	10-25 years	3.80%-9.50%
Vehicles	5%	5-10 years	9.50%-19.00%
Production equipment	5%	5-10 years	9.50%-19.00%
Measuring and testing equipment	5%	5 years	19.00%
Others	5%	3-5 years	19.00%-31.67%

Where the individual component parts of a fixed asset have different useful lives or provide benefits to the enterprise in different patterns, different depreciation rates are applied.

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognised. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognised in profit or loss for the period.

The Group reviews the useful life and estimates net residual value of a fixed asset and the depreciation method applied at least at the end of each year, makes adjustments and accounts for any change as a change in an accounting estimate when necessary.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Construction in progress

Construction in progress is recognised based on the actual construction expenditures incurred. It consists of all types of expenditures necessarily to be incurred, capitalised borrowing costs on related borrowings before the asset is ready for its intended use, and other related expenditures during the period of construction.

The timing and criteria of construction in progress to be ready for its intended use are as follows:

Buildings	completion and acceptance
Machinery and equipment	completion of installation and acceptance

17. Borrowing costs

Borrowing costs are interest and other costs arising from the Group's borrowings. Borrowing costs include interest, amortisation of discounts or premiums, ancillary expenses and exchange differences arising from foreign currency borrowings.

Borrowing costs directly attributable to the construction or production of qualifying assets are capitalised and other borrowing costs are recognised as expenses. A qualifying asset is defined as a fixed asset or inventory that necessarily takes a substantially long period of time to get ready for its intended use or sale.

Capitalisation of borrowing costs commences only when all of the following conditions are satisfied:

- (1) expenditures for the asset have incurred;
- (2) borrowing costs have incurred; and
- (3) activities relating to the acquisition, construction or production of the asset that are necessary to bring the asset to get ready for its intended use or sale have commenced.

Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Any borrowing costs subsequently incurred are recognised as expenses in the period in which they are incurred.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. *Borrowing costs (continued)*

During the capitalisation period, the amount of interest to be capitalised for each accounting period shall be determined as follows:

- (1) for specific borrowings, the borrowing costs eligible for capitalisation are the actual borrowing costs incurred during the current period deducted by any temporary interest or investment income; and
- (2) for general borrowings, the borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the capital expenditure that accumulated capital expenditures exceed the specific borrowings.

Capitalisation of borrowing costs is suspended during extended periods in which the acquisition or construction of a fixed asset is interrupted abnormally, and the interruption lasts for more than three months, until the acquisition or construction is resumed. Borrowing costs incurred during the suspension period are recognised as expenses until the acquisition or construction of a fixed asset is resumed.

18. *Intangible assets*

The Group's intangible assets include land use rights, concession rights, software licenses, mining rights and others.

An intangible asset shall be recognised only when it is probable that the related economic benefits will flow to the Group and the costs of which can be measured reliably. Intangible assets are measured initially at cost. However, intangible assets acquired in a business combination involving entities not under common control with a fair value that can be measured reliably are recognised separately as intangible assets and measured initially at fair value at the date of acquisition.

The useful lives of intangible assets are assessed based on estimated economic benefit periods. Those intangible assets without foreseeable economic benefit periods are classified as intangible assets with indefinite useful lives.

Intangible assets with finite useful lives are amortised over the useful lives on the traffic volume basis, straight-line basis or unit of production basis. The Group reviews the useful lives and the amortisation method of intangible assets with finite useful lives, and adjusts if appropriate, at least at each year end.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. *Intangible assets (continued)*

18.1 Land use rights

Land use rights represent costs incurred for a certain lease period of land.

The Group accounts for its land use rights as intangible assets. The land use rights of self-developed buildings including plants are measured as intangible assets and buildings are measured as fixed assets. With respect to the land use rights purchased together with buildings, the acquisition cost is allocated between the two parts proportionately, or otherwise, is wholly accounted for as fixed assets.

Land use rights of the Group are amortised on the straight-line basis according to the useful lives approved in the obtained land use certificates.

18.2 Concession rights

The Group engages in certain service concession arrangements in which the Group carries out construction work (such as turnpike highways and other construction works) for the granting authority and receives in exchange a right to operate the assets concerned in accordance with the pre-established conditions set by the granting authority, or the Group purchases the concession rights directly. The assets under the concession arrangements are accounted for according to their arrangement nature, and details are set out in Note III.34.

The amortisation approach, either the traffic volume method or the straight-line method, should be selected for concession operation projects based on the pattern in which the asset's future economic benefits are expected to be realised at the commencement of operations.

18.3 Software licenses

The software licenses are recorded at the price actually paid upon acquisition and are amortised equally over the estimated useful life of one to ten years.

18.4 Mining rights

Mining rights are stated at cost incurred to obtain the mining license. Amortisation is calculated in adoption of the unit of production method based on proved mining reserves.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. *Intangible assets (continued)*

18.5 Development expenditure

Collection scope of R&D expenditure includes wages, salaries and benefits of personnel directly engaged in R&D activities; expenses of materials, fuel and power directly consumed by R&D activities; depreciation expenses of instruments and equipment of R&D activities; leasing and maintenance expenses of R&D sites; travel, transportation and communication fee required by research and test development; as well as the entrusted development expenditure, etc.

The Group classifies the expenditure in an internal research and development project into expenditure in the research phase and expenditure in the development phase. Expenditure in the research phase is recognised in profit or loss for the period in which it is incurred. Expenditure in the development phase is capitalised when the Group can demonstrate all of the following: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; how the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and the expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure in the development phase that does not meet the above criteria is recognised in profit or loss for the period in which it is incurred.

19. *Long-term prepayments*

Long-term prepayments represent expenditures incurred which should be recognised as expenses over one year and should be allocated in current and subsequent periods, including costs of improvements to fixed assets under operating leases. Long-term prepayments are amortised on the straight-line basis over the estimated beneficial period. Expenditure incurred during the pre-operating period should be recognised in profit or loss immediately as incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Provisions

Except for contingent liabilities assumed in business combinations involving entities not under common control, the Group recognises an obligation related to a contingency as a provision when all of the following conditions are satisfied:

- (1) the obligation is a present obligation of the Group;
- (2) it is probable that an outflow of economic benefits from the Group will be required to settle the obligation; and
- (3) the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, with a comprehensive consideration of factors such as the risks, uncertainty and time value of money relating to a contingency. The carrying amount of a provision is reviewed at each balance sheet date. If there is clear evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the best estimate.

21. Revenue

The revenue of the Group is mainly generated from business types as follows:

- The construction operations, which mainly comprises the construction of infrastructure such as railways, highways, metropolitan railways and real estate projects;
- The plan, design and consultancy operations, which mainly comprises the provision of plan, design and consultancy services for civil engineering and infrastructure construction, such as railways, highways and urban rail transport, etc.;
- The manufacturing operations, which mainly comprises the research and development, production and sale of mechanical equipment, such as the large railway track maintenance machinery, tunnel boring machinery as well as the manufactures of track system, etc.;
- The real estate development operations, which mainly comprises the development, construction and sale of residential properties and commercial properties;
- The other business operations, which mainly comprises trade and logistics, finance and insurance brokerage and highway operation.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Revenue (continued)

When (or as) a performance obligation in a contract is satisfied, i.e., when (or as) the customer obtains control of relevant goods or services, the Group recognises as revenue the amount of the transaction price that is allocated to that performance obligation.

A performance obligation is the Group's promise to transfer to a customer a good or service (or a bundle of goods or services) that is distinct, in a contract with the customer.

The Group assesses a contract at contract inception, identifies each individual performance obligation included in the contract, and determines whether the Group satisfies the performance obligation over time or the Group satisfies the performance obligation at a point in time. Revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met: (1) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; (2) the Group's performance creates or enhances an asset that the customer controls as the Group performs; or (3) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

For most of the Group's construction operations, the Group completes satisfaction of the relevant performance obligations over time and the revenue is recognised during the contract period based on the performance progress, which is determined by input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services. When the Group is not able to reasonably measure its performance progress, the Group recognises revenue only to the extent of the recoverable amount of costs incurred until such time that it can reasonably measure the performance progress.

For plan, design and consultancy operations, manufacturing operations, real estate development operations and other business operations, revenue is recognised over the contract period based on the performance progress or recognised at a point in time when the customer obtains control of relevant goods or services.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and amounts that the Group expects to refund to the customer.

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved. At each balance sheet date, the Group updates the estimated transaction price.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Revenue (continued)

Significant financing component

For contracts that contain significant financing components, the Group determines the transaction price based on the amount payable under the assumption that the customer pays that amount payable in cash when the control of goods or services is transferred to the customer. The difference between the transaction price and the contract consideration shall be amortised within the contract period using effective interest rate. For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

Consideration payable to a customer

If the contract includes consideration payable to a customer, the Group shall account for consideration payable to a customer as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service, and shall recognise the reduction of revenue when (or as) the later of either of the following events occurs: (1) the Group recognises revenue for the transfer of the related goods or services to the customer; and (2) the Group pays or promises to pay the consideration.

If the contract includes two or more performance obligations, at contract inception, the Group allocates the transaction price to each performance obligation on a basis of relative stand-alone selling price, at which an entity would sell a promised good or service separately to a customer. When an entity has observable evidence that the contract discount or the variable consideration relates to only one or more, but not all, performance obligations in a contract, the entity shall allocate the contract discount or the variable consideration to one or more, but not all, performance obligations in the contract.

The stand-alone selling price is the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group shall consider all information that is reasonably available to the Group and maximise the use of observable inputs and apply estimation methods consistently in similar circumstances.

Sales with warranties

For sales with warranties, if the warranties are separate services to the customer other than serving as an assurance that the products sold comply with agreed-upon specifications, the warranties constitute single performance obligations. Otherwise, the Group accounts for warranties in accordance with the *Accounting Standards for Business Enterprises No. 13 – Contingencies* (ASBE No. 13).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Revenue (continued)

Principal versus agent

The Group assesses whether it controls each specified good or service before that good or service is transferred to the customer to determine whether the Group is a principal or an agent. If the Group controls the specified good or service before that good or service is transferred to a customer, the Group is a principal and recognises revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognises revenue in the amount of any fee or commission to which it expects to be entitled. The fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party or is determined by some established amounts or proportions.

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. The Group recognises such costs as an asset if it expects to recover these costs. The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year. Other costs of obtaining a contract are recognised in profit or loss when they occur, unless they are going to be reimbursed by customers. The asset is presented as other current assets or other non-current assets according to whether the amortisation period exceeds one normal operating period.

Costs to fulfil a contract

If the costs incurred in fulfilling a contract are not within the scope of any standards other than ASBE No. 14, the Group recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria: (1) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify; (2) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and (3) the costs are expected to be recovered. The asset is presented as inventories or other non-current assets according to whether the amortisation period exceeds one normal operating period.

The asset mentioned above shall be amortised on a basis that is consistent with the transfer to the customer of the goods or services to which the asset relates and recognised as expenses in relevant periods.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Revenue (continued)

Costs to fulfil a contract (continued)

When determining the impairment loss of assets related to the contract cost, in the first place, the impairment loss of other assets related to the contract and recognised in accordance with other relevant business accounting standards should be determined; Then, the Group shall recognise an impairment loss to the extent that the carrying amount of the asset mentioned above exceeds the difference between the following items: (1) the remaining amount of consideration that the Group expects to receive in transfer for the goods or services to which the asset relates; (2) the estimated costs that relate to transferring those goods or services and that have not been recognised as expenses.

The Group shall, after the impairment has been provided, recognise in profit or loss a reversal of some or all of an impairment loss previously recognised when the impairment conditions no longer exist or have improved. The increased carrying amount of the asset shall not exceed the carrying amount that would have been determined if no impairment loss had been recognised previously.

Contract assets

Contract assets refer to the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time. Accounting policies relating to contract assets are specified in Note III. 10.2. The Group's unconditional (i.e., depending on the passage of time only) right to receive consideration from the customer is separately presented as receivables.

Contract liabilities

Contract liabilities refer to the Group's obligation to transfer goods or services to a customer for which the Group has received consideration or the amount is due from the customer. Contract assets and contract liabilities under the same contract are listed on a net basis.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Government grants

Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognised only when the Group can comply with the conditions attached and the Group would receive the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a non-monetary asset, it is measured at fair value of the asset. If the fair value cannot be reliably determined, it is measured at a nominal amount. A government grant measured at a nominal amount is recognised immediately in profit or loss for the period.

22.1 Judgment basis and accounting treatments for government grants related to assets

Government grants related to assets refer to those acquired by the Group for the purpose of purchasing or constructing or forming long-term assets.

Government grants related to assets are charged against carrying amount in related assets when related assets become ready for their intended use.

22.2 Judgment basis and accounting treatments for government grants related to income

Government grants related to income refer to those other than grants related to assets.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related expenses are recognised. If the grant is a compensation for related expenses or losses already incurred, the grant is recognised immediately in profit or loss for the period.

Government grants related to the Group's daily activities are included in other income in accordance with its economic substance. Otherwise, government grants are included in non-operating income or expense.

For repayment of a government grant already recognised, if government grants were charged against carrying amount of the related assets at initial recognition, the repayment adjusts the carrying amount of assets. If there is related deferred income, the repayment is offset against the gross carrying amount of the deferred income, and any excess is recognised in profit or loss for the period. If there is no related deferred income, the repayment is recognised immediately in profit or loss for the period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Government grants (continued)

22.3 Relocation compensation received due to public interests

The Group receives relocation compensation directly from the government for the benefit of public interests such as urban overall planning, reservoir construction, and renovation of shanty towns and subsidence area control. The relocation compensation is paid out of financial budgets by the government and is recognised as special payable when received. Therein compensation granted for losses of fixed assets and intangible assets, expenses incurred, losses from suspension of projects, and assets to be constructed after the relocation, should be transferred to deferred income and recognised as government grants relating to assets and government grants related to income accordingly. Excess of the relocation compensation over the amount transferred to deferred income should be recorded in capital reserve.

23. Income tax

Income tax expenses comprise current and deferred tax. Current tax expenses and deferred tax expenses are recognised as income or expenses in profit or loss for the current period, except for the deferred tax as an adjustment of goodwill arising from a business combination, or the current tax expenses and the deferred tax expenses to be recognised directly in other comprehensive income or shareholders' equity, which arise from transactions or events that should be recognised directly in other comprehensive income or shareholders' equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered or paid according to the taxation laws and regulations.

Based on the temporary differences between the carrying amount of an asset or liability on the balance sheet date and its tax base, and the differences between the carrying amount of some items that have a tax base but are not recognised as assets and liabilities and their tax base, the Group adopts the liability method for the provision for deferred tax.

A deferred tax liability is recognised for all taxable temporary differences, except:

- (1) where taxable temporary differences arise from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction that is not a business combination, at the time of the transaction, it affects neither accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences;
- (2) taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. *Income tax (continued)*

A deferred tax asset is recognised for deductible temporary differences, carry forward of unused deductible tax losses and tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of deductible tax losses and tax credits can be utilised, except:

- (1) where the deferred tax asset arises from a transaction that is not a business combination, at the time of the transaction, it affects neither the accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences;
- (2) deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised in the future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates that are estimated to apply to the period when the asset is realised or the liability is settled, according to the requirements of tax laws. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to recover the assets or settle the liabilities.

The carrying amount of deferred tax assets is reviewed at the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilised. Unrecognised deferred tax assets are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

24. *Leases*

A contract is, or contains, a lease if the contract conveys the right to control the use of an identical asset for a period of time in exchange for consideration.

For contracts entered into, the Group assesses whether the contract is, or contains, a lease at inception. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Leases (continued)

24.1 As a lessee

Separating components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right-of-use assets

Except for short-term leases and leases of low-value assets, the Group recognises a right-of-use asset at the commencement date of the lease. The commencement date of the lease is the date on which a lessor makes an underlying asset available for use. The right-of-use asset is initially measured at cost. The cost of the right-of-use asset shall include:

- (1) the amount of the initial measurement of the lease liability;
- (2) any lease payments made at or before the commencement date, less any lease incentives received;
- (3) any initial direct costs incurred by the Group; and
- (4) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease terms are depreciated from commencement date to the end of their useful lives. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease terms.

The Group assesses and determines whether the right-of-use asset is impaired and accounts for any impairment loss identified in accordance with *Accounting Standards for Business Enterprises No. 8 – Impairment of Assets* (ASBE No.8).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Leases (continued)

24.1 As a lessee (continued)

Lease liabilities

Except for short-term leases and leases of low-value assets, at the commencement date of a lease, the Group recognises the lease liability at the present value of the lease payments that are not paid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determined.

The lease payments are payments to the lessor for the right to use the underlying asset during the lease term made by the Group:

- (1) fixed payments, including in-substance fixed payments, less any lease incentives receivable, if applicable;
- (2) the exercise price of a purchase option reasonably certain to be exercised by the Group;
- (3) payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, the Group recognises interest expenses in each accounting periods during the lease, based on a constant periodic rate of interest on the remaining balance of the lease liabilities. The interest expenses are recognised into profit or loss for the current period or the cost of the related assets.

After the commencement date, if the lease term or the assessment of purchase option changes, the Group shall remeasure the lease liability, according to modified lease payments and present value with modified discount rates and make corresponding adjustments to the related right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group shall recognise any remaining amount of the remeasurement in profit or loss.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Leases (continued)

24.1 As a lessee (continued)

Short-term leases and leases of low-value assets

The Group elects not to recognise right-of-use assets and lease liabilities for short-term leases of machinery and vehicles and leases of low-value assets. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain any purchase options. A lease of a low-value asset is a lease that the single underlying asset, when is new, is of low value. The Group shall recognise the lease payments associated with short-term leases and leases of low-value assets as the cost of the related assets or profit or loss on a straight-line basis over the lease term.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- (1) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (2) the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group reallocates the consideration in the contract, and re-measures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

24.2 As a lessor

Separating components of a contract

For a contract that contains lease components and non-lease components, the Group applies ASBE No. 14 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Leases (continued)

24.2 As a lessor (continued)

Classification of leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Other leases which are not finance leases are operating leases.

Recognition and measurement as a lessor of an operating lease

The Group recognises lease receivables from operating leases as income on a straight-line basis over the lease term. The Group adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognises those costs as an expense over the lease term on the same basis as the lease income.

For the contingent receivables not included in the operating lease receivables, the Group recognises into profit or loss when received.

24.3 Sale and leaseback transactions

As a seller-lessee

The Group applies the requirements of ASBE No. 14 to assess whether the sale and leaseback transaction constitutes a sale by the Group as a seller-lessee. For the sales and leaseback transaction that does not constitute a sale, the Group continues to recognise the transferred asset, and recognises a financial liability which equals to the transfer proceeds and accounts for the financial liability applying ASBE No. 22. If the sales and leaseback transaction constitute a sale, the Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained and recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. After the lease commencement date, the Group shall make subsequent measurements of the right-of-use assets and lease liabilities formed by the leaseback transaction in accordance with the above provisions on subsequent measurement of such assets and liabilities.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. *Impairment of long-term assets*

The Group determines the impairment of assets, other than the impairment of inventories, deferred tax assets, financial assets, contract assets and assets related to the costs incurred in fulfilling a contract, using the following methods:

The Group assesses at the balance sheet date whether there is any indication that the assets may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset. Goodwill arising from a business combination and an intangible asset with an indefinite useful life is tested for impairment at least at each year end, irrespective of whether there is any indication that the asset may be impaired. Intangible assets that have not been ready for intended use are tested for impairment each year.

The Group estimates the recoverable amount on an individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the asset belongs. The recoverable amount of an asset or an asset group is the higher of its fair value less costs to sell and the present value of the future cash flows estimated to be derived from the asset or the asset group.

When the recoverable amount of an asset or an asset group is less than its carrying amount, the difference is recognised as a provision for impairment loss and profit or loss for the current period.

For the purpose of impairment testing, the carrying amount of goodwill acquired in a business combination is allocated from the acquisition date on a reasonable basis to each of the related asset groups; if it is impossible to allocate to the related asset groups, it is allocated to each of the related set of asset groups. Each of the related asset groups or set of asset groups is an asset group or set of asset groups that is able to benefit from the synergies of the business combination and shall not be larger than a reportable segment determined by the Group.

In impairment testing for goodwill, if there is any indication of impairment, the Group first tests the asset group or set of asset groups excluding the amount of goodwill allocated for impairment, i.e., it determines and compares the recoverable amount with the related carrying amount and recognised any impairment loss. After that, the Group tests the asset group or set of asset groups including goodwill for impairment, the carrying amount (including the portion of the carrying amount of goodwill allocated) of the related asset group or set of asset groups is compared to its recoverable amount. If the carrying amount of the asset group or set of asset groups is higher than its recoverable amount, the amount of the impairment loss is first reduced by the carrying amount of the goodwill allocated to the asset group or set of asset groups, and then the carrying amount of other assets (other than the goodwill) within the asset group or set of asset groups, pro rata based on the carrying amount of each asset.

Once the above impairment loss is recognised, it cannot be reversed in subsequent periods.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. *Employee benefits*

Employee benefits are all forms of considerations given by an entity in exchange for services rendered by employees or for the termination of employment. Employee benefits include short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. The benefits the Group provided to employees' spouses, children, dependent, and families of deceased employees and other beneficiaries also belong to employee benefits.

26.1 Short-term benefits

In the period of employee services, short-term benefits are actually recognised as liabilities and charged to profit or loss or the related costs of assets for the current period.

26.2 Post-employment benefits (defined contribution plans)

If employees of the Group participate in the basic pension insurance and unemployment insurance plans managed by local governments and participate in the supplementary pension insurance of the Group as well, the relevant expenditures are recorded in the relevant capital costs and expenses in the period when incurred.

26.3 Post-employment benefits (defined benefit plans)

The Group provides benefit plans for long-term post-leaving personnel, which are considered as defined benefit plans. The Group does not put any funds in the plans; the costs of the defined benefit plans are measured using the projected cumulative unit credit method.

Any re-measurement caused by the defined benefit plans, including actuarial gains or losses, is recognised in the statement of financial position immediately and recorded in equity as other comprehensive income in the accounting period the re-measurement occurred. Those losses and gains should not be reversed to profit or loss in the subsequent accounting periods.

The past service costs should be recognised as current expenses at the earlier of the following dates: (1) when the Group modifies the defined benefit plans; and (2) when the Group recognises relevant restructuring costs or termination benefits.

Net interest equals to the net defined benefit liability multiply by the discount rate. The Group recognised changes in the net defined benefit obligation as general and administrative expenses in the statement of profit or loss and other comprehensive income. Those changes include service costs, including current service costs, past service costs and gains and losses on settlement, and net interest, which are the interest expenses of the plan.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. *Employee benefits (continued)*

26.4 Termination benefits

The Group recognises a liability and expenses for termination benefits at the earlier of the following dates: (1) when the Group can no longer unilaterally withdraw the offer of those benefits for proposals or suggestions for termination of employment; and (2) when the Group recognises costs or expenses for restructuring and involves the payment of termination costs or expenses.

26.5 Housing funds

All full-time employees of the Group in Mainland China are entitled to participate in various government-sponsored housing funds. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees.

26.6 Bonus entitlements

The estimated cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonuses are estimated to be settled within 12 months and are measured at the amounts estimated to be paid when they are settled.

27. *Debt restructuring*

27.1 Recording of debt restructuring obligation as the debtor

When a debt is settled by an asset in a debt restructuring, the Group derecognises the relevant asset and the debt settled when the derecognition criteria for the asset and the debt are satisfied. The difference between the carrying amount of the debt settled and the carrying amount of the asset transferred is recognised in profit or loss for the current period.

When a debt is converted into an equity instrument in a debt restructuring, the Group derecognises the debt settled when the derecognition criteria for the debt are satisfied. On initial recognition, the equity instrument are recognised at fair value. When the fair value of the equity instrument cannot be measured reliably, the equity instruments are recognised at the fair value of the debt. The difference between the carrying amount of the debt and the carrying amount of the equity instrument is recognised in profit or loss for the current period.

When a debt restructuring involves the modification of other terms of a debt, the Group recognises and measures the debt restructured in accordance with ASBE No. 22 and *Accounting Standard for Business Enterprises No. 37 – Presentation of Financial Instruments* (ASBE No. 37).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Debt restructuring (continued)

27.1 Recording of debt restructuring obligation as the debtor (continued)

When a debt is settled by multiple assets or combination of various methods in a debt restructuring, the Group recognises and measures the equity instrument and the debt restructured in accordance with the policies regarding debts settled by assets and debts converted into equity instruments, as mentioned above. The difference between the carrying amount of the debt and the sum of the carrying amount of the assets transferred, the carrying amount of the equity instrument recognised and the carrying amount of the debt restructured, is recognised in profit or loss for the current period.

27.2 Recording of debt restructuring obligation as the creditor

When a debt is settled by assets in a debt restructuring, on initial recognition of the assets other than financial assets, the assets are recognised at cost.

- (1) The cost of inventories includes the fair value of the debt receivable and any directly attributable expenditure, including taxes, transportation costs, handling costs, insurance and other costs, for bringing the assets to the current position and condition;
- (2) The cost of fixed assets includes the fair value of the debt receivable and any directly attributable expenditure, including taxes, transportation costs, handling costs, installation costs, professional service costs and other costs, for bringing the assets to working condition for intended use.

The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

When the debt restructuring causes the Group to convert the debt receivable to an equity investment of joint ventures or associates, the creditor shall measure the equity investment based on the sum of the fair value of debt receivable, and any directly attributable taxes and other costs of the investment. The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

When a debt restructuring involves the modification of other terms of a debt, the Group recognises and measures the restructured debt receivable in accordance with ASBE No. 22.

When a debt is settled by multiple assets or combination of various methods in a debt restructuring, the Group first recognises and measures the financial assets received and restructured debt receivable in accordance with ASBE No. 22, and then allocates the net value, which is the fair value of the debt receivable deducted by the recognised total carrying amount of financial assets received and restructured debt receivable, to the costs of non-financial assets received based on their relative fair value. The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. *Nonmonetary Transactions*

When the non-monetary assets are of commercial substance and the fair value of assets received or the assets given up can be measured reliably, the nonmonetary transactions are measured at fair value. For the asset received, the fair value of the asset given up and related taxes payable are recognised as the cost at initial recognition; For the asset given up, at derecognition, the difference between the fair value and the carrying amount is recognised in profit or loss for the current period. When there is clear evidence indicating that the fair value of the received asset is more reliable, for the asset received, the fair value of the asset received and related taxes payable are recognised as the cost at initial recognition; For the asset given up, at derecognition, the difference between the fair value of the asset received and the carrying amount of the asset given up is recognised in profit or loss for the current period.

When the nonmonetary transactions fail to meet criteria to be measured at fair value, the transactions are measured at carrying amounts. For the asset received, the carrying amount of the asset given up and relevant taxes payable are recognised as the cost of at initial recognition. For the asset given up, at derecognition, no profit or loss is recognised.

When several assets are received at the same time in a nonmonetary transaction, if the transaction is measured at fair value, the cost of each asset other than financial assets received is determined by apportioning the net amount, which is the total fair value of all assets given up deducted by the fair value of the financial assets received, based on the proportion of the fair value of each asset received, and plus related taxes payable, at initial recognition; When there is clear evidence indicating that the fair value of the received assets is more reliable, the fair value of each asset received and related taxes payable are recognised as cost of each asset received at initial recognition; If the transaction is measured at carrying amounts, the cost of each asset received is determined by apportioning the total carrying amounts of all assets given up based on the proportion of the fair value of each asset received to the total fair value of all assets received.

When several assets are given up at the same time in a nonmonetary transaction, if the transaction is measured at fair value, at each asset's derecognition, the difference between each asset's fair value and carrying amount is recognised in profit or loss for the current period; When there is clear evidence indicating that the fair value of the received assets is more reliable, the profit or loss, recognised for the current period, of derecognition of each asset given up is the net amount, which is the apportioning of the total fair value of the assets received, based on the proportion of the fair value of each asset given up to the total fair value of all assets given up, deducted by the carry amount of each asset given up; if the transaction is measured by carrying amounts, no profit or loss of derecognition of assets given up, is recognised.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Profit distribution

The cash dividend of the Company is recognised as a liability upon approval in the annual shareholders' meeting.

30. Renewable corporate bonds and other financial instruments

The renewable corporate bonds and other financial instruments issued by the Group shall be classified as equity instruments if no contractual obligations of one party (the issuer) to deliver cash or another financial asset to another party (the holder), or to exchange financial assets or liabilities under conditions that are potentially unfavourable.

For renewable corporate bonds and other financial instruments classified as equity instruments, distribution of interests and dividends are recognised into distribution of equity. Its repurchase and cancellation are recognised as changes of equity and transaction costs related to equity transactions are deducted from equity.

31. Production safety expenses

The Group accrues for production safety expenses pursuant to the *Circular on Printing and Issuing the Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilisation* (Cai Qi [2022] No. 136) and the *Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilisation*, issued by the Ministry of Finance and the Ministry of Emergency Management.

Production safety expenses accrued based on the aforesaid regulations shall be recorded in the costs of related products or expenses in profit or loss for the current period and provided as a fund in the special reserve. When the expenditures are utilised as expenses, they should be recognised in the statement of profit or loss and other comprehensive income and offset against the special reserve; when the expenditures incurred relate to fixed assets, they shall be recognised in the cost of fixed assets, which will be recognised when it is ready for use. The same amount as the expenditure will be offset against the special reserve and recorded as accumulated depreciation equivalent at the same time.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. *Fair value measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Regardless of whether that price is directly observable or estimated using another valuation technique, fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that they can access at the measurement date;

Level 2: Inputs are inputs, other than quoted process included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

33. *Asset securitisation*

The Group has securitised a portion of receivables (“underlying assets”) where underlying assets are sold and transferred to a special purpose entity (“SPE”). The SPE issues senior and subordinate assets-backed securities to investors, while the Group holds some portion of subordinate assets-backed securities which are not transferrable until the principal and interests of the senior assets-backed securities have been repaid. The Group acts as an asset service provider to provide services such as asset management and collection, contract revision and other services. The cash received from the underlying assets during the periods of collection, after paying SPE taxation and relevant fees, will be firstly used to repay the principal and interests of the senior assets-backed securities; the remaining cash after paying the principal and interests in full is treated as income from subordinate assets-backed securities. The Group shares relevant income based on its proportion of subordinate assets-backed securities.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. *Asset securitisation (continued)*

When applying the accounting policy of securitisation of financial assets, the Groups has already taken into account the extent of transfer of the risks and rewards of those assets transferred to the other entity, as well as the extent of control over such entity by the Group:

- (1) When the Group has transferred substantially all the risks and rewards of ownership of a financial asset, it shall derecognise the relevant financial asset;
- (2) When the Group has retained substantially all the risks and rewards of ownership of a financial asset, it shall continue to recognise the relevant financial asset;
- (3) When the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it shall determine whether it has retained control of the financial asset transferred. If the Group has not retained control, it shall derecognise the financial asset and recognise the rights retained or obligations arising from the transfer as an asset or a liability respectively. If the Group has retained control, it shall recognise the financial asset to the extent of its continuing involvement in the transferred financial asset.

The Group securitised a portion of the retention receivables by selling and transferring the retention receivables to a special-purpose entity. The above accounting policy for securitised financial assets is applied by reference to the condition that the performance obligations relating to the construction of the project have been completed and the contractor has undertaken to complete the performance obligations relating to the liability for defects.

34. *Public-Private-Partnership (“PPP”) project contract*

The PPP project contract represents the contract entered into between the private party and the government in respect of the Public-Private-Partnership project (hereinafter referred to as the “PPP project”) in accordance with the laws and regulations. The PPP project contract shall meet the following two characteristics (hereinafter referred to as the “Dual characteristics”): (1) the private party shall utilise the PPP project assets so as to provide public goods and services on behalf of the government during the operation period stipulated in the contract; (2) the private party shall be compensated for the public goods and services it provides during the period stipulated in the contract. The PPP project contract shall also meet the following two conditions (hereinafter referred to as the “Dual controls”): (1) the government shall have control over the type, object and price of the public goods and services that must be provided by the private party through the utilisation of the PPP project assets; (2) the government shall control the significant residual interest in the PPP project assets through ownership, right to income or other forms of rights upon termination of the PPP project contract.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. *Public-Private-Partnership (“PPP”) project contract (continued)*

The Group, as the private party, has entered into PPP project contracts with the government. According to such contracts, the Group shall provide construction services (including construction, renovation and expansion, similarly hereinafter), contract out the construction to other parties or perform other obligations. And the Group shall account for such contracts and recognise contract assets based on the determination that whether it is an agent or a principal in accordance with ASBE No. 14 – Revenue.

If the Group provides multiple services (for example, provide both construction services for PPP project assets and the operation and maintenance services upon the completion of the construction) in accordance with the contract, it shall identify the single performance obligation included in the contract and allocate the transaction price to each performance obligation in accordance with the proportion of the stand-alone selling price of each performance obligation in accordance with the provisions of ASBE No. 14 – Revenue.

During the operation period of the project, if the Group has the right to receive fees from the party which obtains the public goods and services in accordance with the PPP project contract, but the amount of the fees cannot be determined, the consideration for the PPP project assets or the amount of construction revenue recognised in respect of the project will be recognised as an intangible asset and presented as concessions under the line of intangible assets in the balance sheet when the PPP project assets are ready for intended use.

During the operation of the project, if the Group has the right to receive a determinable amount of cash (or other financial assets), the Group can recognise the amount as a receivable when it has the right to receive such cash (such right only depends on the passage of time) in accordance with the PPP project contract. The Group recognises the difference between the consideration for the PPP project assets or the amount of construction revenue recognised in respect of the project and the determinable amount of cash (or other financial assets) that the Group has the right to receive as an intangible asset when the PPP project assets are ready for intended use.

For the portion of the Group’s consideration or construction revenue recognised for relevant PPP project assets that has been included in intangible assets and the contract assets recognised during the construction period, they are presented in the concessions under the line item of intangible assets; for other contract assets recognised during construction period, they are presented under the line item of contract assets or other non-current assets, depending on whether they are expected to be realised within one year since the balance sheet date.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. *Significant accounting judgments and estimates*

The preparation of the financial statements requires management to make judgments, estimates and assumptions that will affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at each balance sheet date. However, uncertainty about these assumptions and estimates may result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities in the future.

At the balance sheet date, accounting estimates that probably lead to significant future adjustments on the carrying amount of assets and liabilities are as follows:

Revenue from construction operations

For most of the Group's construction operations, the Group completes satisfaction of the relevant performance obligations over time and the revenue is recognised during the contract period based on the performance progress, which is determined by input method. The Group's management makes reasonable estimates on the expected total contract revenue and total contract costs based on the budgets prepared for construction operations to determine the performance progress and identify onerous contracts. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. Due to the nature of activities associated with construction, the Group has to continuously review and revise budget prepared for each construction operation throughout the contract period. Revision may have effect on revenue, profit and other items related to construction operations during the period when the revision incurred.

Impairment of trade receivables and contract assets

For trade receivables and contract assets scoped in ASBE No. 14, the Group measures loss allowances for trade receivables and contract assets based on lifetime ECL. For trade receivables and contract assets which are individually significant and credit-impaired, the Group's management assesses credit losses individually, based on the evidence of credit-impairment and forward-looking information. Except for trade receivables and contract assets which are individually significant and credit-impaired, the Group's management classifies the trade receivables and contract assets into different portfolios based on credit risk characteristics and uses provision matrix to assess ECL. The provision rates are based on the Group's historical actual loss rates, taking into consideration forward-looking information. The impairment of trade receivables and contract assets involves management's accounting estimations and judgements. If the result of reassessment is different from the current estimation, such differences may have influence on the profit and carrying amount of trade receivables and contract assets during the period when the reassessment incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. *Significant accounting judgments and estimates (continued)*

Impairment of other financial assets

For financial assets which are not scoped in ASBE No. 14, the Group assesses changes in credit risk of relevant financial instruments since initial recognition at each balance sheet date and calculates the ECL through default exposure and the expected credit loss rate for the next 12 months or the full lifetime. The calculation of ECL involves management's judgment on whether significant increase in credit risk and management's estimation on future contractual cash flows. If the result of reassessment is different from the current estimation, such differences may have influence on the profit and carrying amount of financial assets during the period which the reassessment incurred.

Impairment of properties under development and completed properties held for sale

The Group has to evaluate the net realisable values for properties under development and completed properties held for sale at each balance sheet date. When the net realisable values are lower than the carrying amounts, a provision is made by the Group.

The principal assumptions for the Group's estimation of the net realisable values of the properties under development include those related to prevailing market prices for similar properties in the same location and condition, estimated costs to be incurred to completion of the properties and discount rates.

The Group estimates the net realisable value for completed properties held for sale based on the selling price, sales projections, sales expenses to be incurred and relevant tax expenses, with reference to the current market prices and actual sale progress.

Impairment of long-term equity investments

The Group assesses at the balance sheet date whether there is any indication that long-term equity investments may be impaired. If there is any indication of impairment, the Group will estimate the recoverable amount and perform the impairment test. The provision for impairment loss is recognised according to the difference where the recoverable amount of an asset is less than its carrying amount and charged to the impairment loss.

The recoverable amount of long-term equity investment is based on the higher of its fair value less costs to sell and the present value of the future cash flows estimated to be derived from long-term equity investment. The present value of the estimated future cash flow is based on the investee's present value of the future cash flow, that is, the amount of the estimated future cash flow generated by the investee in the process of continuous operation and discounted at the appropriate discount rate.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (continued)

Impairment of concession rights

The Group assesses at the balance sheet date whether there is any indication that the concession rights may be impaired. If there is any indication of impairment, the Group will estimate the recoverable amount and perform the impairment test. The provision for impairment loss is recognised according to the difference where the recoverable amount of an asset is less than its carrying amount and charged to the impairment loss on assets.

The recoverable amount of the franchise rights is the higher of its fair value less costs of disposal and the present value of the estimated future cash flows. The present value of estimated future cash flows is determined based on the present value of estimated future cash flows during the period of the concession rights, i.e. based on the estimated future cash flows generated by the concession rights in the continuous use and discounted to the present value by selecting the appropriate discount rates. The estimated future cash flows are estimated based on the expected revenue of services rendered under concession arrangements and other income from the concession rights, net of necessary maintenance expenses and operating costs.

Contingent liabilities arising from litigation and claims

The Group is involved in a number of litigation and claims in respect of certain construction work performed at present and in the past. Contingent liabilities arising from these litigation and claims have been assessed by management with reference to legal advice. Provisions on the probable obligations have been made based on management's best estimates and judgments.

Useful lives and residual values of fixed assets

The useful lives of fixed assets are estimated based on historical experience of the Group with similar assets used in a similar way. If useful lives of the fixed assets are estimated to be shorter than previously estimated, the Group will increase the depreciation rates accordingly, or dispose of those assets that are idle or technically obsolete.

In determining the useful lives and residual values of fixed assets, the Group periodically reviews the changes in market conditions, estimated physical wear and tear, and the maintenance of an asset. The estimation of the useful life of the asset is based on historical experience of the Group with similar assets that are used in a similar way. The depreciation amount will be adjusted if the estimated useful lives and/or the residual values of fixed assets are less than previous estimation. Useful lives and residual values are reviewed, at each balance sheet date, based on changes in circumstances.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (continued)

Amortisation of concession rights of highways

If the assets under the concession arrangement acquired by the Group's participating in the construction of the highway is applicable to intangible asset model, the concession rights is amortised at the early stage of operation period based on expected realisation approach of associated economic benefits using traffic volume method or straight-line method. In the case of traffic volume method amortisation (namely, calculating the total annual amortisation amount based on the percentage of actual traffic volume in the current period in the estimated total traffic volumes), amortisation calculation is initiated since the operation of the relevant turnpike highways.

The Group's management made judgments on the proportion of actual traffic volume in the total estimated traffic volume. Where the difference between the actual amount and the estimation is substantial, the management will re-estimate the total estimated traffic volume based on the actual traffic volume and adjust the amortisation of annual provisions for standard traffic volumes in subsequent years.

Income tax and deferred tax assets

The Company and its subsidiaries are subject to income taxes in numerous jurisdictions in domestic provinces and certain overseas countries. In order to reliably estimate and judge, the income tax provision is required to be determined based on existing tax laws, regulations and practices, if the relevant affairs of income tax have not yet been confirmed by relevant tax authorities. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the current period income tax provisions in the periods in which the differences arise.

Deferred tax assets relating to certain deductible temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the deductible temporary differences or tax losses can be utilised. In cases where the actual future profits generated are different from the estimation, such difference will influence on or change the deferred tax assets and income tax recognised in the relevant period.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the present value of the future expected cash flows from the asset groups or set of asset groups to which the goodwill is allocated. Estimating the present value requires the Group to make an estimate of the expected future cash flows from the asset groups or set of asset groups and also choose a suitable discount rate in order to calculate the present value of those cash flows.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. *Changes in accounting policies*

The Interpretation No. 17 of the Accounting Standards for Business Enterprises (the “Interpretation No. 17”) was issued by the Ministry of Finance on 25 October 2023, which stipulated the classification of current and non-current liabilities and the accounting treatment of leaseback transactions. This Interpretation became effective from 1 January 2024.

Classification of current and non-current liabilities

The Interpretation No. 17 amended and refined the principles for the classification of current and non-current liabilities stated in the Accounting Standards for Business Enterprises No. 30 – Presentation of Financial Statements as follows: it specified that if an enterprise had no substantive right on the balance sheet date to defer the settlement of liabilities beyond one year or more from the balance sheet date, such liabilities should be classified as current liabilities and whether an enterprise had the subjective possibility to exercise the aforesaid rights does not affect the classification of liability liquidity; it specified that for liabilities arising from corporate loan arrangements, if the right to defer the settlement of the liability beyond one year from the balance sheet date depended on contractual conditions, the conditions to be followed before and after the balance sheet date should be distinguished, considering whether there was a right to defer the settlement of the liability at the balance sheet date; it specified that if the counterparty to the liability transaction had the option to settle in the enterprise’s own equity instruments, and this option was classified as an equity instrument and recognised separately, then the related settlement terms were irrelevant to the liquidity classification of the liability and it specified disclosure requirements related to loan arrangements classified as non-current liabilities with contractual conditions attached. The Interpretation also required that an enterprise should adjust the comparable period information at its initial implementation of the Interpretation.

Accounting treatment of sale and leaseback transactions

The Interpretation No. 17 stipulated that if the transfer of assets in a sale and leaseback transaction is considered a sale, after the commencement date of the lease, the lessee should ensure that the determination of lease payments or revised lease payments does not result in the recognition of gains or losses related to the right to use the asset leased back when subsequently measuring the lease liability formed from the sale and leaseback. If a lease modification leads to a reduction in the scope of the lease or a shortening of the lease term, the lessee should recognise the related gains or losses from the partial or complete termination of the lease in the current period’s profit or loss, without being subject to the aforementioned restrictions. When implementing for the first time, the enterprise should retroactively adjust sale and leaseback transactions carried out after the initial adoption of Accounting Standards for Business Enterprises No. 21 – Leases.

After assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION

1. Major categories of taxes and respective tax rates

Category	Tax basis	Tax rate
Value-added tax ("VAT")	Sales revenue and construction installation income in accordance with relevant tax law	3%, 6%, 9%, 13%
Enterprise income tax ("EIT")	Taxable income	All enterprises are subject to EIT at 25% except for some domestic subsidiaries qualified for tax preferential (Note IV. 2) and overseas subsidiaries that are subject to EIT in accordance with the local tax laws applicable to the jurisdiction where the company was registered.
City maintenance and construction tax ("CCT")	Based on the actual VAT and circulation tax payment	1%, 5%, 7%
Educational surcharge	Based on the actual VAT and circulation tax payment	3%
Local educational surcharge	Based on the actual VAT and circulation tax payment	2%
Land appreciation tax ("LAT")	Calculate LAT based on the appreciation amount arising from the transfer of properties and the extra progressive tax rate	Extra progressive tax rate: 30%, 40%, 50%, 60%

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. *Tax preferential*

Super deduction of research and development (R&D) expenses

Pursuant to Chapter IV, Item 1 of Article 30 of the Law of the PRC on Enterprise Income Tax Law (the “New EIT Law”), the Notice of the Ministry of Finance, the State Administration of Taxation and the Ministry of Science and Technology on Improving the Policies for the Weighted Pre-tax Deduction of Research and Development Expenses (Cai Shui [2015] No. 119) and the Announcement of the Ministry of Finance and the State Taxation Administration on Further Improving the Policies Regarding Weighted Pre-tax Deduction of Research and Development Expenses (Cai Shui [2023] No. 7), with respect to research and development (R&D) expenses of the Company and its subsidiaries that complies with the above provisions, an extra 100% of the actual amount of expenses is deductible before tax.

Tax preferential for the Western Region Development

Pursuant to the Announcement of the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on Continuing the Enterprise Income Tax Policies for Western Development Strategies (Cai Shui [2020] No. 23), the tax preference for the Western Region Development are valid until 2030. According to the Circular, “from 1 January 2021 to 31 December 2030, enterprise income tax may be levied at a reduced tax rate of 15% for enterprises established in the western region and engaged in encouraged industries. The above-mentioned industries shall refer to enterprises whose principal businesses are the industrial projects prescribed in the Catalogue of Encouraged Industries in the Western Region, the income of which accounts for more than 60% of the total income of such enterprises. The Catalogue of Encouraged Industries in the Western Region has been issued by National Development and Reform Commission. If the catalogue is modified during the period of the announcement, the modified version shall apply since the date of implementation.”

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Tax preferential for the Western Region Development (continued)

At present, the Catalogue of Encouraged Industries in the Western Region has been approved by the State Council and has been implemented since 1 October 2014. Certain subsidiaries of the Company, including China Railway 11th Bureau Group 5th Engineering Co., Ltd. (中鐵十一局集團第五工程有限公司), China Railway 11th Bureau Group Tibet Engineering Co., Ltd. (中鐵十一局集團西藏工程有限公司), China Railway 11th Bureau Group Xi'an Construction Co., Ltd. (中鐵十一局集團西安建設有限公司), China Railway 12th Bureau Group 1st Engineering Co., Ltd. (中鐵十二局集團第一工程有限公司), China Railway 12th Bureau Group 4th Engineering Co., Ltd. (中鐵十二局集團第四工程有限公司), China Railway 12th Bureau Group (Tibet) Engineering Co., Ltd. (中鐵十二局集團(西藏)工程有限公司), China Railway 12th Bureau Group Hanzhong Xudong Engineering Co., Ltd. (中鐵十二局集團漢中旭東工程有限公司), China Railway Construction Bridge Engineering Bureau Group 5th Engineering Co., Ltd. (中鐵建大橋工程局集團第五工程有限公司), China Railway Construction Chongqing Construction Technology Co., Ltd. (中鐵建重慶建築科技有限公司), China Railway 15th Bureau Group 1st Engineering Co., Ltd. (中鐵十五局集團第一工程有限公司), China Railway 15th Bureau Group Tibet Engineering Co., Ltd. (中鐵十五局集團西藏工程有限公司), China Railway 16th Bureau Group Tibet Engineering Co., Ltd. (中鐵十六局集團西藏工程有限公司), China Railway 17th Bureau Group 2nd Engineering Co., Ltd. (中鐵十七局集團第二工程有限公司), China Railway 17th Bureau Group 4th Engineering Co., Ltd. (中鐵十七局集團第四工程有限公司), China Railway 17th Bureau Group Tibet Engineering Co., Ltd. (中鐵十七局集團西藏工程有限公司), China Railway 18th Bureau Group Tibet Engineering Co., Ltd. (中鐵十八局集團西藏工程有限公司), China Railway 18th Bureau Group Tunnel Engineering Co., Ltd. (中鐵十八局集團隧道工程有限公司), China Railway 19th Bureau Group Tibet Engineering Co., Ltd. (中鐵十九局集團西藏工程有限公司), China Railway 20th Bureau Group Co., Ltd. (中鐵二十局集團有限公司), China Railway 20th Bureau Group 2nd Engineering Co., Ltd. (中鐵二十局集團第二工程有限公司), China Railway 20th Bureau Group 3rd Engineering Co., Ltd. (中鐵二十局集團第三工程有限公司), China Railway 20th Bureau Group 5th Engineering Co., Ltd. (中鐵二十局集團第五工程有限公司), China Railway 20th Bureau Group 6th Engineering Co., Ltd. (中鐵二十局集團第六工程有限公司), China Railway 20th Bureau Group Electrification Engineering Co., Ltd. (中鐵二十局集團電氣化工程有限公司), China Railway 20th Bureau Group Municipal Engineering Co., Ltd. (中鐵二十局集團市政工程有限公司), China Railway Guizhou Engineering Co., Ltd. (中鐵貴州工程有限公司), Chongqing Qinyu Property Management Co., Ltd. (重慶秦渝物業管理有限公司), China Railway 21st Bureau Group Co., Ltd. (中鐵二十一局集團有限公司), China Railway 21st Bureau Group 1st Engineering Co., Ltd. (中鐵二十一局集團第一工程有限公司), China Railway 21st Bureau Group 2nd Engineering Co., Ltd. (中鐵二十一局集團第二工程有限公司), China Railway 21st Bureau Group 3rd Engineering Co., Ltd. (中鐵二十一局集團第三工程有限公司), China Railway 21st Bureau Group 4th Engineering Co., Ltd. (中鐵二十一局集團第四工程有限公司), China Railway 21st Bureau Group 5th Engineering Co., Ltd. (中鐵二十一局集團第五工程有限公司), China Railway 21st Bureau Group Road & Bridge Engineering Co., Ltd. (中鐵二十一局集團路橋工程有限公司), China Railway 22nd Bureau Group 5th Engineering Co., Ltd. (中鐵二十二局集團第五工程有限公司), China Railway 23rd Bureau Group Co., Ltd. (中鐵二十三局集團有限公司), China Railway 23rd Bureau Group 3rd Engineering Co., Ltd. (中鐵二十三局集團第三工程有限公司), China Railway

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Tax preferential for the Western Region Development (continued)

23rd Bureau Group 6th Engineering Co., Ltd. (中鐵二十三局集團第六工程有限公司), China Railway 23rd Bureau Group Tibet Engineering Co., Ltd. (中鐵二十三局集團西藏工程有限公司), China Railway 23rd Bureau Group Rail Transit Sichuan Engineering Co., Ltd. (中鐵二十三局集團軌道交通四川工程有限公司), China Railway 25th Bureau Group (Ganzhou) Engineering Co., Ltd. (中鐵二十五局集團(贛州)工程有限公司), China Railway Construction Electrification Bureau Group Xi'an Electrical Product Co., Ltd. (中鐵建電氣化局集團西安電氣化製品有限公司), China Railway First Survey and Design Institute Group Co., Ltd. (中鐵第一勘察設計院集團有限公司), China Railway First Survey and Design Institute (Shaanxi) Engineering Construction Co., Ltd. (中鐵一院(陝西)工程建設有限公司), Xi'an Runtong Digital Technology Co., Ltd. (西安潤通數字科技有限公司), Lanzhou Railway Survey and Design Institute Co., Ltd. (蘭州鐵道設計院有限公司), China Railway Material Group Southwest Co., Ltd. (中鐵物資集團西南有限公司), China Railway Material Group Yunnan Co., Ltd. (中鐵物資集團雲南有限公司), CRCC High-Tech Equipment Co., Ltd. (中國鐵建高新裝備股份有限公司), China Railway Construction Heavy Industry Xinjiang Co., Ltd. (鐵建重工新疆有限公司), China Railway Longchang Materials Co., Ltd. (中鐵隆昌鐵路器材有限公司), China Railway Highway China Petroleum (Sichuan) Energy Co., Ltd. (鐵建高速中油(四川)能源有限公司), China Railway Construction Guizhou Anshun-Ziyun Highway Co., Ltd. (中鐵建貴州安紫高速公路有限公司), CRCC Beibuwan Construction and Investment Co., Ltd. (中鐵建北部灣建設投資有限公司), CRCC Kunlun Investment Group Co., Ltd. (中國鐵建崑崙投資集團有限公司), China Railway Construction Kunlun Metro Investment Construction Management Co., Ltd. (中鐵建崑崙地鐵投資建設管理有限公司), China Railway Construction Yunnan Investment Co., Ltd. (中鐵建雲南投資有限公司), Chengdu CRCC Kunlun Rail Engineering Co., Ltd. (成都中鐵建崑崙軌道工程有限公司), Chengdu CRCC Chengzi Rail Transit Development Co., Ltd. (成都中鐵建成資軌道交通發展有限公司), Chengdu CRCC Kunlun Zhenrong Eco-construction Co., Ltd. (成都中鐵建崑崙振蓉生態建設有限公司), Jintang CRCC Kunlun City Construction Co., Ltd. (金堂中鐵建崑崙城市建設有限公司), Chongqing Tiefa Suiyu Highway Co., Ltd. (重慶鐵發遂渝高速公路有限公司), Chongqing China Petroleum & Railway Construction Industrial Co., Ltd. (重慶中油鐵建實業有限公司), CRCC Chongqing Investment Group Co., Ltd. (中鐵建重慶投資集團有限公司), CRCC Chongqing Petrochemical Sales Co., Ltd. (中鐵建重慶石化銷售有限公司), Chongqing Jinlu Traffic Engineering Co., Ltd. (重慶金路交通工程有限責任公司), CRCC Ecological Environment Co., Ltd. (中鐵建生態環境有限公司), China Railway Construction Kunlun Expressway Operation Management Co., Ltd. (中鐵建崑崙高速公路運營管理有限公司), China Railway Construction Northwest Investment & Construction Co., Ltd. (中鐵建西北投資建設有限公司) and China Railway Construction (Yinchuan) City Development Co., Ltd. (中鐵建(銀川)城市發展有限公司), China Railway Construction Yunnan Transportation Construction Management Co., Ltd. (中鐵建雲南交通建設管理有限公司) met requirements specified in the above document in 2023, and is expected to meet requirements specified in the above document in 2024, so the preferential tax rate of 15% will continue to be implemented in the current period.

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Preferential Tax Policy for Building a Guangdong-Macao In-Depth Cooperation Zone in Hengqin

According to the Notice of the Ministry of Finance and the State Taxation Administration on the Preferential Policies on Enterprise Income Tax in the Guangdong-Macao In-Depth Cooperation Zone in Hengqin (Cai Shui [2022] No. 19), corporate income tax for eligible industrial enterprises in the Guangdong-Macao In-Depth Cooperation Zone in Hengqin can be reduced to 15% so as to support the development of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin.

- (1) The principal business of the enterprise meets the requirements of Preferential Enterprise Income Tax Catalogue for the Guangdong-Macao In-Depth Cooperation Zone in Hengqin (2021), and its income accounts for more than 60% of the total income;
- (2) the actual management organisation of the enterprise is located in Guangdong-Macao In-Depth Cooperation Zone in Hengqin, and it conducts substantive and comprehensive management and control over the production and operation, personnel, accounting, property, etc. of the enterprise.

China Railway Construction Investment Group Co., Ltd. (中國鐵建投資集團有限公司) and China Railway Construction Highway Operation Co., Ltd. (中鐵建公路運營有限公司), subsidiaries of the Company, are eligible for the preferential income tax policy of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin and are subject to a preferential corporate income tax rate of 15% starting from 1 January 2022.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries

China Railway 11th Bureau Group Co., Ltd. (中鐵十一局集團有限公司): (1) China Railway 11th Bureau Group Co., Ltd. (中鐵十一局集團有限公司) and its subsidiaries including China Railway 11th Bureau Group 6th Engineering Co., Ltd. of (中鐵十一局集團第六工程有限公司) and China Railway 11th Bureau Group Construction and Development Co., Ltd. (中鐵十一局集團建設發展有限公司) have been recognised as High-tech Enterprises by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiaries including China Railway 11th Bureau Group 1st Engineering Co., Ltd. (中鐵十一局集團第一工程有限公司), China Railway 11th Bureau Group 2nd Engineering Co., Ltd. (中鐵十一局集團第二工程有限公司), China Railway 11th Bureau Group 3rd Engineering Co., Ltd. (中鐵十一局集團第三工程有限公司), China Railway 11th Bureau Group 4th Engineering Co., Ltd. (中鐵十一局集團第四工程有限公司) and China Railway 11th Bureau Group City Rail Engineering Co., Ltd. (中鐵十一局集團城市軌道工程有限公司) have been recognised as High-tech Enterprises by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (3) its subsidiary China Railway 11th Bureau Group Bridge Engineering Co., Ltd. (中鐵十一局集團橋樑有限公司) has been recognised as a High-tech Enterprise by Jiangxi Provincial Science and Technology Department, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024.

China Railway 12th Bureau Group Co., Ltd. (中鐵十二局集團有限公司): (1) its subsidiary China Railway 12th Bureau Group 7th Engineering Co., Ltd. (中鐵十二局集團第七工程有限公司) has been recognised as a High-tech Enterprise by Hunan Provincial Science and Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 1 January 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (2) its subsidiary China Railway 12th Bureau Construction and Installation Engineering Co., Ltd. (中鐵十二局集團建築安裝工程有限公司) has been recognised as a High-tech Enterprise by Shanxi Provincial Science and Technology Department, Shanxi Provincial Department of Finance, and Shanxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway Construction Bridge Engineering Bureau Group Co., Ltd. (中國鐵建大橋工程局集團有限公司): (1) China Railway Construction Bridge Engineering Bureau Group Co., Ltd. (中國鐵建大橋工程局集團有限公司) and its subsidiary China Railway Construction Bridge Engineering Bureau Group Construction Assembly Technology Co., Ltd. (中鐵建大橋工程局集團建築裝配科技有限公司) have been recognised as High-tech Enterprises by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway Jinqiao Engineering Testing Co., Ltd. (中鐵津橋工程檢測有限公司) has been recognised as a High-tech Enterprise by Jilin Provincial Science and Technology Bureau, Jilin Province Bureau of Finance, and Jilin Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway Bridge Engineering Group Electrification Engineering Co., Ltd. (中鐵建大橋工程局集團電氣化工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (4) its subsidiary China Railway Construction Bridge Engineering Bureau Group Jingjiang Heavy Industry Co., Ltd. (中鐵建大橋工程局集團靖江重工有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Railway 14th Bureau Group Co., Ltd. (中鐵十四局集團有限公司): (1) its subsidiary China Railway 14th Bureau Group 3rd Engineering Co., Ltd. (中鐵十四局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Shandong Province, Shandong Provincial Department of Finance, and Shandong Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiaries including China Railway 14th Bureau Group 4th Engineering Co., Ltd. (中鐵十四局集團第四工程有限公司), Shandong Civil Air Defense Architectural Design Institute Co., Ltd. (山東省人民防空建築設計院有限責任公司), China Railway 14th Bureau Group Tunnel Engineering Co., Ltd. (中鐵十四局集團隧道工程有限公司), China Railway 14th Bureau Group Construction Technology Co. Ltd (中鐵十四局集團建築科技有限公司), China Railway 14th Bureau Construction Engineering Co. Ltd. (中鐵十四局集團建築工程有限公司) and China Railway 14th Bureau Yellow River Construction Technology Co. Ltd. (中鐵十四局集團黃河建築科技有限公司) have been recognised as High-tech Enterprises by Department of Science & Technology of Shandong Province, Shandong Provincial Department of Finance, and Shandong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (3) its subsidiary China Railway 14th Bureau Group Qingdao Engineering Construction Co., Ltd. (中鐵十四局集團青島工程建設有限公司) has been recognised as a High-tech Enterprise by Qingdao Science and Technology Bureau, Qingdao Municipal Bureau of Finance, and Qingdao Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway 15th Bureau Group Co., Ltd. (中鐵十五局集團有限公司): (1) its subsidiary China Railway 15th Bureau Group 3rd Engineering Co., Ltd. (中鐵十五局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Science & Technology Department of Sichuan Province, Sichuan Provincial Finance Department, and Sichuan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024.

China Railway 16th Bureau Group Co., Ltd. (中鐵十六局集團有限公司): (1) its subsidiary China Railway 16th Bureau Group 3rd Engineering Co., Ltd. (中鐵十六局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Zhejiang Provincial Science and Technology Bureau, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiaries including China Railway 16th Bureau Group 4th Engineering Co., Ltd. (中鐵十六局集團第四工程有限公司), China Railway 16th Bureau Group Beijing Metro Engineering Co., Ltd. (中鐵十六局集團北京軌道交通工程建設有限公司) and China Railway 16th Bureau Group Electrification Engineering Co., Ltd. (中鐵十六局集團電氣化工程有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway 16th Bureau Group 5th Engineering Co., Ltd. (中鐵十六局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (4) its subsidiaries including China Railway 16th Bureau Group Road & Bridge Engineering Co., Ltd. (中鐵十六局集團路橋工程有限公司) and China Railway 16th Bureau Group City Construction Development Co., Ltd. (中鐵十六局集團城市建設發展有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science and Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway 17th Bureau Group Co., Ltd. (中鐵十七局集團有限公司): (1) its subsidiary China Railway 17th Bureau 1st Engineering Co., Ltd. (中鐵十七局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Shandong Province, Shandong Province Finance Bureau, and Shandong Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway 17th Bureau 3rd Engineering Co., Ltd. (中鐵十七局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Science and Technology Department, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway 17th Bureau 5th Engineering Co., Ltd. (中鐵十七局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Shanxi Provincial Science and Technology Department, Shanxi Provincial Department of Finance, and Shanxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiary China Railway 17th Bureau Group 6th Engineering Co., Ltd. (中鐵十七局集團第六工程有限公司) has been recognised as a High-tech Enterprise by Xiamen Municipal Science and Technology Bureau, Xiamen Finance Bureau, and Xiamen Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiaries including China Railway 17th Bureau Group Construction Engineering Co., Ltd. (中鐵十七局集團建築工程有限公司) and China Railway 17th Bureau Group Electrification Engineering Co., Ltd. (中鐵十七局集團電氣化工程有限公司) have been recognised as High-tech Enterprises by Shanxi Provincial Science and Technology Department, Shanxi Provincial Department of Finance, and Shanxi Provincial Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (6) its subsidiary China Railway 17th Bureau Group City Construction Development Co., Ltd. (中鐵十七局集團城市建設有限公司) has been recognised as a High-tech Enterprise by Guizhou Provincial Science and Technology Commission, Guizhou Provincial Finance Bureau, and Guizhou Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (7) its subsidiary China Railway 17th Bureau Group (Guangzhou) Construction Co., Ltd. (中鐵十七局集團(廣州)建設有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway 18th Bureau Group Co., Ltd. (中鐵十八局集團有限公司): (1) its subsidiary China Railway 18th Bureau Group 2nd Engineering Co., Ltd. (中鐵十八局集團第二工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary China Railway 18th Bureau Group 5th Engineering Co., Ltd. (中鐵十八局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (3) its subsidiary China Railway 18th Bureau Group Construction and Installation Engineering Co., Ltd. (中鐵十八局集團建築安裝工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024.

China Railway 19th Bureau Group Co., Ltd. (中鐵十九局集團有限公司): (1) its subsidiary China Railway 19th Bureau Group 1st Engineering Co., Ltd. (中鐵十九局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Liaoning Province, Liaoning Province Finance Department, and Liaoning Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary China Railway 19th Bureau Group 5th Engineering Co., Ltd. (中鐵十九局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Liaoning Province, Liaoning Province Finance Department, and Liaoning Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway 19th Bureau Group 6th Engineering Co., Ltd. (中鐵十九局集團第六工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Jiangsu Province, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiary China Railway 19th Bureau Group East China Engineering Co. Ltd. (中鐵十九局集團華東工程有限公司) has been recognised as a High-tech Enterprise by Ningbo Science and Technology Bureau, Ningbo Municipal Finance Bureau, and Ningbo Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (5) its subsidiary China Railway 19th Bureau Group Corporation Electric Engineering Co., Ltd. (中鐵十九局集團電務工程有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (6) its subsidiary China Railway 19th Bureau Group Guangzhou Engineering Co., Ltd. (中鐵十九局集團廣州工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway 20th Bureau Group Co., Ltd. (中鐵二十局集團有限公司): (1) its subsidiary China Railway Construction Urban Construction Transportation Development Co., Ltd. (中鐵建城建交通發展有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway 20th Bureau Group 4th Engineering Co., Ltd. (中鐵二十局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Qingdao Science and Technology Bureau, Qingdao Municipal Bureau of Finance, and Qingdao Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (3) its subsidiary China Railway Construction Technology Testing Co. Ltd (中鐵建科檢測有限公司) has been recognised as a High-tech Enterprise by Shaanxi Provincial Department of Science and Technology, Shaanxi Provincial Department of Finance, and Shaanxi Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024.

China Railway 21st Bureau Group Co., Ltd. (中鐵二十一局集團有限公司): (1) its subsidiary China Railway 21st Bureau Group Electric and Chemical Engineering Co., Ltd. (中鐵二十一局集團電務電化工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Gansu Province, Gansu Province Finance Bureau, and Gansu Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (2) its subsidiary Western Railway Construction Engineering Materials Technology Co., Ltd. (西部鐵建工程材料科技有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Gansu Province, Gansu Province Finance Bureau, and Gansu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway 22nd Bureau Group Co., Ltd. (中鐵二十二局集團有限公司): (1) China Railway 22nd Bureau Group Co., Ltd. (中鐵二十二局集團有限公司) and its subsidiaries including China Railway 22nd Bureau Group Metro Co., Ltd. (中鐵二十二局集團軌道工程有限公司) and China Railway Jingcheng Engineering Testing Co., Ltd. (中鐵京誠工程檢測有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway 22nd Bureau Group 1st Engineering Co., Ltd. (中鐵二十二局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Heilongjiang Provincial Science and Technology Department, Heilongjiang Provincial Department of Finance, and Heilongjiang Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiaries including China Railway 22nd Bureau Group 2nd Engineering Co., Ltd. (中鐵二十二局集團第二工程有限公司) and China Railway 22nd Bureau Group Electrification Engineering Co., Ltd. (中鐵二十二局集團電氣化工程有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (4) its subsidiary China Railway 22nd Bureau Group 4th Engineering Co., Ltd. (中鐵二十二局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024;

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway 23rd Bureau Group Co., Ltd. (中鐵二十三局集團有限公司): (1) its subsidiary China Railway 23rd Bureau Group 4th Engineering Co., Ltd. (中鐵二十三局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Sichuan Provincial Science and Technology Department, Sichuan Provincial Department of Finance, and Sichuan Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary China Railway 23rd Bureau Group Construction Design Institute Co., Ltd. (中鐵二十三局集團建築設計研究院有限公司) has been recognised as a High-tech Enterprise by Sichuan Provincial Science and Technology Department, Sichuan Provincial Department of Finance, and Sichuan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway 23rd Bureau Group Electric Engineering Co., Ltd. (中鐵二十三局集團電務工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science & Technology Commission, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (4) its subsidiary China Railway 23rd Bureau Group (Hubei) Blasting Co., Ltd. (中鐵二十三局集團(湖北)爆破有限公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (5) its subsidiary China Railway 23rd Bureau Group Rail Transit Engineering Co., Ltd. (中鐵二十三局集團軌道交通工程有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Railway 24th Bureau Group Co., Ltd. (中鐵二十四局集團有限公司): (1) its subsidiary (申鐵方圓檢測科技有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary China Railway 24th Bureau Group Shanghai electrification Co., Ltd. (中鐵二十四局集團上海電務電化有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway 24th Bureau Group Jiangsu Construction Co., Ltd. (中鐵二十四局集團江蘇工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Jiangsu Province, Jiangsu Province Finance Bureau, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (4) its subsidiary (福州閩龍鐵路工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Fujian Province, Fujian Province Finance Bureau, and Fujian Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway 25th Bureau Group Co., Ltd. (中鐵二十五局集團有限公司): (1) its subsidiary China Railway 25th Bureau Group 2nd Engineering Co., Ltd. (中鐵二十五局集團第二工程有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary China Railway 25th Bureau Group 3rd Engineering Co., Ltd. (中鐵二十五局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Hunan Provincial Science and Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway 25th Bureau Group 4th Engineering Co., Ltd. (中鐵二十五局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Department of Science and Technology of Guangxi Zhuang Autonomous Region, Department of Finance of Guangxi Zhuang Autonomous Region, and Guangxi Zhuang Autonomous Region Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential income tax rate at 15% from 1 January 2022 to 31 December 2024; (4) its subsidiaries including China Railway 25th Bureau Group Electric Engineering Co., Ltd. (中鐵二十五局集團電務工程有限公司) and China Railway Construction Dawan District Construction Co., Ltd. (中鐵建大灣區建設有限公司) have been recognised as High-tech Enterprises by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary Guangzhou Tiecheng Engineering Inspection Co., Ltd. (廣州鐵誠工程質量檢測有限公司) has been recognised as a High-tech Enterprise by Guangdong Provincial Science and Technology Department, Guangdong Provincial Department of Finance, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (6) its subsidiary Liuzhou Railway Engineering Quality Testing Center Co., Ltd. (柳州鐵路工程質量檢測中心有限公司) has been recognised as a High-tech Enterprise by Department of Science and Technology of Guangxi Zhuang Autonomous Region, Department of Finance of Guangxi Zhuang Autonomous Region, and Guangxi Zhuang Autonomous Region Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway Construction Group Co., Ltd. (中鐵建設集團有限公司): (1) China Railway Construction Group Co., Ltd. (中鐵建設集團有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiaries including China Railway Construction Group Infrastructure Construction Co., Ltd. (中鐵建設集團基礎設施建設有限公司) and China Railway Construction Group Electromechanical Installation Co., Ltd. (中鐵建設集團機電安裝有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway Construction Group South Engineering Co., Ltd. (中鐵建設集團南方工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (4) its subsidiary China Railway Construction Group East China Engineering Co., Ltd. (中鐵建設集團華東工程有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary China Railway Construction Group North China Engineering Co. Ltd. (中鐵建設集團華北工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Science and Technology Bureau, Tianjin Municipal Bureau of Finance, and Tianjin Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (6) its subsidiary China Railway Construction Group Central-south China Construction Co., Ltd. (中鐵建設集團中南建設有限公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (7) its subsidiary China Railway Construction Group Xi'an Engineering Co., Ltd. (中鐵建設集團西安工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Shaanxi Province, Department of Finance of Shaanxi Province, and Shaanxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (8) its subsidiary China Railway Construction Construction Development (Hainan) Co., Ltd. (中鐵建設建築發展(海南)有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Hainan Province, Department of Finance of Hainan Province, and Hainan Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway Construction Electrification Bureau Group Co., Ltd. (中國鐵建電氣化局集團有限公司): (1) its subsidiary China Railway Construction Electrification Bureau Group 1st Engineering Co., Ltd. (中鐵建電氣化局集團第一工程有限公司) has been recognised as a High-tech Enterprise by the Henan Science and Technology Department, Henan Provincial Department of Finance, and Henan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway Construction Electrification Bureau Group 2nd Engineering Co., Ltd. (中國鐵建電氣化局集團第二工程有限公司) has been recognised as a High-tech Enterprise by the Shanxi Science and Technology Department, Department of Finance of Shanxi Province, and Shanxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway Construction Electrification Bureau Group 3rd Engineering Co., Ltd. (中鐵建電氣化局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (4) its subsidiary China Railway Construction Electrification Bureau Group 5th Engineering Co., Ltd. (中國鐵建電氣化局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Science & Technology Department of Sichuan Province, Sichuan Provincial Finance Department, and Sichuan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary China Railway Construction Electrification Bureau Group Operation Management Co., Ltd. (中鐵建電氣化局集團運營管理有限公司) has been recognised as a High-tech Enterprise by Department of Science and Technology of Hubei Province, Department of Finance of Hubei Province, and Hubei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (6) its subsidiary China Railway Construction Electrification Bureau Group 4th Engineering Co., Ltd. (中鐵建電氣化局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Hunan Provincial Science and Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (7) its subsidiary China Railway Construction Electrification Bureau Group Kang Yuan New Material Co., Ltd. (中鐵建電氣化局集團康遠新材料有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Jiangsu Province, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

CRCC Harbour and Channel Engineering Bureau Group Co., Ltd. (中國鐵建港航局集團有限公司): CRCC Harbour and Channel Engineering Bureau Group Co., Ltd. (中國鐵建港航局集團有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Railway Urban Construction Group Co., Ltd. (中鐵城建集團有限公司): (1) its subsidiary Beijing Engineering Company Limited of China Railway Urban Construction Group (中鐵城建集團北京工程有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary China Railway Urban Construction Group Nanchang Construction Co., Ltd. (中鐵城建集團南昌建設有限公司) has been recognised as a High-tech Enterprise by Jiangxi Provincial Science and Technology Department, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (3) its subsidiaries including China Railway Urban Construction Group Urban Operation Services Co., Ltd. (中鐵城建集團城市運營服務有限公司) and China Railway Urban Construction Group Construction Technology Co., Ltd. (中鐵城建集團建築科技有限公司) have been recognised as High-tech Enterprises by China Hunan Provincial Science & Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway SIYUAN Survey and Design Group Co., Ltd. (中鐵第四勘察設計院集團有限公司): (1) China Railway SIYUAN Survey and Design Group Co., Ltd. (中鐵第四勘察設計院集團有限公司) and its subsidiary Railway SIYUAN (Hubei) Engineering Supervision Consulting Co., Ltd. (鐵四院(湖北)工程監理諮詢有限公司) have been recognised as High-tech Enterprises by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2023 and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary Wuhan Railway SIYUAN Engineering Consulting Co., Ltd. (武漢鐵四院工程諮詢有限公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary Haixia (Fujian) Transportation Engineering Design Co., Ltd. (海峽(福建)交通工程設計有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Fujian Province, Department of Finance of Fujian Province, and Fujian Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (4) its subsidiary China Railway Siyuan Group Guangzhou Designing Institute Co., Ltd. (廣東省鐵路規劃設計研究院有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Railway Fifth Survey and Design Institute Group Co., Ltd. (中鐵第五勘察設計院集團有限公司): (1) China Railway Fifth Survey and Design Institute Group Co., Ltd. (中鐵第五勘察設計院集團有限公司) and its subsidiaries including Beijing Tiejian Construction Supervision Co., Ltd. (北京鐵研建設監理有限責任公司), Beijing China Railway Ecological Environment Design Institute Co., Ltd. (北京中鐵生態環境設計院有限公司), Beijing Railway Fifth Group Engineering Machinery Co., Ltd. (北京鐵五院工程機械有限公司), Beijing Tiecheng GIGNA Engineering Testing Co., Ltd. (北京鐵城檢測認證有限公司) and China Railway Construction Engineering General Contracting (Beijing) Co., Ltd. (中鐵建工程總承包(北京)有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (2) its subsidiary Quzhou Communication Design Co., Ltd. (衢州市交通設計有限公司) has been recognised as a High-tech Enterprise by Zhejiang Provincial Science and Technology Bureau, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway Shanghai Design Institute Group Corporation Limited (中鐵上海設計院集團有限公司): (1) China Railway Shanghai Design Institute Group Corporation Limited (中鐵上海設計院集團有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary Shanghai Xianxing Construction Supervision Co., Ltd. (上海先行建設監理有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (3) its subsidiary Hangzhou Railway Design Institute Co., Ltd. (杭州鐵路設計院有限責任公司) has been recognised as a High-tech Enterprise by Hangzhou Municipal Science & Technology Commission, Hangzhou Finance Bureau, and Hangzhou Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Railway Construction Heavy Industry Corporation Limited (中國鐵建重工集團股份有限公司): China Railway Construction Heavy Industry Corporation Limited (中國鐵建重工集團股份有限公司) and its subsidiary Zhuzhou China Railway Electric Materials Co., Ltd. (株州中鐵電氣物資有限公司) have been recognised as High-tech Enterprises by China Hunan Provincial Science & Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Civil Engineering Construction Corporation (中國土木工程集團有限公司): its subsidiary China Railway CCECC Fuzhou Survey & Design Institute Co., Ltd. (中土集團福州勘察設計研究院有限公司) has been recognised as a High-tech Enterprise by Fujian Provincial Department of Science and Technology, Fujian Provincial Department of Finance, and Fujian Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (continued)

Other preferential tax for the Company's subsidiaries (continued)

China Railway Construction Investment Group Co., Ltd. (中國鐵建投資集團有限公司): its subsidiary Suzhou Traffic Design Research Institute Co., Ltd. (中鐵建蘇州設計研究院有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024.

China Railway Material Group Co., Ltd. (中鐵物資集團有限公司): its subsidiary Pangu Cloud Chain (Tianjin) Digital Technology Co., Ltd. (盤古雲鏈(天津)數字科技有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science & Technology Commission, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

CRCC Development Group Co., Ltd. (中鐵建發展集團有限公司): (1) CRCC Development Group Co., Ltd. (中鐵建發展集團有限公司) and its subsidiary CRCC Cyber Information Technology Co., Ltd. (中鐵建網絡信息科技有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (2) its subsidiary Chenghe RuiZheng Risk Management Consulting Co., Ltd. (誠合瑞正風險管理諮詢有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Cash on hand	65,336	66,019
Cash at banks	145,946,958	153,806,061
Other cash and bank balances	8,251,890	8,626,759
Mandatory reserves placed by CRCC Finance Company Limited with the central bank	4,442,318	4,458,998
Total	158,706,502	166,957,837

The restricted cash and bank balances of the Group are stated in Note V. 63.

As at 30 June 2024, the Group held foreign cash and bank balances amounting to RMB11,368,812,000 (31 December 2023: RMB11,280,052,000), certain cash and bank balances deposited in certain countries or regions that were subject to foreign exchange control were not freely convertible into other currencies or remitted out of those countries. As at 30 June 2024, the Group's cash and bank balances which were deposited in aforesaid countries or regions and subject to foreign exchange control were not freely convertible into other currencies or remitted out represented less than 2% (31 December 2023: less than 3%) of the cash and bank balances in the Group's consolidated statement of financial position.

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Cash and bank balances at the end of the period/year	158,706,502	166,957,837
Less: Mandatory reserves placed by CRCC Finance Company Limited with the central bank	4,442,318	4,458,998
Less: Other restricted cash and bank balances	8,217,174	8,601,659
Less: Non-pledged time deposits with original maturity of three months or more when acquired	1,282,642	1,259,403
Cash and cash equivalents at the end of the period/year	144,764,368	152,637,777

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Held-for-trading financial assets

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Equity instruments	473,938	467,563
Others	1,087,078	1,162,222
Total	1,561,016	1,629,785

3. Bills receivable

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Commercial acceptance bills	1,290,796	2,996,061
Bank acceptance bills	239,415	249,332
Less: Allowance for credit losses	5,131	16,352
Total	1,525,080	3,229,041

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Bills receivable (continued)

As at 30 June 2024, the Group had RMB196,198,000 (31 December 2023: RMB139,522,000) non-matured bills receivable which had right of recourse and had been endorsed to other parties. The Group did not derecognise those bills receivable as the Group considered that all risks and rewards of the ownership had not been transferred from the endorsed bills receivable.

Bills receivable and allowance for credit losses by category are listed as follows:

RMB'000

Category	30 June 2024 (unaudited)				Carrying amount
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed by credit risk portfolio	1,530,211	100.00	5,131	0.34	1,525,080
Total	1,530,211	100.00	5,131	0.34	1,525,080

RMB'000

Category	31 December 2023				Carrying amount
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed by credit risk portfolio	3,245,393	100.00	16,352	0.50	3,229,041
Total	3,245,393	100.00	16,352	0.50	3,229,041

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Receivables at FVTOCI

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Bank acceptance bills	1,718,133	2,723,520
Total	1,718,133	2,723,520

As at 30 June 2024, the Group had RMB1,709,672,000 (31 December 2023: RMB2,272,750,000) non-matured bills receivable which had right of recourse and had been discounted or endorsed to other parties. The Group derecognised those bills receivable as the Group considered that all risks and rewards of the ownership had been transferred from the discounted or endorsed bills receivable since there was extremely low risk of the acceptor's inability to cash the bills upon expiry due to the acceptor's good reputation.

5. Trade receivables

An aging analysis of trade receivables is listed as follows:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Within 1 year	135,603,067	116,204,747
1 to 2 years	34,696,205	32,760,675
2 to 3 years	14,068,971	12,597,237
Over 3 years	14,501,084	12,285,145
Subtotal	198,869,327	173,847,804
Less: Allowance for credit losses	18,689,048	18,038,737
Total	180,180,279	155,809,067

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (continued)

Movements in allowance for credit losses for trade receivables are listed as follows:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	
	2024	2023
Opening balance of the current period/year	18,038,737	15,215,783
Provision for the period/year	1,967,556	4,567,847
Less: Reversal for the period/year	858,856	1,337,239
Less: Write-off for the period/year	10,914	7,926
Others	(447,475)	(399,728)
Closing balance of current period/year	18,689,048	18,038,737

The movements in detail of allowance for credit losses for the six months ended 30 June 2024 are presented in Note VIII. 3.

Trade receivables and allowance for credit losses by category are listed as follows:

RMB'000

Category	30 June 2024 (unaudited)				Carrying amount
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	32,391,031	16.29	12,623,982	38.97	19,767,049
Allowance for credit losses assessed by credit risk portfolio	166,478,296	83.71	6,065,066	3.64	160,413,230
Total	198,869,327	100.00	18,689,048	9.40	180,180,279

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (continued)

Trade receivables and allowance for credit losses by category are listed as follows: (continued)

RMB'000

Category	Gross carrying amount		31 December 2023 Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	30,576,721	17.59	11,834,741	38.71	18,741,980
Allowance for credit losses assessed by credit risk portfolio	143,271,083	82.41	6,203,996	4.33	137,067,087
Total	173,847,804	100.00	18,038,737	10.38	155,809,067

As at 30 June 2024, trade receivables whose allowance for credit losses were assessed individually are listed as follows:

RMB'000

Company name	30 June 2024 (unaudited)			Reasons
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	
Company 1	750,446	280,036	37.32	Note
Company 2	575,639	386,645	67.17	Note
Company 3	574,693	67,866	11.81	Note
Company 4	551,834	89,478	16.21	Note
Company 5	530,905	251,762	47.42	Note
Others	29,407,514	11,548,195	39.27	—
Total	32,391,031	12,623,982	38.97	—

Note: According to the recoverability of trade receivables, the Group recorded allowance for credit losses.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (continued)

As at 30 June 2024, trade receivables whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows:

Portfolio 1:

RMB'000

Aging	30 June 2024 (unaudited)			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	84,377,720	79.65	1,071,254	1.27
1 to 2 years	14,615,509	13.80	740,121	5.06
2 to 3 years	4,692,664	4.43	569,041	12.13
Over 3 years	2,252,732	2.12	1,101,715	48.91
Total	105,938,625	100.00	3,482,131	3.29

Portfolio 2:

RMB'000

Aging	30 June 2024 (unaudited)			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	11,085,709	85.28	95,498	0.86
1 to 2 years	1,345,235	10.35	74,137	5.51
2 to 3 years	309,014	2.38	32,645	10.56
Over 3 years	259,398	1.99	142,620	54.98
Total	12,999,356	100.00	344,900	2.65

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (continued)

As at 30 June 2024, trade receivables whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows: (continued)

Portfolio 3:

RMB'000

Aging	30 June 2024 (unaudited)			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	5,472,518	72.43	32,321	0.59
1 to 2 years	1,195,093	15.82	63,248	5.29
2 to 3 years	333,397	4.41	33,813	10.14
Over 3 years	554,742	7.34	306,153	55.19
Total	7,555,750	100.00	435,535	5.76

Portfolio 4:

RMB'000

Aging	30 June 2024 (unaudited)			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	12,033,382	88.44	60,535	0.50
1 to 2 years	1,178,057	8.66	28,585	2.43
2 to 3 years	384,121	2.82	20,126	5.24
Over 3 years	11,308	0.08	2,559	22.63
Total	13,606,868	100.00	111,805	0.82

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (continued)

As at 30 June 2024, trade receivables whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows: (continued)

Portfolio 5:

RMB'000

Aging	30 June 2024 (unaudited)			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	18,599,639	70.51	368,931	1.98
1 to 2 years	5,495,186	20.83	301,053	5.48
2 to 3 years	1,123,383	4.26	170,259	15.16
Over 3 years	1,159,489	4.40	850,452	73.35
Total	26,377,697	100.00	1,690,695	6.41

As at 30 June 2024, top five entities with the largest balances of trade receivables and contract assets are listed as follows (unaudited):

RMB'000

Company name	Relationship with the Group	Gross carrying amount of trade receivables	Gross carrying amount of contract assets	Gross carrying amount of trade receivables and contract assets	Percentage of total gross carrying amount of trade receivables and contract assets (%)	Closing balance of allowance for credit losses
Company 1	Third party	1,277,871	104,461	1,382,332	0.21	7,072
Company 2	Third party	1,155,051	1,419,749	2,574,800	0.40	20,424
Company 3	Third party	1,038,536	1,191,486	2,230,022	0.34	11,430
Company 4	Third party	987,660	59,275	1,046,935	0.16	28,129
Company 5	Third party	860,500	62,912	923,412	0.15	53,930
Total	—	5,319,618	2,837,883	8,157,501	1.26	120,985

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (continued)

For the six months ended 30 June 2024, the write-off of trade receivables amounted to RMB10,914,000 (For the six months ended 30 June 2023: RMB1,394,000).

The restricted trade receivables of the Group are stated in Note V. 63.

For the six months ended 30 June 2024, the Group derecognised trade receivables of RMB16,659,697,000 (For the six months ended 30 June 2023: RMB40,728,201,000) due to transfer of financial assets and recognised losses from derecognition of financial assets, amounting to RMB771,626,000 (For the six months ended 30 June 2023: RMB2,411,663,000).

Assets and liabilities recognised due to continuing involvement in the transferred asset:

As at 30 June 2024, the Group recognised assets of RMB921,694,000 and liabilities of RMB921,694,000 (As at 31 December 2023: RMB948,545,000 and RMB948,545,000) related to continuing involvement in transferred trade receivables.

6. Advances to suppliers

An aging analysis of advances to suppliers is listed as follows:

RMB'000

Aging	30 June 2024 (unaudited)		31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	24,288,433	98.03	21,092,189	97.14
1 to 2 years	371,337	1.50	461,006	2.12
2 to 3 years	73,283	0.30	136,313	0.63
Over 3 years	41,768	0.17	23,121	0.11
Total	24,774,821	100.00	21,712,629	100.00

As at 30 June 2024, there were no advances to suppliers with significant balances aged over one year.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Advances to suppliers (continued)

As at 30 June 2024, advances to the five largest suppliers are listed as follows (unaudited):

RMB'000

Company name	Relationship with the Group	Amount	Time for prepayment	Percentage of total advances to suppliers (%)
Company 1	Third party	237,667	Within 1 year	0.96
Company 2	Third party	228,157	Within 1 year	0.92
Company 3	Third party	170,000	Within 1 year	0.69
Company 4	Third party	139,144	Within 1 year	0.56
Company 5	Third party	133,695	Within 1 year	0.54
Total	—	908,663	—	3.67

7. Other receivables

An aging analysis of other receivables is listed as follows:

RMB'000

Aging	30 June 2024 (unaudited)	31 December 2023
Within 1 year	41,372,926	37,507,915
1 to 2 years	9,667,403	9,465,575
2 to 3 years	9,126,651	6,561,547
Over 3 years	10,974,723	9,637,284
Subtotal	71,141,703	63,172,321
Less: Allowance for credit losses	6,573,012	6,269,706
Total	64,568,691	56,902,615

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (continued)

Movements in the allowance for credit losses of other receivables are listed as follows:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	2023
Opening balance of the current period/year	6,269,706	4,941,384
Provision for the period/year	616,590	1,864,167
Less: Reversal for the period/year	290,507	472,227
Less: Write-off for the period/year	18,779	54,945
Others	(3,998)	(8,673)
Closing balance of the current period/year	6,573,012	6,269,706

- (1) As at 30 June 2024, analysis of allowance for credit losses of other receivables at phase I by credit risk portfolio is listed as follows (unaudited):

RMB'000

Nature	Gross carrying amount	Allowance for credit losses	Provision percentage (%)
Loans for cooperative development project	28,292,705	300,668	1.06
Security deposit and cash pledged	14,712,527	910,105	6.19
Advance payments	8,579,257	536,815	6.26
Others	9,971,158	438,653	4.40
Total	61,555,647	2,186,241	3.55

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (continued)

- (2) As at 30 June 2024, analysis of allowance for credit losses of other receivables at phase II is listed as follows:

RMB'000

Category	30 June 2024 (unaudited)				Carrying amount
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	3,440,516	65.01	697,071	20.26	2,743,445
Allowance for credit losses assessed by credit risk portfolio	1,851,997	34.99	283,703	15.32	1,568,294
Total	5,292,513	100.00	980,774	18.53	4,311,739

Allowance for credit losses assessed individually of other receivables are listed as follows:

RMB'000

Company name	30 June 2024 (unaudited)			Reasons
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	
Company 1	2,527,272	546,483	21.62	Note
Company 2	913,244	150,588	16.49	Note
Total	3,440,516	697,071	20.26	—

Note: According to the recoverability of other receivables, the Group recorded allowance for credit losses.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (continued)

- (2) As at 30 June 2024, analysis of allowance for credit losses of other receivables at phase II is listed as follows: (continued)

As at 30 June 2024, analysis of allowance for credit losses assessed by credit risk portfolio of other receivables at phase II is listed as follows (unaudited):

RMB'000

Nature	30 June 2024 (unaudited)		Proportion (%)
	Gross carrying amount	Allowance for credit losses	
Security deposit and cash pledged	926,674	155,953	16.83
Advance payments	254,873	31,746	12.46
Others	670,450	96,004	14.32
Total	1,851,997	283,703	15.32

- (3) As at 30 June 2024, analysis of allowance for credit losses of other receivables at phase III is listed as follows:

RMB'000

Category	30 June 2024 (unaudited)				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	2,943,558	68.56	2,216,314	75.29	727,244
Allowance for credit losses assessed by credit risk portfolio	1,349,985	31.44	1,189,683	88.13	160,302
Total	4,293,543	100.00	3,405,997	79.33	887,546

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (continued)

- (3) As at 30 June 2024, analysis of allowance for credit losses of other receivables at phase III is listed as follows: (continued)

Allowance for credit losses assessed individually of other receivables is listed as follows:

RMB'000

Company name	30 June 2024 (unaudited)			Reasons
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	
Company 1	564,348	77,430	13.72	Note
Company 2	505,525	344,393	68.13	Note
Company 3	168,338	168,338	100.00	Note
Company 4	150,000	150,000	100.00	Note
Company 5	118,947	118,947	100.00	Note
Others	1,436,400	1,357,206	94.49	—
Total	2,943,558	2,216,314	75.29	—

Note: According to the recoverability of other receivables, the Group recorded allowance for credit losses.

For the six months ended 30 June 2024, the write-off of other receivables amounted to RMB18,779,000 (for the six months ended 30 June 2023: RMB11,480,000).

Gross carrying amount of other receivables categorised by nature is listed as follows:

RMB'000

Nature	30 June 2024 (unaudited)	31 December 2023
Loans for cooperative development project	32,286,784	29,566,393
Security deposit and cash pledged	16,786,786	15,831,424
Advance payments	9,595,848	7,136,375
Others	12,472,285	10,638,129
Total	71,141,703	63,172,321

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (continued)

- (3) As at 30 June 2024, analysis of allowance for credit losses of other receivables at phase III is listed as follows: (continued)

As at 30 June 2024, other receivables from the five largest customers are listed as follows (unaudited):

RMB'000

Company name	Relationship with the Group	Closing balance	Percentage of total balance of other receivables (%)	Nature	Aging	Impairment for credit losses
Company 1	Joint Venture	2,527,272	3.55	Loans for cooperative development project	Over 5 years	546,483
Company 2	Joint Venture	1,762,816	2.48	Loans for cooperative development project	Within 4 years	1,820
Company 3	Joint Venture	1,704,576	2.40	Loans for cooperative development project	Within 2 years	76,483
Company 4	Joint Venture	1,384,225	1.95	Loans for cooperative development project	Within 1 year	742
Company 5	Associate	1,338,278	1.88	Loans for cooperative development project	Within 3 years	1,338
Total	—	8,717,167	12.26	—	—	626,866

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

RMB'000

Item	30 June 2024 (unaudited)		
	Gross carrying amount	Provision for decline in value	Carrying amount
Raw materials	25,574,772	33,966	25,540,806
Work in progress	5,580,476	–	5,580,476
Finished goods	7,690,813	95,613	7,595,200
Turnover materials	13,854,143	99,514	13,754,629
Properties under development (1)	195,034,770	1,308,345	193,726,425
Completed properties held for sale (2)	70,314,869	2,467,380	67,847,489
Total	318,049,843	4,004,818	314,045,025

RMB'000

Item	31 December 2023		
	Gross carrying amount	Provision for decline in value	Carrying amount
Raw materials	20,759,846	33,381	20,726,465
Work in progress	5,108,554	–	5,108,554
Finished goods	8,436,234	109,436	8,326,798
Turnover materials	13,229,591	99,514	13,130,077
Properties under development (1)	191,963,579	1,274,694	190,688,885
Completed properties held for sale (2)	72,157,755	2,495,742	69,662,013
Total	311,655,559	4,012,767	307,642,792

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (continued)

Movements in the provision for decline in value of inventories are listed as follows:

RMB'000

Item	1 January	Additions (unaudited)		Reductions (unaudited)		30 June 2024 (unaudited)
	2024	Provision	Others	Reversal	Write-off and Others	
Raw materials	33,381	2,793	-	2,208	-	33,966
Finished goods	109,436	22	-	-	13,845	95,613
Turnover materials	99,514	-	-	-	-	99,514
Properties under development	1,274,694	31,060	2,591	-	-	1,308,345
Completed properties held for sale	2,495,742	99,107	-	-	127,469	2,467,380
Total	4,012,767	132,982	2,591	2,208	141,314	4,004,818

RMB'000

Item	1 January	Additions	Reductions		31 December
	2023	Provision	Reversal	Write-off and Others	
Raw materials	34,073	2,554	1,314	1,932	33,381
Finished goods	19,083	97,176	-	6,823	109,436
Turnover materials	99,514	-	-	-	99,514
Properties under development	962,053	318,365	-	5,724	1,274,694
Completed properties held for sale	1,820,430	1,098,833	-	423,521	2,495,742
Total	2,935,153	1,516,928	1,314	438,000	4,012,767

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (continued)

(1) Details of the properties under development are listed as follows:

RMB'000

Project name	Construction commencement date	Estimated latest completion date	Estimated aggregate investment amount	30 June 2024 (unaudited)	31 December 2023
Shanghai Riverside Mansion Project	September 2023	October 2025	8,900,200	7,207,521	6,856,976
City Throne Project	October 2023	December 2025	8,551,960	6,434,090	3,017,306
Tianjin Xipai Guoyin Project	October 2018	October 2024	10,569,200	5,371,838	5,305,364
Tiejian City Project	February 2022	December 2024	11,016,325	4,591,980	4,297,863
CRCC Xipai Lan'an Project	May 2022	October 2025	4,879,450	3,588,613	3,297,950
Tiejian City (Guiyang) Project	August 2020	December 2024	3,792,080	3,096,539	2,758,690
Chengdu Qingyang City Park Junior Project	March 2023	December 2024	3,780,890	2,983,053	2,772,846
New Xidu Project	June 2023	November 2025	4,457,350	2,982,429	2,762,451
Chengdu Wuhou City Park Pure Project	November 2023	August 2025	4,351,390	2,902,892	2,689,247
CRCC Huayu City Project	May 2021	December 2024	5,553,727	2,882,200	2,730,762
Lingxiu Mansion South Zone Project	December 2018	December 2024	3,371,423	2,774,565	2,868,451
Chongqing Shanyu Taoyuan Project	June 2022	October 2024	5,564,884	2,732,746	2,987,553
Suzhou Chefang Project	August 2022	January 2025	3,090,650	2,595,020	2,500,163
Chongqing City Park Project	January 2022	June 2026	5,575,299	2,567,018	2,446,014
Wenzhou Lucheng Future Community	September 2020	August 2024	10,705,140	2,601,761	7,113,619
CRCC South China Headquarters Building Project	October 2022	June 2027	5,504,825	2,450,150	2,345,187
CRCC Taiyuan Huayutang Project	March 2019	December 2024	2,906,519	2,426,956	2,323,965
Jinan Wutongyuan Project	May 2020	December 2027	5,334,643	2,362,628	2,888,019
Hefei Huayu Jiangnan Project	November 2023	June 2025	3,217,120	2,361,657	2,277,865
Xipai Xiyue Project	December 2023	November 2025	3,235,080	2,165,103	921,848
Others	—	—	381,542,427	127,956,011	126,801,440
Total	—	—	495,900,582	195,034,770	191,963,579

As at 30 June 2024, the aggregate carrying amount of borrowing costs capitalised in properties under development was RMB14,142,506,000 (31 December 2023: RMB13,646,498,000). Borrowing costs capitalised for the six months ended 30 June 2024 amounted to RMB2,755,860,000 (for the six months ended 30 June 2023: RMB3,248,694,000). The capitalisation rates of borrowing costs ranged from 2.37%~7.00% (for the six months ended 30 June 2023: 2.50%~8.00%).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (continued)

(2) Details of the completed properties held for sale are listed as follows:

RMB'000

Project name	Latest completion date	1 January 2024 Gross carrying amount	Additions (unaudited)	Reductions (unaudited)	30 June 2024 Gross carrying amount (unaudited)
CRCC Xipai Yujiang Project	April 2024	2,446,361	44,051	2,145	2,488,267
Zhuhai Hengqin CRCC Plaza (Original name: Hengqin Tiejian Plaza Project)	January 2024	—	2,082,144	—	2,082,144
Xipai Chenyue Project	September 2023	1,867,050	—	972	1,866,078
Xipai Huanhua Project	December 2021	1,695,701	39,628	—	1,735,329
Chongqing Shanyu Taoyuan Project	January 2024	1,243,728	476,869	461	1,720,136
Guiyang CRCC International City Project	September 2023	1,726,754	—	84,672	1,642,082
Tianjin Xipai Guoyin Project	February 2023	1,671,467	—	34,826	1,636,641
CRCC Huayutang Project	December 2023	2,838,740	—	1,284,997	1,553,743
Tianjin CRCC International City Project	April 2019	1,309,770	—	8,999	1,300,771
Florissa Project	August 2023	1,496,333	—	140,286	1,356,047
Qingdao CRCC Plaza Project	December 2023	1,399,577	—	58,466	1,341,111
Changchun Xipai Tangsong Project	February 2022	1,470,316	—	140,601	1,329,715
CRCC Xipai City Project	December 2021	1,234,609	29,183	—	1,263,792
CRCC Future City Project	December 2023	1,478,512	—	268,420	1,210,092
CRCC Wutong Graden Project	December 2021	1,273,228	—	68,465	1,204,763
CRCC Xinda Huayu Tianchen Project	January 2024	—	2,202,434	1,016,871	1,185,563
Wutong Qianshan Project	June 2022	1,131,200	10,860	—	1,142,060
Chengdu Beihu Xinqu Project	December 2019	1,123,178	—	—	1,123,178
Chenyue International Project	December 2023	1,085,252	—	—	1,085,252
Xi'an Xipai International Project	May 2023	1,086,916	—	37,378	1,049,538
Others	—	44,579,063	15,846,342	19,426,838	40,998,567
Total	—	72,157,755	20,731,511	22,574,397	70,314,869

The restricted inventories of the Group are stated in Note V. 63.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets

Contract assets are from the Group's construction operations. The Group provides construction services in accordance with the construction contract entered into with customers and recognises revenue based on performance progress over the contract period. According to the contract term, customers of the Group make progress billings with the Group based on the performance progress and make payment for the progress billings within the credit term. Revenue recognised based on performance progress in excess of progress billings is presented as contract asset, and is disclosed in contract assets/other non-current assets based on liquidity. While progress billings in excess of revenue recognised based on performance progress is presented as contract liabilities.

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Contract assets	310,962,328	299,830,365
Less: Provision for impairment losses on contract assets	8,366,452	8,048,261
Total	302,595,876	291,782,104

Movements in provision for impairment losses on contract assets are listed as follows:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	2023
Opening balance of current period/year	8,048,261	6,683,222
Provision for the period/year	820,706	1,982,624
Less: Reversal for the period/year	497,906	617,280
Others	(4,609)	(305)
Closing balance of current period/year	8,366,452	8,048,261

The movements in provision for impairment losses for contract assets for six months ended 30 June 2024 are presented in Note VIII. 3.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (continued)

Contract assets and provision for impairment losses for contract assets by category are listed as follows:

RMB'000

Category	30 June 2024 (unaudited)				
	Gross carrying amount		Provision for impairment of assets		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for impairment of assets assessed individually	28,245,221	9.08	6,700,595	23.72	21,544,626
Provision for impairment of assets assessed by credit risk portfolio	282,717,107	90.92	1,665,857	0.59	281,051,250
Total	310,962,328	100.00	8,366,452	2.69	302,595,876

RMB'000

Category	31 December 2023				
	Gross carrying amount		Provision for impairment of assets		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for impairment of assets assessed individually	27,544,204	9.19	6,359,023	23.09	21,185,181
Provision for impairment of assets assessed by credit risk portfolio	272,286,161	90.81	1,689,238	0.62	270,596,923
Total	299,830,365	100.00	8,048,261	2.68	291,782,104

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (continued)

As at 30 June 2024, contract assets whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows (unaudited):

RMB'000

	Gross carrying amount	Provision for impairment of assets	
		Amount	Percentage (%)
Portfolio 1	243,099,494	1,292,923	0.53
Portfolio 2	11,834,627	66,424	0.56
Portfolio 3	4,615,143	23,561	0.51
Portfolio 4	23,167,843	282,949	1.22
Total	282,717,107	1,665,857	0.59

10. Current portion of non-current assets

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Current portion of long-term receivables (Note V, 13)	11,390,490	15,013,463
Current portion of retention receivables (Note V, 25)	7,139,946	7,533,560
Current portion of other debt investments	–	6,963,058
Current portion of debt investments (Note V, 15)	1,841	21,728
Total	18,532,277	29,531,809

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Other current assets

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Prepaid taxes and VAT input to be deducted	25,214,859	22,469,099
Reverse repurchase of treasury bonds	6,999,980	2,999,989
Interbank negotiable certificates of deposit	3,951,571	–
Others	1,615,641	1,362,344
Total	37,782,051	26,831,432

12. Loans and advances to customers

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Loans to customers	1,725,125	1,686,305

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables

RMB'000

Item	30 June 2024 (unaudited)		Carrying amount
	Gross carrying amount	Allowance for credit losses	
Long-term project receivables	74,298,892	2,181,169	72,117,723
PPP project receivables	10,502,151	69,974	10,432,177
Land development receivables	20,784,250	215,985	20,568,265
Others	30,009,544	1,019,745	28,989,799
Total	135,594,837	3,486,873	132,107,964
Less: Current portion of non-current assets:	11,709,227	318,737	11,390,490
Including: Long-term project receivables	2,772,157	44,753	2,727,404
PPP project receivables	2,230,005	38,385	2,191,620
Land development receivables	3,970,418	130,805	3,839,613
Others	2,736,647	104,794	2,631,853
Long-term receivables due after one year	123,885,610	3,168,136	120,717,474

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables (continued)

RMB'000

Item	31 December 2023		Carrying amount
	Gross carrying amount	Allowance for credit losses	
Long-term project receivables	67,686,218	2,314,022	65,372,196
PPP project receivables	10,463,336	76,660	10,386,676
Land development receivables	20,704,036	106,952	20,597,084
Others	29,521,058	1,004,473	28,516,585
Total	128,374,648	3,502,107	124,872,541
Less: Current portion of non-current assets:	15,216,381	202,918	15,013,463
Including: Long-term project receivables	4,392,424	56,187	4,336,237
PPP project receivables	2,235,505	32,121	2,203,384
Land development receivables	3,756,602	19,033	3,737,569
Others	4,831,850	95,577	4,736,273
Long-term receivables due after one year	113,158,267	3,299,189	109,859,078

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables (continued)

The Group assesses ECL of long-term receivables on an individual or a collective basis of credit risk characteristics.

RMB'000

Category	30 June 2024 (unaudited)				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Allowance for credit losses assessed individually	5,009,967	3.69	1,961,070	39.14	3,048,897
Allowance for credit losses assessed by credit risk portfolio	130,584,870	96.31	1,525,803	1.17	129,059,067
Total	135,594,837	100.00	3,486,873	2.57	132,107,964

As at 30 June 2024, long-term receivables with significant financing component were presented in accordance with the net amount after discount. The discount rate is 3.65%-5.50% (31 December 2023: 3.65%-5.50%).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables (continued)

As at 30 June 2024, allowance for credit losses assessed individually of long-term receivables is listed as follows:

RMB'000

Company name	30 June 2024 (unaudited)			Reasons
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	
Company 1	1,384,993	371,015	26.79	Note
Company 2	723,394	430,798	59.55	Note
Company 3	722,577	249,179	34.48	Note
Company 4	271,215	201,432	74.27	Note
Company 5	268,007	40,201	15.00	Note
Others	1,639,781	668,445	40.76	—
Total	5,009,967	1,961,070	39.14	—

Note: According to the recoverability of receivables, the Group recorded allowance for credit losses.

As at 30 June 2024, long-term receivables whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows:

RMB'000

	Gross carrying amount (unaudited)	Allowance for credit losses (unaudited)	
		Amount	Provision percentage (%)
Portfolio 1	103,539,724	1,147,129	1.11
Portfolio 2	168,982	1,424	0.84
Portfolio 3	13,045,353	40,819	0.31
Portfolio 4	13,830,811	336,431	2.43
Total	130,584,870	1,525,803	1.17

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables (continued)

Movements in the allowance for credit losses of long-term receivables were as follows:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	2023
Opening balance of the current period/year	3,502,107	2,312,838
Provision for the period/year	356,584	1,360,666
Less: Reversal for the period/year	105,253	196,799
Less: Write-off for the period/year	525,139	–
Others	258,574	25,402
Closing balance of the current period/year	3,486,873	3,502,107

For the six months ended 30 June 2024, the Group derecognised long-term receivables with gross carrying amount of RMB1,795,422,000 due to the transfer of financial assets (For the six months ended 30 June 2023: Nil), and has recognised losses on derecognition of RMB95,305,000 (For the six months ended 30 June 2023: Nil).

Assets and liabilities recognised due to continuing involvement in transferred long-term receivables:

As at 30 June 2024, the Group had assets of RMB105,956,000 and liabilities of RMB105,956,000 (As at 31 December 2023: RMB79,105,000 and RMB79,105,000) related to continuing involvement of transferred long-term receivables.

The restricted long-term receivables of the Group are stated in Note V. 63.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments

RMB'000

Item		30 June 2024 (unaudited)	31 December 2023
Investments in unlisted companies			
– equity method			
Joint ventures	(1)	65,533,424	64,961,146
Associates	(2)	89,297,666	84,366,419
Less: Provision for impairment of long-term equity investments		49,208	49,208
Total		154,781,882	149,278,357

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (continued)

(1) Investment in joint ventures

30 June 2024:

RMB'000

Investee	Investment cost	1 January 2024	Changes for the period (unaudited)					Declaration of cash dividends	Others	30 June 2024 (unaudited)	Provision for impairment at the end of the period (unaudited)
			Transfer to/ Increase in investment	Decrease in/ transfer from investment	Investment profits or losses under equity method	Other comprehensive income					
Sichuan Chengmian Cangba Expressway Co., Ltd.	4,396,043	4,102,678	293,282	-	(7,466)	-	-	-	4,388,494	-	
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. (Note 1)	3,791,580	3,905,588	-	-	1,303	-	-	-	3,906,891	-	
Hohhot Metro Line 2 Construction & Management Co., Ltd. (Note 2)	3,610,664	3,672,324	-	-	-	-	-	-	3,672,324	-	
Chongqing Yuxiang Fuxian Highway Co., Ltd.	3,017,038	2,765,375	251,663	-	-	-	-	-	3,017,038	-	
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	2,640,066	2,294,605	345,385	-	(106,441)	-	-	-	2,533,549	-	
Sichuan Tianfu Airport Expressway Co., Ltd.	3,624,600	2,599,206	-	-	(191,450)	-	-	-	2,407,756	-	
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	1,903,889	1,541,274	362,615	-	-	-	-	-	1,903,889	-	
Xuchang Municipal Rail Construction Co., Ltd.	1,890,000	1,890,253	-	-	-	-	-	-	1,890,253	-	
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	1,688,159	1,688,101	-	-	-	-	-	-	1,688,101	-	
Guiyang Changda Rail Transit Construction Co., Ltd.	1,678,951	1,619,750	59,201	-	-	-	-	-	1,678,951	-	
Others	-	38,832,784	2,419,053	(2,229,383)	(444,468)	(56,177)	(122,464)	(2,375)	38,396,970	(49,208)	
Total	-	64,911,938	3,731,199	(2,229,383)	(748,522)	(56,177)	(122,464)	(2,375)	65,484,216	(49,208)	

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (continued)

(1) Investment in joint ventures (continued)

31 December 2023:

RMB'000

Investee	Investment cost	1 January 2023	Transfer to/ Increase in investment	Decrease in/ transfer from investment	Changes for the year			31 December 2023	Provision for impairment at the end of year	
					Investment profits or losses under equity method	Other comprehensive income	Declaration of cash dividends			
Sichuan Chengmian Cangba Expressway Co., Ltd.	4,102,761	3,222,913	879,848	-	(83)	-	-	4,102,678	-	
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. (Note 1)	3,791,580	3,308,131	653,600	-	76,312	-	(132,455)	3,905,588	-	
Hohhot Metro Line 2 Construction & Management Co., Ltd. (Note 2)	3,610,664	3,672,324	-	-	-	-	-	3,672,324	-	
Chongqing Yuxiang Fuxian Highway Co., Ltd.	2,765,375	2,075,000	690,375	-	-	-	-	2,765,375	-	
Sichuan Tianfu Airport Expressway Co., Ltd.	3,624,600	2,995,367	-	-	(396,161)	-	-	2,599,206	-	
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	2,294,681	1,502,341	792,793	-	(529)	-	-	2,294,605	-	
Xuchang Municipal Rail Construction Co., Ltd.	1,890,000	-	1,890,000	-	253	-	-	1,890,253	-	
Guizhou Qianzhong Expressway Development Co., Ltd.	1,701,147	701,147	1,000,000	-	-	-	-	1,701,147	-	
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	1,688,159	1,688,101	-	-	-	-	-	1,688,101	-	
Guiyang Changda Rail Transit Construction Co., Ltd.	1,619,750	1,199,750	420,000	-	-	-	-	1,619,750	-	
Others	-	35,417,316	5,841,849	(1,709,589)	(506,170)	90,678	(448,066)	(13,107)	38,672,911	(49,208)
Total	-	55,782,390	12,168,465	(1,709,589)	(826,378)	90,678	(580,521)	(13,107)	64,911,938	(49,208)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (continued)

(1) Investment in joint ventures (continued)

Note 1: According to the articles of association of Kunming Rail Transit Line 5 Construction & Operation Co., Ltd., the operation policies and investment plans made by the shareholders' meeting and the resolution of the review and approval of board of directors' report shall be subject to all voting rights of shareholders. The Group holds 54.40% shares in Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. and has sent one director to the board of directors. It can jointly control the entity with other shareholders but not wholly control it. Therefore, it is accounted for as a joint venture of the Group.

Note 2: According to the articles of association of Hohhot Metro Line 2 Construction & Management Co., Ltd., the major decisions made in the shareholders' meeting shall be subject to more than two-thirds of voting rights of shareholders. As the Group holds 51.00% shares in Hohhot Metro Line 2 Construction & Management Co., Ltd., it can jointly control the entity with other shareholders but not wholly control it. Therefore, it is accounted for as a joint venture of the Group.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (continued)

(2) Investment in associates

30 June 2024:

RMB'000

Investee	Investment cost	1 January 2024	Transfer to/ Increase in investment	Decrease in investment	Changes for the period (unaudited)			Others	30 June 2024 (unaudited)	Provision for impairment at the end of period (unaudited)
					Investment profits or losses under equity method	Other comprehensive income	Declaration of cash dividends			
CRCC Financial Leasing Co., Ltd. (Note 1)	1,747,618	3,163,512	-	-	93,413	-	-	(29,977)	3,226,948	-
CRCC-Tongguan Investment Co., Ltd.	1,472,366	2,810,499	-	-	192,561	64,864	-	-	3,067,924	-
Hangqu Railway Co., Ltd.	2,697,695	2,588,863	108,500	-	-	-	-	-	2,697,363	-
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	2,463,800	2,463,800	-	-	73,452	-	(73,452)	-	2,463,800	-
CRCC Ningxia Highway Co. Ltd.	2,069,873	2,069,847	-	-	-	-	-	-	2,069,847	-
Shanghai Wanjianglong Real Estate Co., Ltd.	1,862,000	1,860,140	-	-	(10,632)	-	-	-	1,849,508	-
Yunnan Kunchu Highway Investment & Development Co., Ltd.	2,029,494	1,881,227	-	-	(36,268)	-	-	-	1,844,959	-
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	1,815,074	1,539,780	275,294	-	-	-	-	-	1,815,074	-
CRCC Investment Jizhong Development and Construction Co., Ltd.	1,410,000	1,605,490	-	-	12,054	-	-	-	1,617,544	-
CRCC Sichuan Dedu Expressway Co., Ltd.	1,727,004	1,642,808	-	-	(47,406)	-	-	-	1,595,402	-
Others	-	62,740,453	4,858,794	(324,348)	(33,299)	(6,367)	(170,193)	(15,743)	67,049,297	-
Total	-	84,366,419	5,242,588	(324,348)	243,875	58,497	(243,645)	(45,720)	89,297,666	-

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (continued)

(2) Investment in associates (continued)

31 December 2023:

RMB'000

Investee	Investment cost	1 January 2023	Transfer to/ Increase in investment	Decrease in/ transfer from investment	Changes for the year			31 December 2023	Provision for impairment at the end of year	
					Investment under equity method	Other comprehensive income	Declaration of cash dividends			
CRCC Financial Leasing Co., Ltd. <i>(Note 1)</i>	1,747,618	2,943,766	-	-	211,292	-	8,454	3,163,512	-	
CRCC-Tongguan Investment Co., Ltd.	1,472,366	2,240,108	-	-	462,756	107,635	-	2,810,499	-	
Hangqu Railway Co., Ltd.	2,589,195	2,226,863	362,000	-	-	-	-	2,588,863	-	
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	2,463,800	2,463,800	-	-	144,929	-	(144,929)	2,463,800	-	
CRCC Ningxia Highway Co. Ltd.	2,069,873	1,647,237	422,610	-	-	-	-	2,069,847	-	
Yunnan Kunchu Highway Investment & Development Co., Ltd.	2,029,494	1,975,223	-	-	(93,996)	-	-	1,881,227	-	
Shanghai Wanjianglong Real Estate Co., Ltd.	1,862,000	-	1,862,000	-	(1,860)	-	-	1,860,140	-	
CRCC Sichuan Dedu Expressway Co., Ltd.	1,727,004	1,727,004	-	-	(84,196)	-	-	1,642,808	-	
CRCC Investment Jizhong Development and Construction Co., Ltd.	1,410,000	779,726	740,527	-	85,237	-	-	1,605,490	-	
Ningxia Inter-City Railway Co., Ltd.	1,589,200	1,701,025	-	(111,825)	72,180	-	(72,180)	1,589,200	-	
Others	-	54,498,096	10,857,535	(2,712,908)	595,023	(5,470)	(513,855)	(27,388)	62,691,033	-
Total	-	72,202,848	14,244,672	(2,824,733)	1,391,365	102,165	(730,964)	(18,934)	84,366,419	-

Note 1: According to the articles of association of CRCC Financial Leasing Co., Ltd., the decisions of amending the company's articles of association, increasing the registered capital, resolutions of the company merger, division, dissolution, changing the company form, scope of operations, issuing of corporate bonds and selecting the directors shall be subject to more than two-thirds of voting rights of shareholders. Others shall be subject to more than half of voting rights of shareholders. As the Group holds 50.00% shares in CRCC Financial Leasing Co., Ltd., it can neither control nor jointly control the entity with other shareholders, but has significant influence over the entity. Therefore, it is accounted for an associate of the Group.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Debt investments

RMB'000

Item	30 June 2024 (unaudited)		Carrying amount
	Gross carrying amount	Allowance for credit losses	
Long-term loans receivable	7,654,776	1,862,419	5,792,357
Total	7,654,776	1,862,419	5,792,357
Less: Current portion of debt investments (Note V, 10)	1,850	9	1,841
Debt investments due after one year	7,652,926	1,862,410	5,790,516

RMB'000

Item	31 December 2023		Carrying amount
	Gross carrying amount	Allowance for credit losses	
Long-term loans receivable	7,880,938	1,843,034	6,037,904
Total	7,880,938	1,843,034	6,037,904
Less: Current portion of debt investments (Note V, 10)	21,837	109	21,728
Debt investments due after one year	7,859,101	1,842,925	6,016,176

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Debt investments (continued)

Changes in allowance for credit losses of debt investments are as follows:

RMB'000

Item	For the six month ended 30 June 2024 (unaudited)		2023
	Amount	Percentage (%)	
Opening balance of the current period/year	1,843,034		1,166,128
Provided for the period/year	21,074		694,184
Less: Reversals for the period/year	727		12,389
Less: Written-off for the period/year	–		40
Others	(962)		(4,849)
Closing balance of current period/year	1,862,419		1,843,034

Debt investments and allowance for credit losses by category are listed as follows:

RMB'000

Category	30 June 2024 (unaudited)				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Allowance for credit losses assessed individually	4,471,563	58.42	1,844,162	41.24	2,627,401
Allowance for credit losses assessed by credit risk portfolio	3,183,213	41.58	18,257	0.57	3,164,956
Total	7,654,776	100.00	1,862,419	24.33	5,792,357

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Debt investments (continued)

Debt investments and allowance for credit losses by category are listed as follows: (continued)

RMB'000

Category	31 December 2023		Allowance for credit losses		Carrying amount
	Gross carrying amount		Amount	Provision percentage (%)	
	Amount	Percentage (%)			
Allowance for credit losses assessed individually	4,341,914	55.09	1,823,855	42.01	2,518,059
Allowance for credit losses assessed by credit risk portfolio	3,539,024	44.91	19,179	0.54	3,519,845
Total	7,880,938	100.00	1,843,034	23.39	6,037,904

As at 30 June 2024, the Group's significant debt investments are as follows:

A subsidiary of the Group had entered into an interest borne loan agreement with a real estate industry customer, and recognised debt investment with gross carrying amount of RMB2,927,357,000. Due to the debt default of this customer, the subsidiary recognised impairment through default exposure and the life-time expected credit loss rate.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Other non-current financial assets

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Investments in unlisted fund product	7,580,962	6,191,649
Equity investments in listed companies	218,901	169,604
Others	3,869,308	3,925,896
Total	11,669,171	10,287,149

17. Other equity instrument investments

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Equity investments in listed companies	2,050,055	1,974,362
Equity investments in unlisted companies	10,878,995	10,601,209
Total	12,929,050	12,575,571

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Other equity instrument investments (continued)

For the six months ended 30 June 2024:

RMB'000

Item	Changes for the period (unaudited)						Dividends recognised for the period (unaudited)	Accumulated gains and losses included in other comprehensive income at the end of the period (unaudited)
	1 January 2024	Increase of investment	Decrease of investment	Changes in fair value	Others	30 June 2024 (unaudited)		
Other equity instrument investments	12,575,571	385,082	(148,682)	116,935	144	12,929,050	44,254	601,458

2023:

RMB'000

Item	Changes for the year						Dividends recognised for the year	Accumulated gains and losses included in other comprehensive income at the end of the year
	1 January 2023	Increase of investment	Decrease of investment	Changes in fair value	Others	31 December 2023		
Other equity instrument investments	11,940,051	1,172,272	(445,453)	(91,554)	255	12,575,571	116,607	509,306

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Other equity instrument investments (continued)

As at 30 June 2024, the Group's significant listed companies' equity instrument investments designated as those at FVTOCI are as follows:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023	Reasons for designated at FVTOCI
SDIC Capital (600061)	495,525	624,852	Long-term equity investments for strategic purposes
Times Electric (688187)	483,924	356,034	Long-term equity investments for strategic purposes
Bank of Communications (601328)	301,231	231,468	Long-term equity investments for strategic purposes
Tongling Nonferrous (000630)	271,617	246,788	Long-term equity investments for strategic purposes

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Investment properties

Subsequent measurement under cost method

For the six months ended 30 June 2024 (unaudited):

RMB'000

	Buildings and land use right	Total
I. Original costs		
1 January 2024	13,465,433	13,465,433
Increase	437,445	437,445
Additions	113,460	113,460
Transferred in from inventories	223,005	223,005
Transferred in from fixed assets	99,180	99,180
Other increases	1,800	1,800
Decrease	184,700	184,700
Disposal	50,785	50,785
Transferred to self-use	82,764	82,764
Other decreases	51,151	51,151
30 June 2024	13,718,178	13,718,178
II. Accumulated depreciation and amortisation		
1 January 2024	1,839,363	1,839,363
Increase	205,384	205,384
Provision	184,422	184,422
Transferred in from fixed assets	20,962	20,962
Decrease	29,118	29,118
Disposal	7,539	7,539
Transferred to self-use	17,046	17,046
Other decreases	4,533	4,533
30 June 2024	2,015,629	2,015,629
III. Provision for impairment		
1 January 2024	226,624	226,624
Increase	136	136
Provision	136	136
Decrease	2,141	2,141
Disposal	2,141	2,141
30 June 2024	224,619	224,619
IV. Carrying amount		
Closing balance	11,477,930	11,477,930
Opening balance	11,399,446	11,399,446

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Investment properties (continued)

Subsequent measurement under cost method (continued)

2023:

RMB'000

	Buildings and land use right	Total
I. Original costs		
1 January 2023	11,759,746	11,759,746
Increase	2,405,017	2,405,017
Additions	598,659	598,659
Transferred in from inventories	1,589,591	1,589,591
Transferred in from fixed assets	110,320	110,320
Transferred in from construction in progress	22,832	22,832
Transferred in from intangible assets	83,615	83,615
Decrease	699,330	699,330
Disposal	632,235	632,235
Other decreases	67,095	67,095
31 December 2023	13,465,433	13,465,433
II. Accumulated depreciation and amortisation		
1 January 2023	1,574,348	1,574,348
Increase	379,832	379,832
Provision	327,347	327,347
Transferred in from fixed assets	35,828	35,828
Transferred in from intangible assets	16,657	16,657
Decrease	114,817	114,817
Disposal	97,485	97,485
Other decreases	17,332	17,332
31 December 2023	1,839,363	1,839,363
III. Provision for impairment		
1 January 2023	287,056	287,056
Increase	28,548	28,548
Provision	18,609	18,609
Other increases	9,939	9,939
Decrease	88,980	88,980
Disposal	88,980	88,980
31 December 2023	226,624	226,624
IV. Carrying amount		
Closing balance	11,399,446	11,399,446
Opening balance	9,898,342	9,898,342

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Investment properties (continued)

Subsequent measurement under cost method (continued)

The restricted investment properties of the Group are stated in Note V.63.

As at 30 June 2024, the Group has been in the process of applying for and handling registration or transfer of the title certificates of certain buildings with an aggregate carrying amount of RMB69,242,000 (31 December 2023: RMB32,134,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such buildings. The Company's management is also of the opinion that the matter did not have any adverse significant impact on the Group's financial position as at 30 June 2024.

19. Fixed assets

For the six months ended 30 June 2024 (unaudited):

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
I. Original costs					
1 January 2024	33,501,341	53,654,595	16,746,401	74,270,557	178,172,894
Increase	1,933,602	1,915,643	519,851	5,741,744	10,110,840
Additions	314,913	1,279,661	504,813	5,095,681	7,195,068
Transferred in from construction in progress	1,535,925	563,517	7,483	628,502	2,735,427
Transferred in from investment properties	82,764	–	–	–	82,764
Transferred in from right-of-use assets	–	63,380	–	–	63,380
Other increases	–	9,085	7,555	17,561	34,201
Decrease	391,528	2,067,509	735,635	2,766,919	5,961,591
Disposal or retirement	220,320	1,485,101	547,954	2,698,648	4,952,023
Transferred out to construction in progress	68,965	394,324	–	2,380	465,669
Transferred out to investment properties	99,180	–	–	–	99,180
Other decreases	3,063	188,084	187,681	65,891	444,719
30 June 2024	35,043,415	53,502,729	16,530,617	77,245,382	182,322,143

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Fixed assets (continued)

For the six months ended 30 June 2024 (unaudited): (continued)

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
II. Accumulated depreciation					
1 January 2024	7,631,423	31,501,806	13,077,687	52,471,503	104,682,419
Increase	514,488	2,246,724	708,950	5,627,327	9,097,489
Provision	497,442	2,242,760	703,230	5,618,835	9,062,267
Transferred in from investment properties	17,046	–	–	–	17,046
Other increases	–	3,964	5,720	8,492	18,176
Decrease	119,623	1,559,975	647,009	2,548,089	4,874,696
Disposal or retirement	95,854	1,283,002	511,560	2,533,292	4,423,708
Transferred out to construction in progress	2,670	186,119	–	1,191	189,980
Transferred out to investment properties	20,962	–	–	–	20,962
Other decreases	137	90,854	135,449	13,606	240,046
30 June 2024	8,026,288	32,188,555	13,139,628	55,550,741	108,905,212
III. Provision for impairment					
1 January 2024	92,810	103,846	725	23,608	220,989
Disposal or retirement	–	5,255	–	–	5,255
Other increases	945	–	–	–	945
30 June 2024	93,755	98,591	725	23,608	216,679
IV. Carrying amount					
30 June 2024	26,923,372	21,215,583	3,390,264	21,671,033	73,200,252
1 January 2024	25,777,108	22,048,943	3,667,989	21,775,446	73,269,486

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Fixed assets (continued)

2023:

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
I. Original costs					
1 January 2023	29,017,246	53,915,540	16,623,023	66,572,257	166,128,066
Increase	4,791,180	5,524,467	1,482,579	15,812,453	27,610,679
Additions	697,211	4,742,578	1,395,551	13,512,736	20,348,076
Transferred in from construction in progress	4,046,226	693,512	82,724	2,297,200	7,119,662
Transferred in from right-of-use assets	–	88,377	–	–	88,377
Other increases	47,743	–	4,304	2,517	54,564
Decrease	307,085	5,785,412	1,359,201	8,114,153	15,565,851
Disposal or retirement	196,765	3,801,977	866,597	7,976,103	12,841,442
Transferred out to construction in progress	–	1,117,430	–	–	1,117,430
Transferred out to investment properties	110,320	–	–	–	110,320
Other decreases	–	866,005	492,604	138,050	1,496,659
31 December 2023	33,501,341	53,654,595	16,746,401	74,270,557	178,172,894
II. Accumulated depreciation					
1 January 2023	6,780,776	32,193,083	12,781,791	48,100,609	99,856,259
Increase	1,060,222	3,669,020	1,431,926	11,011,602	17,172,770
Provision	1,052,423	3,669,020	1,428,098	11,011,090	17,160,631
Other increases	7,799	–	3,828	512	12,139
Decrease	209,575	4,360,297	1,136,030	6,640,708	12,346,610
Disposal or retirement	173,747	3,016,717	772,767	6,580,424	10,543,655
Transferred out to construction in progress	–	691,014	–	–	691,014
Transferred out to investment properties	35,828	–	–	–	35,828
Other decreases	–	652,566	363,263	60,284	1,076,113
31 December 2023	7,631,423	31,501,806	13,077,687	52,471,503	104,682,419

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Fixed assets (continued)

2023: (continued)

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
III. Provision for impairment					
1 January 2023	90,131	71,544	725	23,608	186,008
Provision	8,430	53,147	–	–	61,577
Disposal or retirement	4,968	20,845	–	–	25,813
Other decreases	783	–	–	–	783
31 December 2023	92,810	103,846	725	23,608	220,989
IV. Carrying amount					
31 December 2023	25,777,108	22,048,943	3,667,989	21,775,446	73,269,486
1 January 2023	22,146,339	21,650,913	3,840,507	18,448,040	66,085,799

The restricted fixed assets of the Group are stated in Note V. 63.

As at 30 June 2024, the Group had no significant fixed assets that were temporarily idle (31 December 2023: Nil).

As at 30 June 2024, the Group was in the process of applying for and handling registration or transfer of the title certificates of certain buildings with an aggregate carrying amount of RMB1,731,328,000 (31 December 2023: RMB1,738,325,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such buildings. The Company's management is also of the opinion that the matter did not have any adverse significant impact on the Group's financial position as at 30 June 2024.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress

RMB'000

Item	30 June 2024 (unaudited)			31 December 2023		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
CRCC South China						
Headquarters Building Project	977,566	-	977,566	945,150	-	945,150
Jingjiang Bridge Science and Technology Industrial Park	347,667	-	347,667	226,214	-	226,214
CRCC Port and Shipping Project	234,711	-	234,711	203,192	-	203,192
Railway Construction No.1 Crane Ship Renovation Project	209,351	-	209,351	-	-	-
Zhejiang Zhoushan Construction Intelligent Manufacturing Technology Industrial Park Project	209,205	-	209,205	133,484	-	133,484
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	186,973	-	186,973	135,754	-	135,754
China Railway 14th Bureau Shield Machine Remanufacturing Project	165,552	-	165,552	104,382	-	104,382
Headquarter Buildings in Addis Ababa Ethiopia	151,210	-	151,210	135,427	-	135,427
Tianjin Construction Industrialisation Research and Development Production Base Phase II and III Project	126,618	-	126,618	111,212	-	111,212
China Railway Construction Yuhu Phase II	125,126	-	125,126	96,274	-	96,274
Others	2,920,296	9,563	2,910,733	3,729,189	9,563	3,719,626
Total	5,654,275	9,563	5,644,712	5,820,278	9,563	5,810,715

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress (continued)

For the six months ended 30 June 2024 (unaudited):

RMB'000

Item	1 January		Additions	Transfer out	Others	30 June 2024	Source of funds	Proportion of investment to budget (%)
	Budget	2024						
CRCC South China Headquarters Building Project	2,104,200	945,150	32,416	-	-	977,566	Self-funding/loan	46
Jingjiang Bridge Science and Technology Industrial Park	596,502	226,214	121,453	-	-	347,667	Self-funding/loan	58
CRCC Port and Shipping Project	764,240	203,192	31,519	-	-	234,711	Self-funding/loan	31
Railway Construction No.1 Crane Ship Renovation Project	300,000	-	209,351	-	-	209,351	Self-funding	70
Zhejiang Zhoushan Construction Intelligent Manufacturing Technology Industrial Park Project	495,080	133,484	75,721	-	-	209,205	Self-funding/loan	42
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	434,790	135,754	51,219	-	-	186,973	Self-funding/loan	43
China Railway 14th Bureau Shield Machine Remanufacturing Project	171,550	104,382	61,170	-	-	165,552	Self-funding	97
Headquarter Buildings in Addis Ababa Ethiopia	154,475	135,427	15,783	-	-	151,210	Self-funding	98
Tianjin Construction Industrialisation Research and Development Production Base Phase II and III Project	151,748	111,212	15,406	-	-	126,618	Self-funding/loan	83
China Railway Construction Yuhu Phase II	729,000	96,274	28,852	-	-	125,126	Self-funding	17
Others	--	3,729,189	1,976,595	2,741,758	(43,730)	2,920,296	Self-funding/loan	--
Total	--	5,820,278	2,619,485	2,741,758	(43,730)	5,654,275	--	--
Less: Provision for impairment	--	9,563	-	-	-	9,563	--	--
Net value at the end of the period	--	5,810,715	2,619,485	2,741,758	(43,730)	5,644,712	--	--

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress (continued)

2023:

Item	Budget	1 January 2023	Additions	Transfer out	Others	31 December 2023	Source of funds	RMB'000
								Proportion of investment to budget (%)
Zuhai Hengqin CRCC Plaza (Original name: Hengqin Tiejian Plaza Project)	1,431,217	1,112,895	142,586	-	-	1,255,481	Self-funding/loan	88
CRCC South China Headquarters Building Project	2,104,200	836,141	109,009	-	-	945,150	Self-funding/loan	45
Jingjiang Bridge Science and Technology Industrial Park	596,502	105,457	120,757	-	-	226,214	Self-funding/loan	38
CRCC Port and Shipping Project	744,510	30,318	172,874	-	-	203,192	Self-funding/loan	27
Shield Machine Remanufacturing Project of CRCC Bridge Engineering Bureau Group 2nd Engineering Co., Ltd.	142,925	-	139,649	-	-	139,649	Self-funding	98
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	434,790	1,627	134,127	-	-	135,754	Self-funding	31
Headquarter Buildings in Addis Ababa Ethiopia	154,475	81,363	54,064	-	-	135,427	Self-funding	88
Zhejiang Zhoushan Construction Intelligent Manufacturing Technology Industrial Park Project	495,080	-	133,484	-	-	133,484	Self-funding	27
New Industry Manufacturing Changsha Base Phase I Project	499,200	14,487	100,688	-	-	115,175	Self-funding	23
Tianjin Construction Industrialisation Research and Development Production Base Phase II and III Project	151,748	67,194	44,018	-	-	111,212	Self-funding	73
Others	--	5,353,252	4,429,322	7,273,258	(89,776)	2,419,540	Self-funding/loan	--
Total	--	7,602,734	5,580,578	7,273,258	(89,776)	5,820,278	--	--
Less: Provision for impairment	--	9,563	-	-	-	9,563	--	--
Net value at the end of the year	--	7,593,171	5,580,578	7,273,258	(89,776)	5,810,715	--	--

For the six months ended 30 June 2024, construction in progress with a carrying amount of RMB2,735,427,000 (2023: RMB7,119,662,000), RMB6,331,000 (2023: RMB130,764,000) had been transferred to fixed assets and intangible assets respectively, and no construction in progress had been transferred to investment properties (2023: RMB22,832,000).

The restricted construction in progress of the Group are stated in Note V. 63.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress (continued)

The amounts of interest expenses capitalised in the balance of construction in progress and the capitalisation rates are listed as follows:

For the six months ended 30 June 2024 (unaudited):

RMB'000

Item	Progress as at 30 June 2024 (%)	Capitalised amount of borrowing costs as at 30 June 2024	Interest capitalised during the period	Capitalisation rate during the period (%)
CRCC South China Headquarters Building Project	46	45,016	13,668	3.49
Jingjiang Bridge Science and Technology Industrial Park	58	18,268	1,218	3.99
CRCC Port and Shipping Project	31	4,375	2,595	3.35
Tianjin Construction Industrialisation Research and Development Production Base Phase II and III Project	83	3,790	3,790	3.09
Others	—	40,148	18,977	—
Total	—	111,597	40,248	—

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress (continued)

The amounts of interest expenses capitalised in the balance of construction in progress and the capitalisation rates are listed as follows: (continued)

2023:

RMB'000

Item	Progress as at 31 December 2023 (%)	Capitalised amount of borrowing costs as at 31 December 2023	Interest capitalised during the year	Capitalisation rate during the year (%)
Zhuhai Hengqin CRCC Plaza (Original name: Hengqin Tiejian Plaza Project)	88	33,994	15,089	3.86
CRCC South China Headquarters Building Project	45	31,348	19,203	3.38
CRCC Port and Shipping Project	27	1,780	1,780	3.70
Jingjiang Bridge Science and Technology Industrial Park	38	17,050	17,050	3.99
Others	—	21,171	174,208	—
Total	—	105,343	227,330	—

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Right-of-use assets

For the six months ended 30 June 2024 (unaudited):

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
I. Original costs					
1 January 2024	5,980,669	5,267,309	679,943	359,658	12,287,579
Additions	555,850	843,418	122,258	65,889	1,587,415
Disposal or retirement	514,646	254,795	83,664	28,738	881,843
30 June 2024	6,021,873	5,855,932	718,537	396,809	12,993,151
II. Accumulated depreciation					
1 January 2024	2,440,464	2,113,773	472,115	120,527	5,146,879
Provision	521,980	463,631	89,849	37,782	1,113,242
Disposal or retirement	391,206	138,476	77,302	24,635	631,619
30 June 2024	2,571,238	2,438,928	484,662	133,674	5,628,502
III. Carrying amount					
Closing balance	3,450,635	3,417,004	233,875	263,135	7,364,649
Opening balance	3,540,205	3,153,536	207,828	239,131	7,140,700

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Right-of-use assets (continued)

2023:

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
I. Original costs					
1 January 2023	4,103,363	5,088,933	601,419	216,527	10,010,242
Additions	2,655,103	1,613,744	122,537	175,850	4,567,234
Disposal or retirement	777,797	1,435,368	44,013	32,719	2,289,897
31 December 2023	5,980,669	5,267,309	679,943	359,658	12,287,579
II. Accumulated depreciation					
1 January 2023	1,840,661	2,563,660	375,573	75,991	4,855,885
Provision	1,091,130	916,195	140,060	74,607	2,221,992
Disposal or retirement	491,327	1,366,082	43,518	30,071	1,930,998
31 December 2023	2,440,464	2,113,773	472,115	120,527	5,146,879
III. Carrying amount					
Closing balance	3,540,205	3,153,536	207,828	239,131	7,140,700
Opening balance	2,262,702	2,525,273	225,846	140,536	5,154,357

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets

For the six months ended 30 June 2024 (unaudited):

RMB'000

Item	Land use rights	Concession rights	Software licenses	Mining rights and others	Total
I. Original costs					
1 January 2024	9,295,728	66,832,816	1,739,925	2,121,434	79,989,903
Increase	100,778	18,197,092	113,011	40,478	18,451,359
Additions	100,778	6,344,706	106,680	40,478	6,592,642
Acquisition of subsidiaries (Note 1)	–	11,852,386	–	–	11,852,386
Transferred in from construction in progress	–	–	6,331	–	6,331
Decrease	65,255	278,728	71,396	8,619	423,998
Disposal or retirement	62,051	–	68,990	1,902	132,943
Other decreases	3,204	278,728	2,406	6,717	291,055
30 June 2024	9,331,251	84,751,180	1,781,540	2,153,293	98,017,264
II. Accumulated amortisation					
1 January 2024	2,111,903	4,781,866	1,097,309	838,732	8,829,810
Increase	114,189	517,447	141,478	61,467	834,581
Provision	114,189	517,447	141,478	61,467	834,581
Decrease	15,463	30,557	63,777	7,999	117,796
Disposal or retirement	15,158	–	61,500	1,585	78,243
Other decreases	305	30,557	2,277	6,414	39,553
30 June 2024	2,210,629	5,268,756	1,175,010	892,200	9,546,595
III. Provision for impairment					
1 January 2024 and 30 June 2024	9,043	1,060,130	–	354,462	1,423,635
IV. Carrying amount					
Closing balance	7,111,579	78,422,294	606,530	906,631	87,047,034
Opening balance	7,174,782	60,990,820	642,616	928,240	69,736,458

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets (continued)

For the six months ended 30 June 2024 (unaudited): (continued)

Note 1: For the six months ended 30 June 2024, the Group's acquisitions of subsidiaries resulted in an increase of RMB11,852,386,000 in concession rights, which mainly included the Guizhou Wudang (Yangchang) to Changshun Highway and the Qianjiang District Transit Highway (Yuxiang Highway Liaison Route), etc.

2023:

	RMB'000				
Item	Land use rights	Concession rights	Software licenses	Mining rights and others	Total
I. Original costs					
1 January 2023	9,168,353	58,922,256	1,388,474	1,722,313	71,201,396
Increase	374,991	7,910,560	413,177	447,675	9,146,403
Additions	374,991	7,640,909	282,377	447,675	8,745,952
Acquisition of subsidiaries	–	186,319	36	–	186,355
Transferred in from construction in progress	–	–	130,764	–	130,764
Other increases	–	83,332	–	–	83,332
Decrease	247,616	–	61,726	48,554	357,896
Disposal or retirement	164,001	–	61,726	48,554	274,281
Other decreases	83,615	–	–	–	83,615
31 December 2023	9,295,728	66,832,816	1,739,925	2,121,434	79,989,903
II. Accumulated amortisation					
1 January 2023	1,947,968	3,766,111	891,867	753,532	7,359,478
Increase	233,887	1,015,755	253,790	110,414	1,613,846
Provision	233,887	997,898	253,790	110,414	1,595,989
Other increases	–	17,857	–	–	17,857
Decrease	69,952	–	48,348	25,214	143,514
Disposal or retirement	53,295	–	48,348	25,214	126,857
Other decreases	16,657	–	–	–	16,657
31 December 2023	2,111,903	4,781,866	1,097,309	838,732	8,829,810
III. Provision for impairment					
1 January 2023	9,043	1,060,130	–	242,003	1,311,176
Provision	–	–	–	112,459	112,459
31 December 2023	9,043	1,060,130	–	354,462	1,423,635
IV. Carrying amount					
Closing balance	7,174,782	60,990,820	642,616	928,240	69,736,458
Opening balance	7,211,342	54,096,015	496,607	726,778	62,530,742

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. *Intangible assets (continued)*

As at 30 June 2024, intangible assets recognised through internal research and development account for 0.01% of the closing balance of intangible assets (31 December 2023: 0.06%).

The restricted intangible assets of the Group are stated in Note V. 63.

As at 30 June 2024, the Group was in the process of applying for the title certificates of certain parcels of its land in the PRC with an aggregate carrying amount of RMB22,972,000 (31 December 2023: RMB60,675,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such land, and also of the opinion that the matter did not have any significant adverse impact on the Group's financial position as at 30 June 2024.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets (continued)

The amounts of interest capitalised in the balance of intangible assets and the capitalisation rates are analysed as follows:

For the six months ended 30 June 2024 (unaudited):

RMB'000

Item	Progress as at 30 June 2024 (%)	Capitalised amount of borrowing costs as at 30 June 2024 (Note)	Interest capitalised during the period	Capitalisation rate during the period (%)
Sichuan Jianpu Highway Project concession rights	100	1,122,008	—	—
Guangxi Ziyuan (Meixi) to Xing'an Highway BOT Project concession rights	100	483,194	—	—
Guizhou Wudang (Yangchang) to Changshun Highway	61	407,210	193,306	4.00
Highway from Wuxi Chongqing to Zhenping Shaanxi (Chongqing Section)	100	224,824	—	—
Guangxi Nanyuzhu Highway Yuheng Section concession rights	90	233,174	84,051	3.08
Guizhou Anshun to Ziyun Highway Project concession rights	100	154,428	—	—
Henan Lanyuan Expressway Project concession rights	100	138,599	—	—
Qianjiang District Transit Highway (Yuxiang Highway Liaison Route)	100	134,902	—	—
Chongqing rail transit Jiangtiao Line construction project concession rights	100	56,289	—	—
Others	—	403,956	59,090	—
Total	—	3,358,584	336,447	—

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets (continued)

The amounts of interest capitalised in the balance of intangible assets and the capitalisation rates are analysed as follows: (continued)

2023:

RMB'000

Item	Progress as at 31 December 2023 (%)	Capitalised amount of borrowing costs as at 31 December 2023 (Note)	Interest capitalised during the year	Capitalisation rate during the year (%)
Sichuan Jianpu Highway Project concession rights	100	1,125,187	—	—
Guangxi Ziyuan (Meixi) to Xing'an Highway BOT Project concession rights	100	483,987	—	—
Highway from Wuxi Chongqing to Zhenping Shaanxi (Chongqing Section)	99	225,682	108,134	3.45
Guizhou Anshun to Ziyun Highway Project concession rights	100	154,716	—	—
Guangxi Nanyuzhu Highway Yuheng Section concession rights	72	149,123	122,892	3.08
Henan Lanyuan Expressway Project concession rights	98	138,706	13,146	3.64
Yusui Highway Project concession rights	100	77,570	—	—
Chongqing rail transit Jiangtiao Line construction project concession rights	100	57,368	—	—
Beijing New Airport North Line Highway project	100	56,192	—	—
Others	—	211,087	67,537	—
Total	—	2,679,618	311,709	—

Note: It is accumulated during the construction of the concession rights and will be amortised according to the expected realisation of the economic benefits of the project during its operation.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Goodwill

For the six months ended 30 June 2024:

Original costs

RMB'000

Item	1 January	Increase	Decrease	Exchange	30 June
	2024			(unaudited)	
Acquisition of ALDESA Company (Note 1)	422,833	-	-	(10,625)	412,208
Acquisition of CIDEON Company (Note 2)	91,369	-	-	-	91,369
Others	43,128	-	-	-	43,128
Total	557,330	-	-	(10,625)	546,705

Provision for impairment

RMB'000

Item	1 January	Increase	Decrease	Exchange	30 June
	2024			(unaudited)	
Acquisition of ALDESA Company (Note 1)	422,833	-	-	(10,625)	412,208
Acquisition of CIDEON Company (Note 2)	78,880	-	-	-	78,880
Total	501,713	-	-	(10,625)	491,088

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Goodwill (continued)

For the six months ended 30 June 2024: (continued)

Net value of goodwill

RMB'000

Item	1 January	Increase (unaudited)	Decrease (unaudited)	Exchange differences on translation of foreign operations (unaudited)	30 June
	2024				2024
Acquisition of ALDESA Company (Note 1)	-	-	-	-	-
Acquisition of CIDEON Company (Note 2)	12,489	-	-	-	12,489
Others	43,128	-	-	-	43,128
Total	55,617	-	-	-	55,617

2023:

Original costs

RMB'000

Item	1 January	Increase	Decrease	Exchange differences on translation of foreign operations	31 December
	2023				2023
Acquisition of ALDESA Company (Note 1)	399,073	-	-	23,760	422,833
Acquisition of CIDEON Company (Note 2)	91,369	-	-	-	91,369
Others	43,128	-	-	-	43,128
Total	533,570	-	-	23,760	557,330

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Goodwill (continued)

2023: (continued)

Provision for impairment

RMB'000

Item	1 January 2023	Increase	Decrease	Exchange differences on translation of foreign operations	31 December 2023
Acquisition of ALDESA Company (Note 1)	313,378	91,036	–	18,419	422,833
Acquisition of CIDEON Company (Note 2)	56,674	22,206	–	–	78,880
Total	370,052	113,242	–	18,419	501,713

Net value of goodwill

RMB'000

Item	1 January 2023	Increase	Decrease	Exchange differences on translation of foreign operations	31 December 2023
Acquisition of ALDESA Company (Note 1)	85,695	–	91,036	5,341	–
Acquisition of CIDEON Company (Note 2)	34,695	–	22,206	–	12,489
Others	43,128	–	–	–	43,128
Total	163,518	–	113,242	5,341	55,617

Note 1: The goodwill of EUR 54,670,000 was acquired in the business combination involving entities not under common control of GRUPO ALDESA, S.A. (“ALDESA Company”) on 8 May 2020. In 30 June 2024, the Group recognised accumulated impairment of the goodwill of EUR54,670,000.

Note 2: On 29 February 2016, the Group purchased CIDEON Engineering GmbH&Co.KG, CIDEON Engineering Verwaltungs GmbH and CIDEON Schweiz AG (collectively referred to as “CIDEON Company”), which is a business combination involving entities not under common control and resulted in the increase in goodwill by EUR 11,710,000. In 30 June 2024, the Group recognised accumulated impairment of the goodwill of EUR10,040,000.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/liabilities

RMB'000

Item	30 June 2024 (unaudited)		31 December 2023	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Deferred tax assets				
Provision for long-term post-leaving benefits	80,210	15,804	91,393	17,850
Provision for impairment of credit and assets	36,458,463	6,395,236	35,127,556	6,272,952
Deductible tax losses	6,192,184	1,516,224	5,299,868	1,296,557
Lease liabilities	5,318,503	1,046,399	5,105,216	1,016,877
Revaluation surplus from restructuring	1,103,901	275,975	1,155,432	288,858
Unrealised profits of intra-group transactions	8,607,833	1,940,991	8,230,341	1,866,254
Changes in fair value of other equity instrument investments	138,431	32,044	131,883	26,746
Interest expenses that can be carried forward for deduction	724,512	181,128	703,912	175,978
Others	8,679,796	1,767,569	8,558,936	1,721,197
Total	67,303,833	13,171,370	64,404,537	12,683,269

Item	30 June 2024 (unaudited)		31 December 2023	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Deferred tax liabilities				
Right-of-use assets	5,860,417	1,134,353	5,631,994	1,106,812
Changes in fair value of other equity instrument investments	1,359,448	261,050	1,237,793	230,969
Asset appreciation from appraisal for business combinations involving entities not under common control	384,070	96,018	391,297	97,824
Book-tax temporary differences for revenue recognition	5,292,780	1,318,209	4,995,849	1,318,904
Others	3,579,303	714,366	3,325,349	725,451
Total	16,476,018	3,523,996	15,582,282	3,479,960

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/liabilities (continued)

Deferred tax assets and deferred tax liabilities that are presented at the net amount after offset:

RMB'000

Item	Offset amount between deferred tax assets and liabilities at the end of the period (unaudited)	Closing balance of deferred tax assets or liabilities after offset (unaudited)	Offset amount between deferred tax assets and liabilities at the beginning of the period	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	1,620,923	11,550,447	1,471,357	11,211,912
Deferred tax liabilities	1,620,923	1,903,073	1,471,357	2,008,603

Deductible temporary differences and deductible tax losses for which deferred tax assets are not recognised are listed as follows:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Deductible temporary differences	14,893,213	14,316,726
Deductible tax losses	24,784,000	23,172,034
Total	39,677,213	37,488,760

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/liabilities (continued)

Deductible losses, for which no deferred tax assets are recognised, will expire in the following years:

RMB'000

Year	30 June 2024 (unaudited)	31 December 2023
2024	1,888,571	1,927,158
2025	3,439,389	3,452,708
2026	4,817,190	4,865,996
2027	4,434,122	4,652,072
2028	5,633,882	6,200,188
2029	2,581,388	185,955
2030	849,551	857,374
2031	427,993	427,993
2032	294,077	294,077
2033	308,513	308,513
2034	109,324	–
Total	24,784,000	23,172,034

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Other non-current assets

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Retention receivables	84,953,530	77,647,914
Contract assets derived from land development receivables and other project receivables	50,727,476	47,428,493
Others	6,435,980	6,413,083
Subtotal	142,116,986	131,489,490
Less: Current portion of other non-current assets (Note V. 10)	7,139,946	7,533,560
Total	134,977,040	123,955,930

The restricted other non-current assets of the Group are stated in Note V. 63.

Contract assets and provision for impairment of assets in other non-current assets are disclosed by category as follows:

RMB'000

Category	30 June 2024 (unaudited)				
	Gross carrying amount		Provision for impairment of assets		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Provision for impairment of assets assessed individually	6,191,495	4.47	1,950,762	31.51	4,240,733
Provision for impairment of assets assessed by credit risk portfolio	132,311,043	95.53	870,770	0.66	131,440,273
Total	138,502,538	100.00	2,821,532	2.04	135,681,006

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Other non-current assets (continued)

Movements of contract assets and provision for impairment of assets in other non-current assets are as follows:

RMB'000

Item	31 December	Less:			30 June
	2023	Provision (unaudited)	Reversal (unaudited)	Others (unaudited)	2024 (unaudited)
Provision for impairment of assets	2,700,485	277,950	173,487	16,584	2,821,532

As at 30 June 2024, contract assets in other non-current assets with provision for impairment of assets assessed individually are as follows:

RMB'000

Company name	30 June 2024 (unaudited)			Reason
	Gross carrying amount	Provision for impairment of assets	Provision percentage %	
Company 1	1,227,719	117,148	9.54	Note
Company 2	563,149	30,221	5.37	Note
Company 3	309,433	56,618	18.30	Note
Company 4	303,313	108,957	35.92	Note
Company 5	63,556	17,192	27.05	Note
Others	3,724,325	1,620,626	43.51	--
Total	6,191,495	1,950,762	31.51	--

Note: According to the recoverability of other non-current assets, the Group recorded impairment.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Other non-current assets (continued)

As at 30 June 2024, contract assets in other non-current assets whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are as follows (unaudited):

RMB'000

	Gross carrying amount	Provision for impairment of assets	
		Amount (%)	Provision proportion
Portfolio 1	95,577,865	558,035	0.58
Portfolio 2	8,044,137	42,423	0.53
Portfolio 3	8,096,750	39,473	0.49
Portfolio 4	20,592,291	230,839	1.12
Total	132,311,043	870,770	0.66

26. Short-term loans

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Credit loans	158,485,714	76,839,215
Guaranteed loans (Note 3)	1,839,303	1,498,950
Pledged loans (Note 1 and Note 2)	3,197,704	3,501,593
Total	163,522,721	81,839,758

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Short-term loans (continued)

Note 1: As at 30 June 2024, short-term loans with a carrying amount of RMB3,051,794,000 (31 December 2023: RMB3,501,593,000) were secured by the pledge of the Group's trade receivables and all the interests and gains under the contracts thereof with a carrying amount of RMB3,051,794,000 (31 December 2023: RMB3,501,593,000).

Note 2: As at 30 June 2024, short-term loans with a carrying amount of RMB173,797,000 (31 December 2023: Nil) were secured by the pledge of the Group's concession rights with a carrying amount of RMB145,910,000 (31 December 2023: Nil).

Note 3: As at 30 June 2024 and 31 December 2023, all guaranteed loans were guaranteed by the entities comprising the Group.

As at 30 June 2024, annual interest rates of above short-term loans ranged from 1.45% to 8.50% (31 December 2023: 1.45% to 8.50%).

As at 30 June 2024, the Group had no overdue short-term loans (31 December 2023: Nil).

27. Due to customers

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Due to customers	1,276,334	1,356,691

28. Bills payable

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Bank acceptance bills	33,352,619	40,359,706
Commercial acceptance bills	7,707,534	13,101,536
Total	41,060,153	53,461,242

As at 30 June 2024, the Group had no unpaid overdue bills payable (31 December 2023: Nil).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Trade payables

Aging of trade payables is listed as follows:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Within 1 year	462,896,187	481,905,215
1 to 2 years	3,676,168	6,632,866
2 to 3 years	2,290,945	2,006,849
Over 3 years	1,075,218	1,022,284
Total	469,938,518	491,567,214

As at 30 June 2024, trade payables aged over one year amounted to RMB7,042,331,000 (31 December 2023: RMB9,661,999,000), primarily consisted of payables for construction contracts and materials. Since the progress of relevant projects had not reached the point of payments, these trade payables had not been settled.

30. Contract liabilities

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Advances for construction operations	58,182,125	77,398,274
Advances for the sale of properties (Note)	59,243,985	67,719,450
Advances for the sale of materials	2,456,532	3,266,407
Advances for the sale of goods	915,460	825,717
Others	1,044,644	986,454
Total	121,842,746	150,196,302

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Contract liabilities (continued)

Note: Details of advances for the sale of properties are listed as follows:

RMB'000

Project name	Percentage of accumulated pre-sales as at		Estimated completion date
	30 June 2024 (unaudited)	30 June 2024 (%)	
Shanghai Riverside Mansion Project	4,490,194	45	October 2025
Chengdu Qingyang City Park Junior Project	4,165,547	90	December 2024
Xipai Chengyang Project	2,215,328	95	December 2024
Jinyue Mingdi Project	1,972,362	92	December 2024
Xipai Tangyue Project	1,855,220	87	December 2024
Xipai Linyue Project	1,820,480	67	December 2024
Suzhou Chefang Project	1,804,850	48	January 2025
Hangzhou Lakeside Mansion Project	1,758,194	99	October 2024
Chenyue International Project	1,691,417	95	August 2024
Chengdu Wuhou City Park Junior Project	1,645,390	15	August 2025
Tiejian City Project	1,529,467	23	December 2024
CRCC Tianchen Yayuan Project	1,271,824	95	August 2025
Wuhan CRCC International City III Project	1,216,331	55	December 2024
CRCC Xipai Lan'an Project	1,132,988	15	October 2025
Xi'an CRCC International City III Project	1,129,675	94	December 2024
Xipai Jingyue Project	1,102,011	59	December 2024
Chongqing Shanyu Taoyuan Project	1,063,295	27	October 2024
CRCC Huayutang Project	1,019,459	42	December 2024
Xi'an CRCC International City II Project	997,040	96	March 2025
Xipai Yuefu Project	880,462	35	December 2024
Others	24,482,451	--	--
Total	59,243,985	--	--

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Contract liabilities (continued)

As at the balance sheet date, significant contract liabilities aged over one year are listed as follows:

RMB'000

Company name	Relationship with the Group	30 June 2024 (unaudited)	Reasons
Company 1	Third party	611,811	Work performed but not billed
Company 2	Third party	586,694	Work performed but not billed
Company 3	Third party	402,089	Work performed but not billed
Company 4	Third party	398,170	Work performed but not billed
Company 5	Third party	360,398	Work performed but not billed
Total	—	2,359,162	—

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Employee benefits payable

For the six months ended 30 June 2024:

RMB'000

Item	1 January 2024	Accrued (unaudited)	Paid (unaudited)	30 June 2024 (unaudited)
Short-term benefits	13,541,909	35,602,668	36,949,319	12,195,258
Post-employment benefits (defined contribution plans)	2,575,524	4,410,718	4,362,793	2,623,449
Total	16,117,433	40,013,386	41,312,112	14,818,707

2023:

RMB'000

Item	1 January 2023	Accrued	Paid	31 December 2023
Short-term benefits	11,738,521	73,412,704	71,609,316	13,541,909
Post-employment benefits (defined contribution plans)	2,168,216	8,984,873	8,577,565	2,575,524
Total	13,906,737	82,397,577	80,186,881	16,117,433

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Employee benefits payable (continued)

Short-term benefits:

For the six months ended 30 June 2024:

RMB'000

Item	1 January 2024	Accrued (unaudited)	Paid (unaudited)	30 June 2024 (unaudited)
Salaries, bonuses, allowances and subsidies	9,049,546	24,563,053	25,852,789	7,759,810
Staff welfare	–	2,043,479	2,043,479	–
Social insurance	1,539,562	2,320,251	2,281,061	1,578,752
Including: Medical insurance	1,371,059	2,090,652	2,054,063	1,407,648
Work injury insurance	128,139	178,103	176,807	129,435
Maternity insurance	40,364	51,496	50,191	41,669
Housing funds	1,173,789	2,371,510	2,356,465	1,188,834
Union fund and employee education fund	816,225	585,193	553,908	847,510
Others	962,787	3,719,182	3,861,617	820,352
Total	13,541,909	35,602,668	36,949,319	12,195,258

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Employee benefits payable(continued)

Short-term benefits:(continued)

2023:

Item	<i>RMB'000</i>			
	1 January 2023	Accrued	Paid	31 December 2023
Salaries, bonuses, allowances and subsidies	8,035,885	50,677,931	49,664,270	9,049,546
Staff welfare	–	4,812,981	4,812,981	–
Social insurance	1,302,419	4,661,509	4,424,366	1,539,562
Including: Medical insurance	1,144,269	4,217,786	3,990,996	1,371,059
Work injury insurance	116,099	348,225	336,185	128,139
Maternity insurance	42,051	95,498	97,185	40,364
Housing funds	994,463	4,690,939	4,511,613	1,173,789
Union fund and employee education fund	745,917	1,488,537	1,418,229	816,225
Others	659,837	7,080,807	6,777,857	962,787
Total	11,738,521	73,412,704	71,609,316	13,541,909

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Employee benefits payable (continued)

Defined contribution plan:

For the six months ended 30 June 2024:

RMB'000

Item	1 January 2024	Accrued (unaudited)	Paid (unaudited)	30 June 2024 (unaudited)
Basic pension insurance	1,722,996	3,275,494	3,240,131	1,758,359
Unemployment insurance	105,316	123,939	126,966	102,289
Supplementary pension insurance	747,212	1,011,285	995,696	762,801
Total	2,575,524	4,410,718	4,362,793	2,623,449

2023:

RMB'000

Item	1 January 2023	Accrued	Paid	31 December 2023
Basic pension insurance	1,491,523	6,505,311	6,273,838	1,722,996
Unemployment insurance	91,267	247,255	233,206	105,316
Supplementary pension insurance	585,426	2,232,307	2,070,521	747,212
Total	2,168,216	8,984,873	8,577,565	2,575,524

Defined contribution plan includes basic pension insurance and unemployment insurance managed by local governments and the Group's supplementary pension insurance. In addition to the monthly payments, the Group is no longer liable for further payments. Relevant expenditures are capitalised or expensed in the period when incurred.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Taxes payable

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
EIT	2,677,966	4,279,976
VAT	2,099,186	2,326,120
Others	1,381,933	2,453,181
Total	6,159,085	9,059,277

33. Other payables

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Payables for advances	46,255,400	35,267,909
Guarantees and deposits	33,049,016	31,249,355
Amounts due to related parties	25,141,021	17,933,942
Amounts due to partners	4,397,663	3,729,513
Dividends payable	6,781,002	1,137,603
Others	17,526,937	16,739,815
Total	133,151,039	106,058,137

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Other payables (continued)

As at 30 June 2024, significant other payables aged over one year are listed as follows:

RMB'000

Company name	Relationship with the Group	30 June 2024 (unaudited)	Reasons
Company 1	Third Party	680,216	Payables not settled
Company 2	Third Party	213,576	Payables not settled
Company 3	Third Party	115,871	Payables not settled
Company 4	Third Party	111,375	Payables not settled
Company 5	Third Party	101,970	Payables not settled
Total	—	1,223,008	—

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Current portion of non-current liabilities

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Current portion of long-term loans (Note V. 36)	37,496,846	32,205,519
Current portion of bonds payable (Note V. 37)	16,218,891	12,173,678
Current portion of long-term payables	8,266,786	7,732,647
Current portion of lease liabilities (Note V. 38)	2,478,687	2,106,473
Current portion of provisions	263,687	224,184
Current portion of post-employment benefits payable	21,048	26,017
Total	64,745,945	54,468,518

The current portion of long-term loans is presented as follows:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Credit loans	27,049,007	20,912,845
Guaranteed loans (Note V. 36 (Note 9))	3,768,221	2,386,436
Mortgaged loans (Note V. 36 (Note 4, 5, 8))	5,282,335	4,482,925
Pledged loans (Note V. 36 (Note 1, 2, 3))	1,397,283	4,423,313
Total	37,496,846	32,205,519

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Other current liabilities

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Amounts to be transferred to output VAT	34,851,151	33,419,043
Others	340,998	275,743
Total	35,192,149	33,694,786

36. Long-term loans

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Pledged loans (Note 1, Note 2, Note 3)	52,874,737	46,162,594
Mortgaged loans (Note 4, Note 5, Note 6, Note 7, Note 8)	26,544,080	23,030,661
Guaranteed loans (Note 9)	5,321,306	8,844,955
Credit loans	116,679,599	87,583,268
Total	201,419,722	165,621,478

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term loans (continued)

Note 1: As at 30 June 2024, long-term loans with a carrying amount of RMB38,938,187,000, including current portion of long-term loans of RMB457,882,000 (31 December 2023: RMB31,447,659,000, including current portion of long-term loans of RMB516,497,000) were secured by pledges of the Group's concession rights with a carrying amount of RMB60,149,843,000 (31 December 2023: RMB44,149,387,000).

Note 2: As at 30 June 2024, long-term loans with a carrying amount of RMB2,231,621,000 including no current portion of long-term loans (31 December 2023: RMB6,102,222,000, including current portion of long-term loans of RMB2,260,244,000) were secured by pledge of the Group's trade receivables and all equity and income under the contract to which the trade receivable belongs with a carrying amount of RMB2,231,621,000 (31 December 2023: RMB6,118,285,000).

Note 3: As at 30 June 2024, long-term loans with a carrying amount of RMB13,102,212,000 including current portion of long-term loans of RMB939,401,000 (31 December 2023: RMB13,036,026,000, including current portion of long-term loans of RMB1,646,572,000) were secured by pledges of the Group's contract assets of primary land development and other projects with a carrying amount of RMB21,099,344,000 (31 December 2023: the Group's contract assets of primary land development and other projects RMB14,856,837,000), and long-term receivables RMB5,691,267,000 (31 December 2023: RMB5,435,799,000).

Note 4: As at 30 June 2024, long-term loans with a carrying amount of RMB2,239,626,000, including current portion of long-term loans of RMB5,241,000 (31 December 2023: RMB1,522,817,000, including current portion of long-term loans of RMB63,087,000) were secured by mortgages of the Group's fixed assets with a carrying amount of RMB3,294,561,000 (31 December 2023: RMB2,955,270,000).

Note 5: As at 30 June 2024, long-term loans with a carrying amount of RMB29,093,207,000, including current portion of long-term loans of RMB5,243,854,000 (31 December 2023: RMB24,393,987,000, including current portion of long-term loans of RMB4,200,338,000) were secured by mortgages of the Group's inventories with a carrying amount of RMB54,950,275,000 (31 December 2023: RMB45,687,542,000).

Note 6: As at 30 June 2024, long-term loans with a carrying amount of RMB166,431,000 (31 December 2023: RMB1,148,207,000), were secured by mortgages of the Group's construction in progress with a carrying amount of RMB459,386,000 (31 December 2023: RMB3,030,237,000).

Note 7: As at 30 June 2024, long-term loans with a carrying amount of RMB190,484,000 (31 December 2023: nil) were secured by pledges of the Group's investment properties with a carrying amount of RMB124,496,000 (31 December 2023: nil).

Note 8: As at 30 June 2024, long-term loans with a carrying amount of RMB136,667,000, including current portion of long-term loans of RMB33,240,000 (31 December 2023: RMB448,575,000, including current portion of long-term loans of RMB219,500,000) were secured by pledges of the Group's land use rights with a carrying amount of RMB47,465,000 (31 December 2023: RMB689,249,000).

Note 9: As at 30 June 2024, the guaranteed long-term loans, including current portion of long-term loans of RMB3,768,221,000 (31 December 2023: RMB2,386,436,000), were all internally guaranteed by the entities comprising the Group. (31 December 2023: the guaranteed borrowings were all internally guaranteed by the entities comprising the Group).

As at 30 June 2024, the Group had no overdue long-term loans (31 December 2023: Nil).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term loans (continued)

The maturity profile of the long-term loans as at the end of the year is listed as follows:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Within one year (<i>Note V. 34</i>)	37,496,846	32,205,519
In the second year (inclusive)	54,089,067	42,917,553
In the second to fifth year (inclusive)	83,982,759	70,846,881
Over five years	63,347,896	51,857,044
Total	238,916,568	197,826,997

37. Bonds payable

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Bonds payable	42,884,221	43,205,227
Less: Current portion of bonds payable (<i>Note V. 34</i>)	16,218,891	12,173,678
Non-current portion of bonds payable	26,665,330	31,031,549

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

As at 30 June 2024, balances of bonds payable are listed as follows (unaudited):

	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2024	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	30 June 2024
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of public placement corporate bonds to professional investors	3,405,000	15 September 2020	3+2 years	3,405,000	4.05%	3,434,148	-	59,137	574	-	3,433,859
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of public placement corporate bonds to professional investors	2,900,000	18 March 2022	3+2 years	2,900,000	3.65%	2,977,758	-	53,635	639	109,500	2,922,532
China Railway Construction Real Estate Group Co., Ltd. – 2024 first issue of public placement corporate bonds to professional investors	2,410,000	17 January 2024	3+2 years	2,410,000	3.30%	-	2,410,000	27,830	-4,192	-	2,433,638
CRCC Huan Limited Guaranteed Note due in 2026 with principal of EUR 300 million and interest rate of 0.875% (Note 2)	EUR300 million	20 May 2021	5 years	EUR300 million	0.88%	2,365,720	-	9,688	-58,180	20,112	2,437,116
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of medium term note	2,200,000	9 January 2023	3+2 years	2,200,000	4.45%	2,286,427	-	47,875	377	117,900	2,216,779
CRCC Huan Limited Guaranteed Note due in 2026 with principal of USD300 million and interest rate of 1.875% (Note 1)	USD300 million	20 May 2021	5 years	USD300 million	1.88%	2,125,786	-	20,023	13,933	20,044	2,139,698
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of medium term note	2,100,000	12 March 2020	3+2 years	2,100,000	4.50%	2,169,271	-	47,250	642	94,500	2,122,663
China Railway Construction Investment Group Co., Ltd. – 2021 first issue of public placement Corporate bond	2,000,000	18 October 2021	3 years	2,000,000	3.52%	2,017,115	-	35,200	414	-	2,052,729
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of medium term note	1,830,000	2 March 2021	3+2 years	1,830,000	4.17%/3.25%	2,059,854	75,000	34,065	2,009	328,400	1,842,528

RMB'000

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

As at 30 June 2024, balances of bonds payable are listed as follows (unaudited): (continued)

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2024	Amount issued	Interest accrued in the period	Discountor premium amortisation and exchange effects	Principal and interest paid in the period	30 June 2024
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of public placement corporate bonds to professional investors	1,830,000	10 March 2023	3+2 years	1,830,000	3.84%	1,888,042	-	37,656	536	96,000	1,840,234
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of medium term note	1,760,000	27 June 2022	3+2 years	1,760,000	3.43%	1,791,194	-	34,210	418	68,600	1,757,222
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of public placement corporate bonds to professional investors	1,690,000	25 March 2022	3+2 years	1,690,000	3.67%	1,764,337	-	30,996	359	72,390	1,693,302
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of public placement corporate bonds to professional investors	1,300,000	22 January 2021	3+2 years	1,300,000	3.78%/3.68%	1,344,292	290,000	24,028	3,710	339,140	1,322,890
China Railway Construction Real Estate Group Co., Ltd. – 2021 second issue of public placement corporate bonds to professional investors	1,300,000	3 February 2021	3+2 years	1,300,000	3.95%/3.55%	1,341,994	130,000	23,942	1,863	181,350	1,316,449
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of green medium term note	1,300,000	17 July 2023	3+2 years	1,300,000	3.58%	1,317,220	-	20,428	195	60,000	1,277,843
China Railway Construction Real Estate Group Co., Ltd. – 2024 first issue of medium term note	1,210,000	26 February 2024	3+2 years	1,210,000	3.00%	-	1,210,000	11,774	-1,962	-	1,219,812
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of medium term note	1,120,000	15 July 2022	3+2 years	1,120,000	3.40%	1,138,863	-	13,427	314	-	1,152,604
China Railway Construction Real Estate Group Co., Ltd. – 2021 third issue of public placement corporate bonds to professional investors	1,110,000	1 September 2021	3+2 years	1,110,000	3.28%	1,121,193	-	18,204	246	-	1,139,643
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of public placement corporate bonds to professional investors	1,090,000	18 May 2022	3+2 years	1,090,000	3.30%	1,116,606	-	24,736	315	49,500	1,092,157
China Railway Construction Real Estate Group Co., Ltd. – 2020 second issue of medium term note	890,000	23 March 2020	3+2 years	890,000	4.30%	917,866	-	19,135	294	38,270	899,025

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

As at 30 June 2024, balances of bonds payable are listed as follows (unaudited): (continued)

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2024	Amount issued the period	Interest accrued in the period	Discountor premium amortisation and exchange effects	Principal and interest paid in the period	30 June 2024
China Railway Construction Real Estate Group Co., Ltd. – 2022 fifth issue of public placement Corporate bond (variety 1)	770,000	27 May 2022	3 years	770,000	3.20%	787,396	50,000	15,605	441	32,000	821,442
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of medium term note	700,000	12 October 2022	3+2 years	700,000	3.74%	702,895	-	13,090	94	-	716,079
China Railway Construction Real Estate Group Co., Ltd. – 2024 second issue of medium term note	690,000	7 March 2024	3+2 years	690,000	3.20%	-	690,000	5,025	-1,334	-	693,691
China Railway Construction Investment Group Co., Ltd. – 2020 first issue of public placement Corporate bond (variety 2)	600,000	11 March 2020	5+2 years	600,000	3.45%	615,375	-	10,350	76	20,700	605,101
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of green medium term note	700,000	10 April 2023	3+2 years	700,000	3.55%	715,231	-	10,698	137	124,850	601,216
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of medium term note	500,000	24 August 2022	3+2 years	500,000	3.35%	507,631	-	5,107	168	-	512,906
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of targeted placement notes	500,000	4 July 2023	3+2 years	500,000	3.65%	502,161	-	9,125	89	-	511,375
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of targeted placement notes	500,000	6 January 2022	3+2 years	500,000	3.70%	515,978	-	9,250	153	18,500	506,881
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of targeted placement notes	500,000	22 March 2023	3+2 years	500,000	3.90%	513,723	-	9,749	99	19,500	504,071
China Railway Construction Real Estate Group Co., Ltd. – 2024 third issue of medium term note	310,000	5 June 2024	3+2 years	310,000	2.53%	-	310,000	-	-675	222	309,103
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of targeted placement notes	300,000	28 March 2022	3+2 years	300,000	3.99%	312,944	-	5,985	87	11,970	307,046

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

As at 30 June 2024, balances of bonds payable are listed as follows (unaudited): (continued)

	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2024	Amount issued	Interest accrued in the period	Discountor premium amortisation and exchange effects	Principal and interest paid in the period	30 June 2024
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of public placement corporate bonds to professional investors	290,000	25 March 2022	3+2 years	290,000	3.70%	287,859	10,000	5,599	68	11,100	292,426
China Railway Construction Real Estate Group Co., Ltd. – 2022 fifth issue of public placement corporate bonds to professional investors (variety 2)	320,000	27 May 2022	5 years	320,000	3.66%	329,813	-	8,621	127	68,400	270,161
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement Corporate bond (variety 1)	2,700,000	15 March 2019	3+2 years	2,700,000	4.25%	2,764,645	-	21,938	1,167	2,787,750	-
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement Corporate bond, resale of bond in 2022	1,003,000	10 April 2022	2 years	1,003,000	3.19%	1,026,765	-	1,571	-26,765	1,001,571	-
China Railway Construction Real Estate Group Co., Ltd. – 2019 second issue of private placement Corporate bond	300,000	18 March 2019	3+2 years	300,000	4.90%	263,105	-	2,745	130	265,980	-
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement Corporate bond	197,000	9 April 2019	3+2 years	197,000	3.19%	202,020	-	7,999	-2,020	207,999	-
Total	-	-	-	-	-	43,205,227	5,175,000	735,696	(65,454)	6,166,248	42,884,221
Less: Current portion of bonds payable	-	-	-	-	-	12,173,678	-	-	-	-	16,218,891
Non-current portion of bonds payable	-	-	-	-	-	31,031,549	-	-	-	-	26,665,330

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

As at 31 December 2023, balances of bonds payable are listed as follows:

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2023	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2023
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of public placement corporate bonds to professional investors	3,405,000	15 September 2020	3+2 years	3,405,000	4.05%	3,620,343	385,000	141,177	3,023	715,395	3,434,148
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of public placement corporate bonds to professional investors	3,000,000	18 March 2022	3+2 years	3,000,000	3.65%	3,075,098	–	109,500	2,660	209,500	2,977,758
China Railway Construction Real Estate Group Co., Ltd. – 2019 first issue of public placement Corporate bond (variety I)	2,700,000	15 March 2019	3+2 years	2,700,000	4.25%	2,768,924	–	87,750	(4,279)	87,750	2,764,645
CROC Hean Limited Guaranteed Note due in 2026 with principal of EUR 300 million and interest rate of 0.875% (Note 2)	EUR300 million	20 May 2021	5 years	EUR300 million	0.88%	2,232,583	–	20,576	132,466	19,905	2,365,720
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of medium term note	2,200,000	9 January 2023	3+2 years	2,200,000	4.45%	–	2,200,000	89,742	(3,315)	–	2,286,427
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of medium term note	2,100,000	12 March 2020	3+2 years	2,100,000	4.50%	2,147,106	–	87,675	1,690	67,200	2,169,271
CROC Hean Limited Guaranteed Note due in 2026 with principal of USD300 million and interest rate of 1.875% (Note 1)	USD300 million	20 May 2021	5 years	USD300 million	1.88%	2,088,966	–	39,979	36,770	39,929	2,125,786
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of medium term note	2,000,000	2 March 2021	3+2 years	2,000,000	4.17%	2,068,325	–	83,400	1,529	83,400	2,059,854
China Railway Construction Investment Group Co., Ltd. – 2021 first issue of public placement Corporate bond	2,000,000	18 October 2021	3 years	2,000,000	3.52%	2,016,308	–	70,400	807	70,400	2,017,115

RMB'000

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

As at 31 December 2023, balances of bonds payable are listed as follows: (continued)

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2023	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2023
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of public placement corporate bonds to professional investors	1,830,000	10 March 2023	3+2 years	1,830,000	3.84%	–	1,830,000	72,000	(3,958)	–	1,898,042
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of medium term note	1,760,000	27 June 2022	3+2 years	1,760,000	3.43%	1,228,492	560,000	68,600	2,702	68,600	1,791,194
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of public placement corporate bonds to professional investors	1,690,000	25 March 2022	3+2 years	1,690,000	3.67%	1,732,807	–	62,390	1,530	62,390	1,734,337
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of public corporate bonds for professional investors	1,300,000	22 January 2021	3+2 years	1,300,000	3.78%	1,343,183	–	49,140	1,109	49,140	1,344,292
China Railway Construction Real Estate Group Co., Ltd. – 2021 second issue of public corporate bonds for professional investors	1,300,000	3 February 2021	3+2 years	1,300,000	3.95%	1,340,841	–	51,350	1,154	51,351	1,341,994
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of green medium term note	1,300,000	17 July 2023	3+2 years	1,300,000	3.58%	–	1,300,000	19,392	(2,172)	–	1,317,220
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of medium term note	1,120,000	15 July 2022	3+2 years	1,120,000	3.40%	918,178	220,000	51,000	865	51,000	1,138,863
China Railway Construction Real Estate Group Co., Ltd. – 2021 third issue of public corporate bonds for professional investors	1,110,000	1 September 2021	3+2 years	1,110,000	3.28%	1,120,060	–	36,408	1,133	36,408	1,121,193
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of public placement corporate bonds to professional investors	1,100,000	18 May 2022	3+2 years	1,100,000	3.30%	1,126,716	–	49,500	(110)	59,500	1,116,606
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement Corporate bond, resale of bond in 2022	1,003,000	10 April 2022	2 years	1,003,000	3.19%	1,032,355	–	31,996	(5,590)	31,996	1,028,765
China Railway Construction Real Estate Group Co., Ltd. – 2020 second issue of medium term note	890,000	23 March 2020	3+2 years	890,000	4.30%	920,738	–	36,083	565	39,520	917,866

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

As at 31 December 2023, balances of bonds payable are listed as follows: (continued)

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2023	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2023
China Railway Construction Real Estate Group Co., Ltd. - 2022- fifth issue of public placement corporate bonds to professional investors (variety I)	770,000	27 May 2022	3 years	770,000	3.20%	786,241	-	32,000	1,155	32,000	787,396
China Railway Construction Real Estate Group Co., Ltd. - 2023 first issue of green medium term note	700,000	10 April 2023	3+2 years	700,000	3.55%	-	700,000	16,567	(1,336)	-	715,231
China Railway Construction Real Estate Group Co., Ltd. - 2022 fourth issue of medium term note	700,000	12 October 2022	3+2 years	700,000	3.74%	402,866	300,000	26,180	29	26,180	702,895
China Railway Construction Investment Group Co., Ltd. - 2020 first issue of public placement Corporate bond (variety II)	600,000	11 March 2020	5+2 years	600,000	3.45%	615,227	-	20,700	148	20,700	615,375
China Railway Construction Real Estate Group Co., Ltd. - 2022 first issue of targeted placement notes	500,000	6 January 2022	3+2 years	500,000	3.70%	515,762	-	18,500	216	18,500	515,978
China Railway Construction Real Estate Group Co., Ltd. - 2023 first issue of targeted placement notes	500,000	22 March 2023	3+2 years	500,000	3.90%	-	500,000	14,625	(902)	-	513,723
China Railway Construction Real Estate Group Co., Ltd. - 2022 third issue of medium term note	500,000	24 August 2022	3+2 years	500,000	3.35%	507,268	-	26,800	363	26,800	507,631
China Railway Construction Real Estate Group Co., Ltd. - 2023 second issue of targeted placement notes	500,000	4 July 2023	3+2 years	500,000	3.65%	-	500,000	3,042	(881)	-	502,161
China Railway Construction Real Estate Group Co., Ltd. - 2022 fifth issue of public placement corporate bonds to professional investors (variety II)	320,000	27 May 2022	5 years	320,000	3.68%	328,456	-	18,400	1,358	18,401	329,613
China Railway Construction Real Estate Group Co., Ltd. - 2022 second issue of targeted placement notes	300,000	28 March 2022	3+2 years	300,000	3.99%	167,827	140,000	16,533	554	11,970	312,944
China Railway Construction Real Estate Group Co., Ltd. - 2022 third issue of public placement corporate bonds to professional investors	300,000	25 March 2022	3+2 years	300,000	3.70%	308,257	-	11,100	(698)	31,100	287,859

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

As at 31 December 2023, balances of bonds payable are listed as follows: (continued)

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2023	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2023
China Railway Construction Real Estate Group Co., Ltd. – 2019 second issue of private placement Corporate bond	300,000	18 March 2019	3+2 years	300,000	4.90%	263,514	–	10,980	(410)	10,979	263,105
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement Corporate bond	197,000	9 April 2019	3+2 years	197,000	3.19%	196,725	–	6,283	5,295	6,283	202,020
CRCC Yuxiang Limited Guaranteed Note due in 2023 with principal of USD800 million and interest rate of 3.5% (Note 7)	USD800 million	16 May 2013	10 years	USD800 million	3.50%	5,598,404	–	72,695	(29,962)	5,636,137	–
China Railway Construction Investment Group Co., Ltd. – 2020 first issue of public placement Corporate bond (variety I)	800,000	11 March 2020	3+2 years	800,000	3.18%	819,052	–	6,360	28	825,440	–
China Railway SYUAN Survey and Design Group Co., Ltd. – 2020 first issue of medium term note	1,000,000	24 April 2020	3 years	1,000,000	2.50%	1,014,722	–	10,278	25,000	1,050,000	–
China Railway Construction Investment Group Co., Ltd. – 2020 second issue of public placement Corporate bond (COVID-19 prevention and control bond)	500,000	16 March 2020	3+2 years	500,000	3.20%	511,982	–	4,000	18	516,000	–
China Railway Construction Real Estate Group Co., Ltd. – 2018 first issue of medium term note	2,200,000	19 January 2018	5 years	2,200,000	5.94%	2,290,170	–	7,883	(3,453)	2,294,600	–
China Railway Construction Real Estate Group Co., Ltd. – Beijing Financial Assets Exchange debt financing plan – 20 Jing China Railway Construction Real Estate Co., Ltd. ZR001	100,000	27 March 2020	3 years	100,000	5.50%	102,479	–	1,060	2,927	106,466	–
Total	–	–	–	–	–	45,194,975	8,635,000	1,582,044	168,148	12,374,940	43,205,227
Less: Current portion of bonds payable	–	–	–	–	–	17,098,279	–	–	–	–	12,173,678
Non-current portion of bonds payable	–	–	–	–	–	28,096,696	–	–	–	–	31,031,549

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (continued)

Note 1: The Group's overseas subsidiary issued 5-year and 10-year US dollar bonds in the international market are guaranteed by the Company with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Note 2: The Group's overseas subsidiary issued 5-year Euro bonds in the international market are guaranteed by the Company with fixed interest rate, yearly interest payment and principal repayment maturity.

Besides the long term bonds mentioned above, others were general corporate bonds issued on Shanghai Stock Exchange, and unsecured medium-term Notes, non-public directional debt financing instruments issued in National Association of Financial Market Institutional Investors. The relevant long term bonds were with fixed interest rates, interest repayment based on scheduled repayment dates and principal repayment at maturity. For certain bonds, at the end of third year or the fifth year, issuer have right to adjust coupon rate and redeem, and investor have right to put back option.

38. Lease liabilities

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Lease liabilities	6,490,362	6,186,880
Less: Total current portion of lease liabilities (<i>Note V. 34</i>)	2,478,687	2,106,473
Total non-current portion of lease liabilities	4,011,675	4,080,407

39. Long-term payables

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Retention payables and other long-term project payables	31,872,773	31,722,357
Payables for specific items	4,614,316	4,985,481
Special payables	237,382	210,597
Others	5,511,710	4,344,737
Total	42,236,181	41,263,172

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Share capital

For the six months ended 30 June 2024:

RMB'000

Item	1 January 2024	Increase (unaudited)	Decrease (unaudited)	30 June 2024 (unaudited)
Unrestricted shares				
– RMB ordinary shares	11,503,246	–	–	11,503,246
– Overseas listed foreign shares	2,076,296	–	–	2,076,296
Total	13,579,542	–	–	13,579,542

2023:

RMB'000

Item	1 January 2023	Increase	Decrease	31 December 2023
Unrestricted shares				
– RMB ordinary shares	11,503,246	–	–	11,503,246
– Overseas listed foreign shares	2,076,296	–	–	2,076,296
Total	13,579,542	–	–	13,579,542

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Other equity instruments

RMB'000

Item		30 June 2024 (unaudited)	31 December 2023
2019 & 2020 renewable loans	Note 1	22,200,000	22,200,000
2022 renewable corporate bonds	Note 2	10,993,335	10,993,335
2021 renewable corporate bonds	Note 3	7,794,890	9,593,972
2023 renewable corporate bonds	Note 4	4,196,933	4,196,933
2019 renewable corporate bonds	Note 5	2,998,589	2,998,589
2024 renewable corporate bonds	Note 6	2,998,202	–
2023 medium-term notes Phase I	Note 7	2,995,466	2,995,466
2022 medium-term notes Phase I	Note 8	2,995,372	2,995,372
2021 CRCC medium-term notes	Note 9	1,994,120	1,994,120
2019 CRCC medium-term notes	Note 10	1,495,643	1,495,643
Total		60,662,550	59,463,430

Note 1: In 2019 and 2020, the Company entered into renewable loans contracts with an aggregate principal amount of RMB35,600,000,000. Pursuant to the terms of these renewable loans contracts, the Company has the option to redeem the renewable loans at the expiration of 5 years or 7 years or 10 years since the investment principal transfer date, if no redemption requested at the time point mentioned above, the investment term of the relevant investment principal will be continued, the Company will have option to request for redemption before three months at the expiration date of 1 year or 3 years. The nominal interest rate of the renewable loans mentioned above in the first loan term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent loan terms is adjusted as the current prime interest rate plus initial spread plus 100 or 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The loans are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the loans did not satisfy the definition of financial liabilities, and recognised the renewable loans as other equity instruments. In 2022 and 2021, the Company redeemed part of the above renewable loans, the principal redeemed amounted to RMB13,400,000,000.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Other equity instruments (continued)

Note 2: On April 2022, July 2022, and December 2022, the Company issued renewable bonds respectively with an aggregate principal amount of RMB11,000,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 or 310 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB10,993,335,000, net of the relevant expenses of issuance of RMB6,665,000.

Note 3: On June 2021, November 2021, and December 2021, the Company issued renewable bonds respectively with an aggregate principal amount of RMB9,600,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB9,593,972,000, net of the relevant expenses of issuance of RMB6,028,000. In 2024, the Company redeemed part of the above renewable bonds, the principal redeemed amounted to RMB1,800,000,000. The differences between redeemed principal and the carrying amount of RMB918,000 are included in capital reserve.

Note 4: On June 2023 and December 2023, the Company issued renewable bonds respectively with an aggregate principal amount of RMB4,200,000,000. Pursuant to the terms of the renewable bonds, for the phase-I renewable bond, the nominal interest rate in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points; for the phase-II renewable bond, the nominal interest rate in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 200 basis points. The maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB4,196,933,000, net of the relevant expenses of issuance of RMB3,067,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Other equity instruments (continued)

Note 5: On October 2019, November 2019, and December 2019, the Company issued renewable bonds respectively with an aggregate principal amount of RMB12,000,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB11,994,417,000, net of the relevant expenses of issuance of RMB5,583,000. In 2022, the Company redeemed part of the above renewable bonds, the principal redeemed amounted to RMB9,000,000,000. The differences between redeemed principal and the carrying amount of RMB4,172,000 are included in capital reserve.

Note 6: On June 2024, the Company issued renewable bonds with an aggregate principal amount of RMB3,000,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB2,998,202,000, net of the relevant expenses of issuance of RMB1,798,000.

Note 7: On September 2023, the Company issued medium-term notes with an aggregate principal amount of RMB3,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,995,466,000, net of the relevant expenses of issuance of RMB4,534,000.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Other equity instruments (continued)

Note 8: On October 2022, the Company issued medium-term notes with an aggregate principal amount of RMB3,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third, the fifth or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,995,372,000, net of the relevant expenses of issuance of RMB4,628,000.

Note 9: On August 2021, the Company issued medium-term notes with an aggregate principal amount of RMB2,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB1,994,120,000, net of the relevant expenses of issuance of RMB5,880,000.

Note 10: On November 2019, the Company issued medium-term notes with an aggregate principal amount of RMB1,500,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the fifth or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB1,495,643,000, net of the relevant expenses of issuance of RMB4,357,000.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Capital reserve

For the six months ended 30 June 2024:

RMB'000

Item	1 January 2024	Increase (unaudited)	Decrease (unaudited)	30 June 2024 (unaudited)
Share premium	48,848,207	66,375	384,242	48,530,340
Relocation compensation granted by government	160,961	–	–	160,961
Others	(161,995)	–	–	(161,995)
Total	48,847,173	66,375	384,242	48,529,306

2023:

RMB'000

Item	1 January 2023	Increase	Decrease	31 December 2023
Share premium	48,896,736	49,639	98,168	48,848,207
Relocation compensation granted by government	160,961	–	–	160,961
Others	(150,641)	–	11,354	(161,995)
Total	48,907,056	49,639	109,522	48,847,173

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other comprehensive income

Accumulated balances of other comprehensive income attributable to owners of the Company in the consolidated statement of financial position:

RMB'000

Item	1 January 2023	Increase/ (decrease)	Less: Other comprehensive income carried forward to retained earnings	Less: Other comprehensive income carried forward to profit or loss	1 January 2024		Less: Other comprehensive income carried forward to retained earnings		30 June 2024 (unaudited)
					Increase/ (decrease) (unaudited)	Increase/ (decrease) (unaudited)	Increase/ (decrease) (unaudited)	Increase/ (decrease) (unaudited)	
Changes in fair value of other equity instrument investments	725,500	(53,594)	57,749	-	614,157	74,671	-	-	688,828
Effect of deferred tax from changes in fair value of other equity instrument investments	(178,890)	11,756	-	-	(167,134)	(24,783)	-	-	(191,917)
Other comprehensive income to be reclassified to profit or loss in subsequent periods, share of other comprehensive income of investee, under the equity method	47,176	192,843	-	-	240,019	2,320	-	-	242,339
Changes in fair value of other debt investments and effect of deferred tax from changes in fair value of other debt investments	(8,163)	3,872	-	(12,371)	8,080	1,024	-	8,675	429
Changes in fair value of receivables at FVTOCI and effect of deferred tax from changes in fair value of receivables at FVTOCI	(7,327)	5,458	-	-	(1,869)	(3,519)	-	-	(5,388)
Exchange differences on translation of foreign operations	(1,451,933)	191,747	-	-	(1,260,186)	(104,731)	-	-	(1,364,917)
Others	54,498	(878)	154,181	-	(100,561)	-	(28,380)	-	(72,181)
Total	(819,139)	351,204	211,930	(12,371)	(667,494)	(55,018)	(28,380)	8,675	(702,807)

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other comprehensive income (continued)

Other comprehensive income in the statement of profit or loss:

For the six months ended 30 June 2024 (unaudited):

RMB'000

Item	Other comprehensive income before tax	Less: Income tax effect	Attributable to owners of the Company	Attributable to non-controlling interests
Other comprehensive income not to be reclassified to profit or loss				
Changes in fair value of other equity instrument investments	116,935	24,783	49,888	42,264
Other comprehensive income to be reclassified to profit or loss				
Share of other comprehensive income of the investee under the equity method	2,320	–	2,320	–
Changes in fair value of other debt investments	(7,432)	(1,858)	(7,651)	2,077
Changes in fair value of receivables at FVTOCI	(5,565)	(713)	(3,519)	(1,333)
Exchange differences on translation of foreign operations	(87,538)	–	(104,731)	17,193
Subtotal	18,720	22,212	(63,693)	60,201
Less: Other comprehensive income carried forward to retained earnings	(28,380)	–	(28,380)	–
Total	47,100	22,212	(35,313)	60,201

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other comprehensive income (continued)

Other comprehensive income in the statement of profit or loss: (continued)

For the six months ended 30 June 2023 (unaudited):

RMB'000

Item	Other comprehensive income before tax	Less: Income tax effect	Attributable to owners of the Company	Attributable to non-controlling interests
Other comprehensive income not to be reclassified to profit or loss				
Changes in fair value of other equity instrument investments	(160,464)	(24,549)	(94,047)	(41,868)
Other comprehensive income to be reclassified to profit or loss				
Share of other comprehensive income of the investee under the equity method	507,097	–	507,097	–
Changes in fair value of other debt investments	14,001	3,500	5,946	4,555
Changes in fair value of receivables at FVTOCI	3,387	632	1,964	791
Exchange differences on translation of foreign operations	622,381	–	569,363	53,018
Total	986,402	(20,417)	990,323	16,496

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Special reserve

The Ministry of Finance and Ministry of Emergency Management revised the *Management Measures on the Enterprises Production Safety Expense of Enterprises Appropriation and Utilisation* (Cai Zi [2022] No. 136) on 21 November 2022, the Group provided for the safety production expenses at 1.5% and 2% of the cost of construction projects for construction projects which have completed the bidding and signed the contracts; and provided for the safety production expenses at 1.5%, 2.5% and 3% of the cost of construction projects for the remaining construction projects, and utilised the expenses. Further details are stated in Note III. 31.

45. Surplus reserve

For the six months ended 30 June 2024:

RMB'000

Item	1 January 2024	Increase (unaudited)	30 June 2024 (unaudited)
Statutory surplus reserve (Note)	6,789,771	–	6,789,771

2023:

RMB'000

Item	1 January 2023	Increase	31 December 2023
Statutory surplus reserve (Note)	6,789,771	–	6,789,771

Note: In accordance with the Company Law and the Company's articles of association, the Company appropriated 10% of the net profit to the surplus reserve, which is limited to 50% of the Company's registered capital. The accumulated amount of the statutory surplus reserve reached 50% of the Company's registered capital at the end of 2021, thus additional appropriation would not be needed.

The Company and certain of its subsidiaries are authorised to allocate the discretionary surplus reserve from profit after tax after the allocation of the statutory reserve. Upon the approval of the board, the discretionary surplus reserve can be used to offset previous years' losses or increase the share capital.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Retained earnings

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	2023
Retained earnings at the end of the previous year	181,825,095	162,067,076
Changes in accounting policies	–	(85,944)
Retained earnings at the beginning of the period/year	181,825,095	161,981,132
Net profit attributable to owners of the Company	11,902,158	26,096,971
Less: Appropriation to statutory surplus reserve	–	–
Cash dividend declared for ordinary shares (<i>Note 1</i>)	4,752,840	3,802,272
Interest distributed to other equity instruments holders (<i>Note 2</i>)	1,210,128	2,547,999
Others	(28,380)	97,263
Retained earnings at the end of the period/year	187,735,905	181,825,095

Note 1: In accordance with the resolution at the 2023 annual general meeting of shareholders on 20 June 2024, the Company declared a cash dividend for the year ended 31 December 2023 of RMB0.35 per share (2023: RMB0.28 per share), which amounted to RMB4,752,840,000 (2023: RMB3,802,272,000) based on 13,579,541,500 ordinary shares in issue. The above dividends have been paid after the general meeting of shareholders.

Note 2: For the six months ended 30 June 2024, the Company accrued interest of other equity instruments holders amounting to RMB1,210,128,000 (2023: RMB2,547,999,000).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Revenue and cost of sales

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)		For the six months ended 30 June 2023 (unaudited)	
	Revenue	Cost of sales	Revenue	Cost of sales
Revenue from principal operations	511,971,764	465,827,777	536,902,493	489,769,188
Other operating revenue	4,164,954	3,242,464	4,157,498	3,102,109
Total	516,136,718	469,070,241	541,059,991	492,871,297

(1) Disaggregation of revenue by industry/segment is as follows:

RMB'000

Sector	For the six months ended 30 June 2024 (unaudited)		For the six months ended 30 June 2023 (unaudited)	
	Revenue	Cost of sales	Revenue	Cost of sales
Construction operations	444,519,432	410,472,494	473,683,965	437,746,121
Real estate development operations	31,547,625	27,938,827	21,411,451	18,772,562
Manufacturing operations	8,982,834	6,454,602	10,630,897	7,698,129
Plan, design and consultancy operations	7,985,002	4,595,892	8,358,836	4,951,796
Other business operations	23,101,825	19,608,426	26,974,842	23,702,689
Total	516,136,718	469,070,241	541,059,991	492,871,297

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Revenue and cost of sales (continued)

(2) Disaggregation of revenue by point in time of revenue recognition (unaudited):

RMB'000

	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of revenue recognition						
Over time	444,519,432	-	-	6,542,194	3,657,706	454,719,332
A point in time	-	31,461,375	8,684,801	1,442,808	18,885,691	60,474,675
Revenue arising from leases	-	86,250	298,033	-	558,428	942,711
Total	444,519,432	31,547,625	8,982,834	7,985,002	23,101,825	516,136,718

- (3) The construction services provided by the Group are mainly identified as single performance obligation and met the criteria of performance obligation performed over time. As at 30 June 2024, for the construction services in progress, the transaction prices allocated to their unsatisfied (including partially unsatisfied) performance obligations are based on their performance progress over the relevant construction contract periods and would be recognised as revenue based on their performance progress in future construction contract periods.

48. Taxes and surcharges

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
CCT	360,590	382,093
Stamp duty	340,372	357,678
Property tax	179,171	155,572
Others	681,535	617,285
Total	1,561,668	1,512,628

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Selling and distribution expenses

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Employee compensation costs	1,387,267	1,641,195
Advertising and publicity expenses	919,512	1,068,609
Others	657,324	607,123
Total	2,964,103	3,316,927

50. General and administrative expenses

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Employee compensation costs	7,301,290	7,632,367
Office, travelling and transportation expenses	536,728	562,788
Depreciation expenses of fixed assets	572,456	480,535
Others	1,824,676	1,860,947
Total	10,235,150	10,536,637

51. Research and development expenses

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Employee compensation costs and material costs	8,610,730	8,293,309

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. Finance costs

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Interest expenses	7,334,354	6,533,922
Less: Interest income	1,683,522	2,051,357
Less: Interest capitalised	3,132,555	3,405,983
Exchange gains	(558,092)	(561,392)
Bank charges and others	998,307	1,082,979
Total	2,958,492	1,598,169

The amount of capitalised interest had been included in the balances of construction in progress (Note V. 20), intangible assets (Note V. 22) and properties under development (Note V. 8 (1)).

53. Impairment losses on assets

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Losses from impairment of contract assets	(427,263)	(559,096)
Losses from decline in value of inventories	(130,774)	(67,339)
Others	(136)	(9,805)
Total	(558,173)	(636,240)

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Impairment of credit losses

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Losses from impairment of receivables	(1,695,259)	(1,306,467)
Losses from impairment of loans to customers	(8,360)	(7,840)
Total	(1,703,619)	(1,314,307)

55. Investment losses

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Share of (losses)/profits of long-term equity investments under the equity method	(504,647)	203,817
Investment income/(losses) from disposal of long-term equity investments	2,522	(258)
Losses from derecognition of financial assets measured at amortised cost	(878,391)	(2,504,301)
Investment income from holding other equity instrument investments	44,254	45,791
Investment income from holding and disposal of held-for-trading financial assets and other financial assets	206,768	109,353
Investment income from holding debt investments	84,679	247,989
Others	91,518	83,163
Total	(953,297)	(1,814,446)

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Non-operating income

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)	Non-recurring profit or loss of the period (unaudited)
Government grants	27,786	41,837	27,786
Approved unpayable balances	189,166	115,232	189,166
Gains on compensation, penalties and fines	187,361	146,471	187,361
Gains on retirement of non-current assets	17,840	22,413	17,840
Others	61,613	123,228	61,613
Total	483,766	449,181	483,766

Government grants credited to profit or loss for the period are listed as follows:

RMB'000

Nature	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)	Related to assets/ income
Enterprise development funds	62,342	175,196	Related to income
Refund of taxes	18,267	49,520	Related to income
Others	139,551	91,878	Related to assets/ income
Total	220,160	316,594	—
Including: Other income	192,374	274,757	—
Non-operating income	27,786	41,837	—

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Non-operating expenses

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)	Non-recurring profit or loss of the period (unaudited)
Loss on compensation, penalties and fines	243,394	201,520	243,394
Loss on retirement of non-current assets	40,021	59,505	40,021
Donations	12,273	12,957	12,273
Others	26,143	25,844	26,143
Total	321,831	299,826	321,831

58. Costs and expenses classified by nature

Supplementary information of the Group's costs of sales, selling and distribution expenses, general and administrative expenses, research and development expenses categorised by nature is listed as follows:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Cost of services rendered	379,479,673	407,948,581
Cost of goods sold	50,385,710	47,514,363
Employee benefits (Note V. 31)	40,013,386	39,384,408
Depreciation expenses on fixed assets (Note V. 19)	9,062,267	8,098,680
Depreciation expenses on right-of-use assets (Note V. 21)	1,113,242	1,079,588
Amortisation expenses on intangible assets (Note V. 22)	834,581	792,488
Depreciation expenses on investment properties (Note V. 18)	184,422	163,596

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Income tax expenses

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Current tax expenses – Mainland China	3,272,193	3,617,348
Deferred tax expenses	(369,415)	(390,700)
Total	2,902,778	3,226,648

A reconciliation of the income tax expense applicable to profit before tax is listed as follows:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Profit before tax	17,861,036	19,718,226
Income tax at the statutory income tax rate of 25%	4,465,259	4,929,557
Tax effect of preferential tax rates for some subsidiaries	(1,169,626)	(1,264,655)
Tax effect of share of profits and losses of joint ventures and associates	126,162	(50,954)
Effect of non-taxable income	(103,524)	(93,072)
Effect of non-deductible expenses	124,401	162,970
Effect of utilisation of deductible tax losses previously not recognised	(219,441)	(160,819)
Effect of utilisation of deductible temporary differences previously not recognised	(85,696)	(34,144)
Tax preference for qualifying research and development expenses	(678,940)	(635,512)
Effects of deductible losses as deferred tax assets not recognised in the current period	626,189	685,298
Deductible temporary differences not recognised as deferred tax assets	226,069	154,405
Adjustments in respect of current income tax of previous periods	(106,446)	(136,938)
Interest on perpetual bonds deductible before tax	(209,118)	(282,942)
Others	(92,511)	(46,546)
Income tax expense at the Group's effective tax rate	2,902,778	3,226,648

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Income tax expenses (continued)

The income tax of the Group which shall be paid in Chinese mainland is calculated based on the estimated taxable profit arising in China and the applicable tax rate. Tax arising from the taxable income in other regions is calculated at the statutory tax rate according to existing laws, interpretations and practices of the country or jurisdiction in which the Group operates.

60. Earnings per share

The basic earnings per share is calculated based on the net profit for the year attributable to ordinary shareholders of the Company and the weighted average number of outstanding ordinary shares during the period.

Item	<i>RMB'000</i>	
	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Earnings		
Net profit attributable to shareholders of the Company	11,902,158	13,648,610
Including: profit or loss from continuing operations	11,902,158	13,648,610
Less: attributable to holder of other equity instruments (Note V. 46)	1,210,128	1,254,088
Net profit attributable to ordinary shareholders	10,692,030	12,394,522
Shares		
Number of the outstanding ordinary shares of the Company	13,579,541,500	13,579,541,500
Basic earnings per share (<i>RMB/share</i>)	0.79	0.91
Diluted earnings per share (<i>RMB/share</i>)	0.79	0.91

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Notes to items in the statement of cash flows

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
(1) Cash received from other operating activities:		
Amounts due from/to related parties	7,348,795	8,426,905
Income from sales of raw materials	1,152,595	1,213,780
Others	1,537,734	1,495,841
Total	10,039,124	11,136,526

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
(2) Cash paid for other operating activities:		
Loans for cooperative development project	2,720,391	3,194,129
Advertising and publicity expenses	919,512	1,068,609
Office and travelling expenses	822,012	863,109
Advance payments	2,459,473	1,053,898
Others	5,708,808	4,324,982
Total	12,630,196	10,504,727

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
(3) Cash paid for other financing activities:		
Cash paid from redemption of renewable corporate bonds and other equity instruments	11,844,778	–
Cash paid for lease liabilities	1,186,882	1,205,509
Others	389,279	45,229
Total	13,420,939	1,250,738

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Notes to items in the statement of cash flows (continued)

Changes in various liabilities arising from financing activities are as follows:

RMB'000

Item	1 January 2024	Increase (unaudited)		Decrease (unaudited)		30 June 2024 (unaudited)
		Changes in cash	Changes in non-cash	Changes in cash	Changes in non-cash	
Short-term loans	81,839,758	172,779,999	2,192,655	93,289,691	-	163,522,721
Long-term loans (including current portion of long-term loans)	197,826,997	64,248,962	16,901,965	40,061,356	-	238,916,568
Bonds payable (including current portion of bonds payable)	43,205,227	5,175,000	670,242	6,166,248	-	42,884,221
Lease liabilities (including current portion of lease liabilities)	6,186,880	-	1,703,172	1,186,882	212,808	6,490,362
Long-term payables (relating to financing)	2,760,324	1,158,500	22,980	353,827	-	3,587,977
Other payables (relating to financing)	3,893,940	3,350,896	67,878	67,878	3,186,210	4,058,626
Other payables (dividends payable)	1,137,603	-	8,471,511	2,828,112	-	6,781,002
Total	336,850,729	246,713,357	30,030,403	143,953,994	3,399,018	466,241,477

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Notes to items in the statement of cash flows (continued)

Significant activities and financial impacts that do not involve cash inflows and outflows in the current period but affect the financial position of the Company or may affect the cash flows of the Company in the future:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Increase in right-of-use assets	1,587,415	3,023,393
Total	1,587,415	3,023,393

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Supplementary information to the consolidated statement of cash flows

(1) Supplementary information to the statement of cash flows

RMB'000

	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Reconciliation of net profit to cash flows generated from operating activities:		
Net profit	14,958,258	16,491,578
Add: Impairment losses on assets	558,173	636,240
Impairment of credit losses	1,703,619	1,314,307
Depreciation of fixed assets	9,062,267	8,098,680
Depreciation of right-of-use assets	1,113,242	1,079,588
Amortisation of intangible assets	834,581	792,488
Amortisation of investment properties	184,422	163,596
Amortisation of long-term prepayments	139,526	113,717
Gains from retirement and disposal of fixed assets, intangible assets and other long-term assets	(145,025)	(14,861)
Losses on fair value changes	278,239	12,516
Finance costs	3,700,261	2,281,810
Investment losses/(income)	166,424	(631,494)
Increase in deferred tax assets	(330,543)	(629,241)
(Decrease)/increase in deferred tax liabilities	(38,872)	238,541
Increase in inventories	(6,533,007)	(15,698,993)
Increase in contract assets	(11,136,572)	(23,677,089)
Increase in operating receivables	(58,793,026)	(32,310,581)
(Decrease)/increase in operating payables	(37,414,930)	22,664,552
Decrease/(increase) in the deposits with the central bank	16,680	(268,331)
Net cash flows used in operating activities	(81,676,283)	(19,342,977)

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Supplementary information to the consolidated statement of cash flows (continued)

(1) Supplementary information to the statement of cash flows (continued)

Net changes in cash and cash equivalents:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Cash at the end of the period	141,003,964	155,736,574
Less: Opening balance of cash	150,866,988	140,774,045
Add: Closing balance of cash equivalents	3,760,404	1,522,305
Less: Opening balance of cash equivalents	1,770,789	3,741,447
Net (decrease)/increase in cash and cash equivalents	(7,873,409)	12,743,387

(2) Net cash received from acquisition of subsidiaries this period

Item	30 June 2024 (unaudited)
Cash and cash equivalents held by subsidiaries when control commences	183,312
Less: Cash and cash equivalents paid to acquire subsidiaries this period	120,000
Net cash received from acquisition of subsidiaries	63,312

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Supplementary information to the consolidated statement of cash flows (continued)

(3) Cash and cash equivalents

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Cash	141,003,964	150,866,988
Including: Cash on hand	65,336	66,019
Cash with banks/financial institutions without restriction	140,938,628	150,800,969
Cash equivalents	3,760,404	1,770,789
Closing balance of cash and cash equivalents	144,764,368	152,637,777

63. Assets with title restrictions

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023	Reason
Inventories	54,950,275	45,687,542	Mortgaged for loans
Intangible assets	60,371,105	44,838,636	Pledged for loans/ Mortgaged for loans
Other non-current assets	21,099,344	14,856,837	Pledged for loans
Cash and bank balances	12,659,492	13,060,657	Note
Construction in progress	459,386	3,030,237	Mortgaged for loans
Trade receivables	5,283,415	9,619,878	Pledged for loans
Fixed assets	3,294,561	2,955,270	Mortgaged for loans
Long-term receivables	5,691,267	5,435,799	Pledged for loans
Investment properties	124,496	–	Pledged for loans
Total	163,933,341	139,484,856	– –

Note: As at 30 June 2024, the Group held frozen deposits of RMB4,838,405,000 (31 December 2023: RMB4,922,015,000). The residual amount of RMB3,378,769,000 (31 December 2023: RMB3,679,644,000) was comprised of several kinds of deposits. CRCC Finance Company Limited placed RMB4,442,318,000 (31 December 2023: RMB4,458,998,000) in the central bank as statutory reserves.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Foreign currency monetary items

As at 30 June 2024 (unaudited):

RMB'000

Item	Closing balance of foreign currencies ('000)	Exchange rate	Closing balance in RMB
Cash and bank balances			5,324,762
Including: U.S. Dollar	577,433	7.1268	4,115,253
Euro	49,796	7.6617	381,520
Others			827,989
Trade receivables			2,238,644
Including: U.S. Dollar	213,334	7.1268	1,520,387
Others			718,257
Other receivables			110,151
Including: U.S. Dollar	2,830	7.1268	20,167
Others			89,984
Trade payables			1,088,606
Including: U.S. Dollar	41,629	7.1268	296,683
Others			791,923
Other payables			73,831
Including: U.S. Dollar	2,929	7.1268	20,874
Others			52,957
Short-term loans			3,664,212
Including: U.S. Dollar	111,000	7.1268	791,075
Euro	375,000	7.6617	2,873,137
Long-term loans (including long-term loans due within one year)			680,083
Including: Euro	88,764	7.6617	680,083
Bonds payable (including current portion of bonds payable)			2,297,116
Including: Euro	299,818	7.6617	2,297,116

Note: The Group's main operating location is Mainland China and overseas market is spread in over 100 countries and regions. There is no individually material foreign operations, and the foreign operations determined the functional currency according to the currency of the principal economic environment in which they operate. The Company, the subsidiaries and the foreign operations determined the foreign currency monetary items mentioned above in accordance with their functional currencies respectively.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VI. CHANGES OF CONSOLIDATION SCOPE

1. Business combinations not involving enterprises under common control

For the six months ended 30 June 2024, the Group acquired several entities through business combination not under common control, including CRCC Yudongnan(ChongQing) Highway Co., Ltd and Sichuan Langying Highway Co., Ltd and etc. and they were included in the consolidation scope of the Group. The individual amount of these subsidiaries' assets, liabilities, operating income etc. was not material at the acquisition date. Upon the completion of transaction, the Group's total assets increased of RMB12,094,149,000 and the Group's total liabilities increased of RMB11,101,628,000.

VII. EQUITY IN OTHER ENTITIES

1. Subsidiaries

(1) Particulars of the principal subsidiaries of the Company are listed as follows:

Subsidiaries acquired through establishment or investment

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Shareholding proportion %	
					Direct	Indirect
China Civil Engineering Construction Corporation	Beijing	Beijing	Construction	3,000,000	100.00	-
China Railway 11th Bureau Group Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Construction	6,162,382	81.62	-
China Railway 12th Bureau Group Co., Ltd.	Taiyuan, Shanxi	Taiyuan, Shanxi	Construction	5,060,677	100.00	-
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	Tianjin	Tianjin	Construction	3,200,000	100.00	-
China Railway 14th Bureau Group Co., Ltd.	Jinan, Shandong	Jinan, Shandong	Construction	3,391,534	79.02	-
China Railway 15th Bureau Group Co., Ltd.	Shanghai	Shanghai	Construction	3,000,000	100.00	-
China Railway 16th Bureau Group Co., Ltd.	Beijing	Beijing	Construction	4,400,000	100.00	-
China Railway 17th Bureau Group Co., Ltd.	Taiyuan, Shanxi	Taiyuan, Shanxi	Construction	3,021,226	100.00	-
China Railway 18th Bureau Group Co., Ltd.	Tianjin	Tianjin	Construction	3,523,404	80.30	-
China Railway 19th Bureau Group Co., Ltd.	Beijing	Beijing	Construction	5,080,000	100.00	-
China Railway 20th Bureau Group Co., Ltd.	Xi'an, Shaanxi	Xi'an, Shaanxi	Construction	3,385,831	70.41	-
China Railway 21st Bureau Group Co., Ltd.	Lanzhou, Gansu	Lanzhou, Gansu	Construction	2,038,000	100.00	-
China Railway 22nd Bureau Group Co., Ltd.	Beijing	Beijing	Construction	2,000,000	100.00	-
China Railway 23rd Bureau Group Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Construction	2,000,000	100.00	-
China Railway 24th Bureau Group Co., Ltd.	Shanghai	Shanghai	Construction	2,000,000	100.00	-
China Railway 25th Bureau Group Co., Ltd.	Guangzhou, Guangdong	Guangzhou, Guangdong	Construction	2,000,000	100.00	-

RMB'000

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (continued)

(1) Particulars of the principal subsidiaries of the Company are listed as follows: (continued)

Subsidiaries acquired through establishment or investment (continued)

RMB'000

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Shareholding proportion %	
					Direct	Indirect
China Railway First Survey and Design Institute Group Co., Ltd.	Xi'an, Shaanxi	Xi'an, Shaanxi	Plan, design and consultancy	1,030,000	100.00	-
China Railway SIYUAN Survey and Design Group Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Plan, design and consultancy	1,052,500	100.00	-
China Railway Construction Group Co., Ltd.	Beijing	Beijing	Construction	3,502,971	85.64	-
China Railway Construction Electrification Bureau Group Co., Ltd.	Beijing	Beijing	Construction	3,800,000	100.00	-
China Railway Material Group Co., Ltd.	Beijing	Beijing	Purchase and sales of goods and materials	3,009,360	100.00	-
CRCC High-Tech Equipment Corporation Limited	Kunming, Yunnan	Kunming, Yunnan	Manufacturing operations	1,519,884	63.70	1.30
China Railway Construction Real Estate Group Co., Ltd.	Beijing	Beijing	Real estate development and operation	7,000,000	100.00	-
China Railway Construction Heavy Industry Corporation Limited	Changsha, Hunan	Changsha, Hunan	Manufacturing operations	5,333,497	71.93	0.36
China Railway Construction Investment Group Co., Ltd.	Zhuhai, Guangdong	Zhuhai, Guangdong	Project investment, Construction	12,067,086	87.34	-
CRCC Finance Company Limited	Beijing	Beijing	Financial Services	9,000,000	94.00	-
China Railway Construction Corporation (International) Limited	Beijing	Beijing	Construction	3,012,500	100.00	-
CRCC Capital Holdings Group Co., Ltd.	Shenzhen, Guangdong	Shenzhen, Guangdong	Financial Services	9,000,000	100.00	-
China Railway Urban Construction Group Co., Ltd.	Changsha, Hunan	Changsha, Hunan	Construction	2,789,839	71.69	-
CRCC Kunlun Investment Group Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Project investment, Construction	5,087,166	70.77	-

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (continued)

(2) The subsidiaries with significant non-controlling interests are listed as follows:

As at 30 June 2024 (unaudited):

RMB'000

Subsidiary	Shareholding proportion (%)	Net profit or loss attributable to non-controlling interests	Dividends distribute to non-controlling shareholders	Accumulated balances of non-controlling interests at the reporting date
China Railway Construction Investment Group Co., Ltd. (Note)	12.66	579,164	419,463	19,282,868
CRCC Kunlun Investment Group Co., Ltd.	29.23	148,260	348,650	8,816,765
China Railway 14th Bureau Group Co., Ltd.	20.98	185,476	247,998	5,784,099
China Railway 18th Bureau Group Co., Ltd.	19.70	116,518	249,593	4,156,341
China Railway Construction Heavy Industry Co., Ltd.	27.71	200,491	134,751	4,667,576

Note: The mentioned above subsidiaries issued financial instruments, such as outstanding renewable corporate bonds and medium-term notes, which are recognised in other equity instruments and presented under the line item of “non-controlling interests” in the consolidated balance sheet of the Group. The shareholding proportion of minority shareholders of these subsidiaries represents the proportion of equity interests held by minority shareholders other than holders of other equity instruments.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (continued)

(2) The subsidiaries with significant non-controlling interests are listed as follows: (continued)

RMB'000

Subsidiary	30 June 2024 (unaudited)					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
China Railway Construction Investment Group Co., Ltd.	36,277,833	153,132,212	189,410,045	61,794,373	86,864,119	148,658,492
CRCC Kunlun Investment Group Co., Ltd.	25,472,317	75,784,906	101,257,223	49,475,515	25,045,369	74,520,884
China Railway 14th Bureau Group Co., Ltd.	60,119,946	35,518,731	95,638,677	75,538,074	5,249,282	80,787,356
China Railway 18th Bureau Group Co., Ltd.	48,518,934	21,885,832	70,404,766	50,862,969	8,158,454	59,021,423
China Railway Construction Heavy Industry Co., Ltd.	17,315,032	10,363,488	27,678,520	9,177,922	1,707,234	10,885,156

RMB'000

Subsidiary	31 December 2023					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
China Railway Construction Investment Group Co., Ltd.	27,466,494	145,595,839	173,062,333	57,446,884	75,721,101	133,167,985
CRCC Kunlun Investment Group Co., Ltd.	26,720,774	59,673,231	86,394,005	46,125,857	15,070,541	61,196,398
China Railway 14th Bureau Group Co., Ltd.	60,527,532	33,020,417	93,547,949	72,369,906	5,124,224	77,494,130
China Railway 18th Bureau Group Co., Ltd.	40,319,471	20,263,047	60,582,518	42,225,036	5,714,936	47,939,972
China Railway Construction Heavy Industry Co., Ltd.	14,897,761	10,543,232	25,440,993	7,750,542	1,135,651	8,886,193

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (continued)

(2) The subsidiaries with significant non-controlling interests are listed as follows (continued):

RMB'000

Subsidiary	For the six months ended 30 June 2024 (unaudited)			
	Revenue	Net profit	Total comprehensive income	Net cash flows generated from operating activities
China Railway Construction Investment Group Co., Ltd.	18,167,060	1,352,336	1,383,070	1,046,506
CRCC Kunlun Investment Group Co., Ltd.	18,830,935	1,074,294	1,074,294	876,532
China Railway 14th Bureau Group Co., Ltd.	41,943,879	710,654	710,654	(6,519,577)
China Railway 18th Bureau Group Co., Ltd.	35,964,359	602,898	605,788	(5,687,262)
China Railway Construction Heavy Industry Co., Ltd.	4,803,149	723,078	718,579	351,887

RMB'000

Subsidiary	For the six months ended 30 June 2023 (unaudited)			
	Revenue	Net profit	Total comprehensive income	Net cash flows generated from operating activities
China Railway Construction Investment Group Co., Ltd.	18,754,934	1,641,087	1,612,294	942,342
CRCC Kunlun Investment Group Co., Ltd.	24,618,618	1,561,276	1,561,276	2,022,556
China Railway 14th Bureau Group Co., Ltd.	43,166,649	649,485	649,485	54,116
China Railway 18th Bureau Group Co., Ltd.	39,080,840	701,521	711,505	(1,477,109)
China Railway Construction Heavy Industry Co., Ltd.	5,563,802	1,025,555	1,028,918	455,822

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (continued)

- (3) As at 30 June 2024, the information of financial instruments involved in equity, such as the renewable corporate bonds, medium-term notes publicly and perpetual bonds issued by the several subsidiaries, is listed as follows:

RMB'000

Subsidiary	Amount (unaudited)
China Railway Construction Investment Group Co., Ltd.	9,092,100
China Railway 11th Bureau Group Co., Ltd.	2,496,500

As at 30 June 2024, the information of financial liabilities, such as corporate bonds and medium term notes publicly issued by several subsidiaries is detailed in Notes V. 37.

2. Equity in joint ventures and associates

Principal joint ventures and associates

RMB'000

Name of principal joint ventures and associates	Principal place of business	Place of registration	Principal activities	Shareholding proportion %		Measurement of joint ventures and associates
				Direct	Indirect	
Sichuan Chengmian Cangba Expressway Co., Ltd.	Mianyang, Sichuan	Mianyang, Sichuan	Highway Project Construction & Management	39.5	–	Equity method
Kunming Rail Transit Line 5 Construction and Operation Co., Ltd.	Kunming, Yunnan	Kunming, Yunnan	Investment in Rail Transit Construction	54.4	–	Equity method
CRCC Financial Leasing Co., Ltd.	Tianjin	Tianjin	Finance lease	50	–	Equity method
Hangqiu Railway Co., Ltd.	Quzhou, Zhejiang	Quzhou, Zhejiang	Railway Project Investment & Management	46	–	Equity method

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (continued)

Major financial information of principal joint ventures

RMB'000

	30 June 2024 (unaudited)/For the Six months ended 30 June 2024 (unaudited)		31 December 2023/For the Six months ended 30 June 2023 (unaudited)	
	Sichuan Chengmian Cangba Expressway Co., Ltd.	Kunming Rail Transit Line 5 Construction and Operation Co., Ltd.	Sichuan Chengmian Cangba Expressway Co., Ltd.	Kunming Rail Transit Line 5 Construction and Operation Co., Ltd.
Current assets	2,179,990	5,157,969	3,251,815	4,980,066
Including: Cash and cash equivalents	770,518	522,866	654,972	947,193
Non-current assets	47,740,702	18,211,438	42,210,877	18,654,809
Total assets	49,920,692	23,369,407	45,462,692	23,634,875
Current liabilities	4,037,321	3,499,287	1,111,391	3,621,965
Non-current liabilities	34,640,836	13,016,791	33,964,750	13,161,977
Total liabilities	38,678,157	16,516,078	35,076,141	16,783,942
Non-controlling interests	-	-	-	-
Total equity attributable to owners of the company	11,242,535	6,853,329	10,386,551	6,850,933
The net assets multiplied by the shareholding proportion	4,440,801	3,728,211	4,102,688	3,726,908
Adjustment event				
— Others	(52,307)	178,680	(10)	178,680
Carrying amount of investments in the joint ventures attributable to the Group	4,388,494	3,906,891	4,102,678	3,905,588
Revenue	567	159,736	-	160,715
Finance costs	(619)	(163,915)	-	(159,545)
Income tax expenses	115	(25,251)	-	(378)
Net (loss) profit	(18,901)	2,396	-	167,478
Other comprehensive income	-	-	-	-
Total comprehensive income	(18,901)	2,396	-	167,478
Dividends from joint ventures for the period	-	-	-	-

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (continued)

Major financial information of principal associates

RMB'000

	30 June 2024 (unaudited)/For the Six months ended 30 June 2024 (unaudited)		31 December 2023/For the Six months ended 30 June 2023 (unaudited)	
	CRCC Financial Leasing Co., Ltd.	Hangqu Railway Co., Ltd.	CRCC Financial Leasing Co., Ltd.	Hangqu Railway Co., Ltd.
Total assets	37,977,109	17,803,192	43,017,472	16,353,581
Total liabilities	30,966,258	12,106,539	36,192,424	10,929,928
Non-controlling interests	–	–	–	–
Total equity attributable to owners of the company	7,010,851	5,696,653	6,825,048	5,423,653
The net assets multiplied by the shareholding proportion	3,505,426	2,620,460	3,412,524	2,494,880
Adjustment event				
— Unrealised profits of intra-group transactions	(281,393)	–	(251,416)	–
— Others	2,915	76,903	2,404	93,983
Carrying amount of investments in the associates attributable to the Group	3,226,948	2,697,363	3,163,512	2,588,863
Revenue	1,700,615	–	1,846,108	–
Finance costs	618	–	902	–
Income tax expenses	62,275	–	76,836	–
Net profit	186,826	–	230,508	–
Other comprehensive income	–	–	–	–
Total comprehensive income	186,826	–	230,508	–
Dividends from associates for the period	–	–	–	–

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (continued)

The aggregate financial information of the individually insignificant joint ventures:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Shares of net profit of the joint ventures attributable to the Group	(742,359)	(902,607)
Shares of other comprehensive income of the joint ventures attributable to the Group	(56,177)	90,678
Shares of total comprehensive income of the joint ventures attributable to the Group	(798,536)	(811,929)
Carrying amount of investments in the joint ventures attributable to the Group	57,188,831	56,903,672

The aggregate financial information of the individually insignificant associates:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Shares of net profit of the associates attributable to the Group	150,462	1,180,073
Shares of other comprehensive income of the associates attributable to the Group	58,497	102,165
Shares of total comprehensive income of the associates attributable to the Group	208,959	1,282,238
Carrying amount of investments in the associates attributable to the Group	83,373,355	78,614,044

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

3. *Equity in structured entities that have not been merged into the consolidated financial statements*

As at 30 June 2024, the scale of major structured entities that the Group participated in and that were not included in the consolidated financial statements totalled approximately RMB43,918,190,000 (31 December 2023: RMB46,245,930,000). Among them, the subscription amount of the Group was approximately RMB14,693,161,000 (31 December 2023: RMB14,284,056,000) and that of other investors was approximately RMB29,225,029,000 (31 December 2023: RMB31,961,874,000). The Group has no control over this category of structured entity, so the structured entities have not been merged into the consolidated financial statements. As at 30 June 2024, the actual subscription amount paid by the Group was approximately RMB7,580,962,000 (31 December 2023: RMB6,181,649,000), which was accounted in other non-current financial assets. The Group's largest risk exposure in these structured entities is the amount of capital contributed by the Group as of the balance sheet date. The Group has no obligation or intention to provide financial support to the structured entities.

As at 30 June 2024, the Group's cumulative issuance amount of asset-backed securities was RMB85,311,088,000 (31 December 2023: RMB89,034,000,000). The subordinated tranche of the asset-backed securities was RMB4,441,800,000 (31 December 2023: RMB4,449,800,000). On 30 June 2024, the subordinated tranche of asset-backed securities held by the Group was RMB1,035,650,000 (31 December 2023: RMB1,036,650,000), of which RMB341,850,000 (31 December 2023: RMB230,850,000) was accounted in held-for-trading financial assets and RMB693,800,000 (31 December 2023: RMB805,800,000) was accounted in other non-current financial assets. As for asset-backed securities issued by the Group, it promises to, upon issuance of some asset-backed securities, provide paid temporary liquidity support for the principal of priority asset-backed securities and the difference between the expected returns and the distributable funds for each period of the asset-backed securities special plan, but the Group did not provide such support for some asset-backed securities upon their issuance. As at 30 June 2024, asset-backed securities had not actually triggered this liquidity support, and the Group had never provided such liquidity support. The Group assesses that the possibility of triggering liquidity support in the future is minimal.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

1. Financial instruments by category

The carrying amount of each category of financial instruments at the balance sheet date are as follows:

30 June 2024 (unaudited):

Financial assets

RMB'000

Item	Classified as financial assets at FVTOCI	Designated as financial assets at FVTOCI	Financial assets at FVTPL	Financial assets measured at amortised cost	Total
Bills receivable	-	-	-	1,525,080	1,525,080
Trade receivables	-	-	-	180,180,279	180,180,279
Receivables at FVTOCI	1,718,133	-	-	-	1,718,133
Loans and advances to customers	-	-	-	1,725,125	1,725,125
Other receivables (excluding petty cash)	-	-	-	64,081,791	64,081,791
Other current assets	3,951,571	-	-	7,019,581	10,971,152
Long-term receivables	-	-	-	120,717,474	120,717,474
Cash and bank balances	-	-	-	158,706,502	158,706,502
Held-for-trading financial assets	-	-	1,561,016	-	1,561,016
Debt investments	-	-	-	5,790,516	5,790,516
Other equity instrument investments	-	12,929,050	-	-	12,929,050
Other non-current financial assets	-	-	11,669,171	-	11,669,171
Current portion of non-current assets	-	-	-	11,392,331	11,392,331
Total	5,669,704	12,929,050	13,230,187	551,138,679	582,967,620

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instruments by category (continued)

The carrying amount of each category of financial instruments at the balance sheet date are as follows: (continued)

30 June 2024 (unaudited): (continued)

Financial liabilities

RMB'000

Item	Other financial liabilities	Total
Short-term loans	163,522,721	163,522,721
Due to customers	1,276,334	1,276,334
Bills payable	41,060,153	41,060,153
Trade payables	469,938,518	469,938,518
Other payables	133,151,039	133,151,039
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable, provisions and lease liabilities)	61,982,523	61,982,523
Other current liabilities (continuing involvement in liabilities)	340,850	340,850
Long-term loans	201,419,722	201,419,722
Bonds payable	26,665,330	26,665,330
Long-term payables (excluding special payables)	41,998,799	41,998,799
Other non-current liabilities (continuing involvement in liabilities)	686,800	686,800
Total	1,142,042,789	1,142,042,789

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instruments by category (continued)

The carrying amount of each category of financial instruments at the balance sheet date are as follows: (continued)

31 December 2023:

Financial assets

RMB'000

Item	Classified as financial assets at FVTOCI	Designated as financial assets at FVTOCI	Financial assets at FVTPL	Financial assets measured at amortised cost	Total
Bills receivable	–	–	–	3,229,041	3,229,041
Trade receivables	–	–	–	155,809,067	155,809,067
Receivables at FVTOCI	2,723,520	–	–	–	2,723,520
Loans and advances to customers	–	–	–	1,686,305	1,686,305
Other receivables (excluding petty cash)	–	–	–	56,390,029	56,390,029
Other current assets	–	–	–	3,025,640	3,025,640
Long-term receivables	–	–	–	109,859,078	109,859,078
Cash and bank balances	–	–	–	166,957,837	166,957,837
Held-for-trading financial assets	–	–	1,629,785	–	1,629,785
Debt investments	–	–	–	6,016,176	6,016,176
Other debt investments	5,115,845	–	–	–	5,115,845
Other equity instrument investments	–	12,575,571	–	–	12,575,571
Other non-current financial assets	–	–	10,287,149	–	10,287,149
Current portion of non-current assets	6,963,058	–	–	15,035,191	21,998,249
Total	14,802,423	12,575,571	11,916,934	518,008,364	557,303,292

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instruments by category (continued)

The carrying amount of each category of financial instruments at the balance sheet date are as follows: (continued)

31 December 2023: (continued)

Financial liabilities

RMB'000

Item	Other financial liabilities	Total
Short-term loans	81,839,758	81,839,758
Due to customers	1,356,691	1,356,691
Bills payable	53,461,242	53,461,242
Trade payables	491,567,214	491,567,214
Other payables	106,058,137	106,058,137
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable, provisions and lease liabilities)	52,111,844	52,111,844
Other current liabilities (continuing involvement in liabilities)	230,850	230,850
Long-term loans	165,621,478	165,621,478
Bonds payable	31,031,549	31,031,549
Long-term payables (excluding special payables)	41,052,575	41,052,575
Other non-current liabilities (continuing involvement in liabilities)	798,800	798,800
Total	1,025,130,138	1,025,130,138

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

2. *Transfer of financial assets*

Transferred financial assets that are derecognised in their entirety but continuously involved

As at 30 June 2024, the Group had endorsed and discounted bank acceptance bills which are not yet due amounting to RMB1,709,672,000 (31 December 2023: RMB2,272,750,000). As at 30 June 2024, for bills within 6 months, if acceptance banks dishonoured the bills, endorsees shall have the right to turn to the Group for recourse according to the Law of Bill. The Group considered the risks and rewards of the bills had been transferred. Therefore, the Group had derecognised the related bills receivable and trade payables that had been settled by the bills. The undiscounted cash flows and maximum losses of continuing involvement and repurchase equalled to the book value of the bills. The Group considered the fair value of continuing involvement to be not significant.

For the six months ended 30 June 2024, the Group did not recognised any profit or loss at the date of transfer. The Group had no current or accumulated gains or expenses related to continuing involvement of financial assets which had been derecognised. The endorsement and discount happens evenly throughout the year.

Transferred financial assets that are not derecognised in their entirety

For the six months ended 30 June 2024, the Group sold underlying assets to the assets-backed specific plan which set up by the financial institute who are also the managers of the assets-backed specific plan. The managers represented the assets-backed specific plan to issue senior assets-backed securities and subordinate assets-backed securities to investors. The Group holds some portion of the subordinate assets-backed securities. Meanwhile, the Group acts as a receivables service provider to provide management services associated with receivables and their collection, contracts revision and other services to the assets-backed specific plan.

As the Group has restriction in the ability of guiding the operations of assets-backed specific plan, resulting in the degree which the Group using substantial rights to influence to obtain variable returns limited, the Group does not need to consolidate the assets-backed specific plan. Meanwhile, the Group has neither transferred nor retained substantially all the risks and rewards of the underlying assets ownership, and it retained control of the underlying assets transferred, the Group recognised the asset and associated liability to the extent of its continuing involvement in the transferred asset.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. *Financial instrument risks*

The Group's major financial instruments include loans, due to customers, bonds, and other equity instruments, etc. The purpose of these financial instruments is to support daily operations of the Group. The Group also has various financial assets and liabilities arising from operation, such as cash and bank balances, bills receivable, trade receivables, receivables at FVTOCI, other receivables, long-term receivables, bills payable, trade payables, other payables and long-term payables.

The major risks from the Group's financial instruments are credit risk, liquidity risk and market risk. The management will hold meetings at least four times a year to analyse and make plans to manage these risks. Besides, the board will hold meetings at least twice a year to discuss and approve the suggestions from management. Generally, the Group introduces conservative strategies in risk management. As these risks for the Group are kept at a low level, the Group does not use any derivative instrument and other instruments to hedge these risks in the whole year.

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, the balances and collection of trade receivables, contract assets and long-term receivables are monitored on an ongoing basis to ensure that the Group's exposure to credit loss is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control in the Group. Besides, the Group reviews collections of financial assets at each balance sheet date to ensure sufficient provisions for estimated credit loss have been made for relevant financial assets.

Other financial assets of the Group include cash and bank balances, bills receivable, receivables at FVTOCI, other receivables, debt investments, other debt investments and loans and advances to customers. Credit risk of such financial assets is resulted from defaults of counterparties. The largest risk exposure equals to the carrying amount of these instruments. The Group is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in Note XI. 3 to the financial statements. Substantially all of the Group's cash and bank balances are held in major financial institutions located in the PRC, which management believes are of high credit quality. The Group has policies to control the size of the deposits to be placed with various reputable financial institutions according to their market reputation, operating scale and financial background with a view to limit the amount of credit exposure to any single financial institution.

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. *Financial instrument risks (continued)*

Credit risk (continued)

The Group adopts the provision matrix based on portfolio to assess the credit losses of trade receivables, except for trade receivables that are individually significant and credit-impaired. The Group's trade receivables involve a large number of customers. Customer type and aging information may reflect these customers' solvency in regard of such trade receivables. The Group's management classifies the trade receivables into different portfolios (including state-owned enterprises and public institutions, domestic railway project customers, overseas project customers, customers with related party relationships and other types of customers) based on credit risk characteristics. The Group calculates the historical actual loss rate by different customer types and different aging periods based on historical data and, through regression analysis, determines the relationship between the historical actual loss rate and economic indicators, such as GDP growth, CPI. Based on the forecasted future relevant economic indicators, the Group estimates the credit loss rates. The Group's management classifies contract assets and long-term receivables into different portfolios (including state-owned enterprises and public institutions, domestic railway project customers, overseas project customers, customers with related party relationships and other types of customers) based on their credit risk characteristics expect for contract assets or long-term receivables that are individually significant and credit-impaired. On the basis of the historical actual loss rate, the Group takes account of forward-looking information mentioned above and then determines the credit loss rates and provision matrix to evaluate ECL of contract assets and long-term receivables. Except for other receivables that are individually significant and their credit risk has increased significantly since initial recognition but not credit-impaired and that are individually significant and are credit impaired, the Group assesses them individually for credit losses, the Group classifies the other receivables into different portfolios (including related parties and other external units which are taken nature of amounts into comprehensive accounts) based on credit risk characteristics of different types of customers. The Group assesses the expected credit loss of other receivables based on historical actual loss rate and considering the expected loss rate and impairment matrix after adjusting above looking-forward information.

For trade receivables, contract assets and long-term receivables that are individually significant and credit-impaired, the Group made separate credit loss assessment on individual basis. Based on the credit-impaired evidence and forward-looking information, The Group determines the expected credit loss by the difference between carrying amounts of these financial assets and the present value discounted by the original effective interest rate of expected cash flows.

For other financial assets, the Group calculates the ECL through default exposure and the expected credit loss rate for the next 12 months or the full lifetime.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (continued)

Credit risk (continued)

As at 30 June 2024, the credit risk exposure and ECL of trade receivables are disclosed as follows (unaudited):

RMB'000

Gross carrying amount	Not credit impaired	Credit impaired	Total
30 June 2024	166,478,296	32,391,031	198,869,327

Allowance for credit losses	Not credit impaired	Credit impaired	Total
1 January 2024	6,203,996	11,834,741	18,038,737
Transferred to credit-impaired	(384,270)	384,270	–
Provision for the period	935,035	1,032,521	1,967,556
Reversal for the period	(570,142)	(288,714)	(858,856)
Write-off for the period	–	(10,914)	(10,914)
Others	(119,553)	(327,922)	(447,475)
30 June 2024	6,065,066	12,623,982	18,689,048

The movements of impairment losses for contract assets for the six months ended 30 June 2024 are listed as follows (unaudited):

RMB'000

Gross carrying amount	Not credit impaired	Credit impaired	Total
30 June 2024	282,717,107	28,245,221	310,962,328

Provision for impairment of assets	Not credit impaired	Credit impaired	Total
1 January 2024	1,689,238	6,359,023	8,048,261
Transferred to credit-impaired	(23,134)	23,134	–
Provision for the period	380,752	439,954	820,706
Reversal for the period	(376,591)	(121,315)	(497,906)
Others	(4,408)	(201)	(4,609)
30 June 2024	1,665,857	6,700,595	8,366,452

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (continued)

Credit risk (continued)

As at 30 June 2024, the credit risk exposure and ECL of long-term receivables (including current portion of long-term receivables) generated from transactions scoped in ASBE No. 14 are disclosed as follows (unaudited):

RMB'000

Gross carrying amount	Not credit impaired	Credit impaired	Total
30 June 2024	92,222,790	2,860,352	95,083,142

Allowance for credit losses	Not credit impaired	Credit impaired	Total
1 January 2024	1,230,869	1,190,105	2,420,974
Provision for the period	125,668	205,292	330,960
Reversal for the period	(85,534)	(1,980)	(87,514)
Write-off for the period	–	(525,139)	(525,139)
Others	3,353	254,520	257,873
30 June 2024	1,274,356	1,122,798	2,397,154

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (continued)

Credit risk (continued)

As at 30 June 2024, the credit risk exposure and ECL of debt investments are as follows (unaudited):

RMB'000

Gross carrying amount	Stage I	Stage II	Stage III	Total
	12-months ECL	Lifetime ECL (Not credit impaired)	Lifetime ECL (Credit impaired)	
30 June 2024	3,183,213	897,079	3,574,484	7,654,776

Allowance for credit losses	Stage I	Stage II Lifetime	Stage III Lifetime	Total
	12-months ECL	ECL (Not credit impaired)	ECL (Credit impaired)	
1 January 2024	19,179	39,933	1,783,922	1,843,034
Provision for the period	767	169	20,138	21,074
Reversal for the period	(727)	–	–	(727)
Others	(962)	–	–	(962)
30 June 2024	18,257	40,102	1,804,060	1,862,419

As at 30 June 2024, external financial guarantees and mortgages for real estate development operations provided by the Group amounted to RMB2,089,264,000 (31 December 2023: RMB2,446,537,000) and RMB22,299,847,000 (31 December 2023: RMB29,178,017,000) respectively. Details of financial guarantee contracts are set out in Note XI. 3. Management of the Group assessed overdue status of relevant borrowings, financial position of relevant debtor, and economic condition in the debtor's industry. Management is of the view that relevant credit risk of such part of financial guarantee contract had not increased significantly since initial recognition. Therefore, loss allowance for the Group's financial guarantee contracts were not determined based on the amount of lifetime ECL, but measured at the amount of the future 12-month ECL of the above financial guarantee contracts. For the six months ended 30 June 2024, the Group's assessment method and significant assumptions did not change. The Group had not recognised significant expected loss allowance for guarantees and mortgages based on management's assessment.

As the Group's major customers are PRC government agencies at the national, provincial and local levels and other state-owned enterprises, the Group believes that they are reliable and of high credit quality and hence, there is no significant credit risk with these customers. As the Group's exposure to credit risk spreads over a diversified portfolio of customers, there is no significant concentration of credit risk.

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. *Financial instrument risks (continued)*

Liquidity risk

The Group monitors its risk of deficiency of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and estimated cash flows from the Group's operations.

The Group's objective is to ensure continuity of sufficient funding and flexibility by utilising a variety of bank and other borrowings with debt maturities spreading over a range of periods, thereby ensuring that the Group's outstanding borrowing obligation is not exposed to excessive repayment risk in any one year. Due to the capital intensive nature of the Group's businesses, the Group ensures that it maintains sufficient cash and credit facility to meet its liquidity requirements.

The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its debt obligations as they fall due, and its ability to obtain external financing to meet its committed future capital expenditure. With regard to its future capital commitments and other financing requirements, on 30 June 2024, the Group already had banking facilities from several PRC banks.

The Group's policy is that not more than 75% of the borrowings shall mature in the following 12 months based on the carrying amount of borrowings reflected in the financial statements. As at 30 June 2024, the Group has 49.0% of loans and bonds payable that would expire within one year (As at 31 December 2023: 39.0%).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (continued)

Liquidity risk (continued)

The table below summarises the maturity profile of the Group's financial liabilities and lease liabilities at the balance sheet date, based on the undiscounted contractual cash flows:

RMB'000

Item	30 June 2024 (unaudited):					Total
	On demand	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Short-term loans	-	166,162,279	-	-	-	166,162,279
Due to customers	1,276,334	-	-	-	-	1,276,334
Bills payable	-	41,060,153	-	-	-	41,060,153
Trade payables	-	469,938,518	-	-	-	469,938,518
Other payables	-	133,151,039	-	-	-	133,151,039
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable and provisions)	-	65,742,486	-	-	-	65,742,486
Other current liabilities	-	340,850	-	-	-	340,850
Long-term loans	-	6,433,564	59,918,002	93,428,393	83,324,576	243,104,535
Bonds payable	-	1,315,897	20,216,192	6,710,046	-	28,242,135
Long-term payables (excluding special payables)	-	-	24,687,849	13,131,771	5,433,678	43,253,298
Lease liabilities	-	-	1,672,869	1,856,401	2,164,143	5,693,413
Other non-current liabilities	-	-	195,000	491,800	-	686,800
Financial guarantees (Note XI. 3)(excluding the real estate mortgage guarantee)	2,089,264	-	-	-	-	2,089,264
Total	3,365,598	884,144,786	106,689,912	115,618,411	90,922,397	1,200,741,104

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (continued)

Liquidity risk (continued)

RMB'000

Item	31 December 2023					Total
	On demand	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Short-term loans	-	82,899,052	-	-	-	82,899,052
Due to customers	1,356,691	-	-	-	-	1,356,691
Bills payable	-	53,461,242	-	-	-	53,461,242
Trade payables	-	491,567,214	-	-	-	491,567,214
Other payables	-	106,058,137	-	-	-	106,058,137
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable and provisions)	-	56,404,561	-	-	-	56,404,561
Other current liabilities	-	230,850	-	-	-	230,850
Long-term loans	-	5,664,418	48,080,043	79,218,292	67,519,403	200,482,156
Bonds payable	-	1,726,850	15,919,289	15,489,823	-	33,135,962
Long-term payables (excluding special payables)	-	-	23,719,420	13,602,279	5,145,559	42,467,258
Lease liabilities	-	-	1,606,486	1,747,335	2,296,868	5,650,689
Other non-current liabilities	-	-	-	798,800	-	798,800
Financial guarantees (<i>Note XI. 3</i>) (excluding the real estate mortgage guarantee)	2,446,537	-	-	-	-	2,446,537
Total	3,803,228	798,012,324	89,325,238	110,856,529	74,961,830	1,076,959,149

Market risk

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group regularly reviews and monitors the mix of fixed and floating interest rate borrowings in order to manage its interest rate risk. Interest-bearing borrowings, cash and short-term deposits are stated at amortised cost and are not revalued on a periodic basis. Floating rate interest income and expenses are credited/charged to the profit or loss as earned/incurred.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (continued)

Market risk (continued)

Interest rate risk (continued)

As at 30 June 2024, floating interest rate loans and fixed interest rate loans accounted for approximately 76.61% and 23.39% (31 December 2023: 81.19% and 18.81%) of the Group's borrowings respectively. Management would adjust the proportion of floating and fixed rate loans based on changes in the market interest rates to reduce the significant impact arising from interest rate risk.

If there was a general increase/decrease in the interest rate of bank and other borrowings with floating interest rates by 0.50% (For six months ended 30 June 2023: 0.25%), with all other variables held constant, the consolidated operating results would have decreased/increased by approximately RMB219,530,000 in 30 June 2024 (For the six months ended 30 June 2023: RMB113,516,000), and there is no impact on other components of the consolidated equity, except for retained earnings, of the Group. The sensitivity analysis above has been determined assuming that the change in interest rates had occurred as at 30 June 2024 and the exposure to interest rate risk has been applied to those borrowings in existence at that date. The estimated 0.50% (31 December 2023: 0.50%) of increase or decrease represents management's assessment of a reasonably possible change in interest rates over the year from now until the end of the next annual reporting period.

Foreign currency risk

As a result of its significant business operations in Mainland China, the Group's revenue and expenses are mainly denominated in RMB and over 90% of the financial assets and liabilities are denominated in RMB. The effect of the fluctuations in the exchange rates of RMB against foreign currencies on the Group's results of operations is therefore minimal and the Group had not entered into any hedging transactions as 30 June 2024 in order to reduce the Group's exposure to foreign currency risk in this regard (31 December 2023: Nil).

The following table demonstrates the sensitivity at the balance sheet date to a reasonably possible change in the exchange rates of the United States dollar, Euro and Saudi Riyal, with all other variables held constant, of the Group's net profit and shareholder's equity net of tax.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (continued)

Market risk (continued)

Foreign currency risk (continued)

For the Six months ended 30 June, 2024 (unaudited):

RMB'000

Item	Exchange rate Increase/ (Decrease)	Net profit or loss Increase/ (Decrease)	Total equity Increase/ (Decrease)
Increase in the United States dollar rate	5%	185,603	185,603
Decrease in the United States dollar rate	(5%)	(185,603)	(185,603)
Increase in the Euro rate	5%	(229,052)	(229,052)
Decrease in the Euro rate	(5%)	229,052	229,052
Increase in the Saudi Riyal rate	5%	(5,480)	(5,480)
Decrease in the Saudi Riyal rate	(5%)	5,480	5,480

For the Six months ended 30 June, 2023 (unaudited):

RMB'000

Item	Exchange rate Increase/ (Decrease)	Net profit or loss Increase/ (Decrease)	Total equity Increase/ (Decrease)
Increase in the United States dollar rate	5%	232,292	232,292
Decrease in the United States dollar rate	(5%)	(232,292)	(232,292)
Increase in the Euro rate	5%	(220,593)	(220,593)
Decrease in the Euro rate	(5%)	220,593	220,593
Increase in the Algerian dinar rate	10%	7,848	7,848
Decrease in the Algerian dinar rate	(10%)	(7,848)	(7,848)

The sensitivity analysis above has been determined assuming that the changes in foreign exchange rates had occurred as at 30 June 2024 and the exposure to foreign currency risk has been applied to those monetary assets and liabilities in existence at that date. The estimated percentage increase or decrease represents management's assessment of a reasonably possible change in foreign exchange rates over the year from now until the end of the next annual reporting period.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

4. Capital management

The Group's primary objectives for capital management are to safeguard the Group's ability to continue as a going concern and keep the capital ratio at a healthy level, so that it can support business development and maximise the value of shareholders and other equity investors.

The Group sets the amount of capital in proportion to risk. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes for managing capital for the six months ended 30 June 2024 and for the six months ended 30 June 2023.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt includes all loans, due to customers, other current liabilities(continuing involvement in liabilities), bills payable, trade payables, other payables, bonds payable, lease liabilities, long-term payables (excluding special payables), current portion of non-current liabilities (excluding the current portion of long-term employee benefits payable and provisions) and other non-current liabilities(continuing involvement in liabilities) less cash and bank balances. Total equity comprises equity attributable to owners of the Company and non-controlling interests stated in the consolidated statement of financial position. The gearing ratios at the balance sheet date are listed as follows:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Short-term loans	163,522,721	81,839,758
Long-term loans	201,419,722	165,621,478
Due to customers	1,276,334	1,356,691
Bills payable	41,060,153	53,461,242
Trade payables	469,938,518	491,567,214
Other payables	133,151,039	106,058,137
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable and provisions)	64,461,210	54,218,317
Other current liabilities(continuing involvement in liabilities)	340,850	230,850
Bonds payable	26,665,330	31,031,549
Long-term payables (excluding special payables)	41,998,799	41,052,575
Lease liabilities	4,011,675	4,080,407
Other non-current liabilities(continuing involvement in liabilities)	686,800	798,800
Less: Cash and bank balances	158,706,502	166,957,837
Net debt	989,826,649	864,359,181
Attributable to shareholders' equity of the Company	316,594,267	309,837,517
Non-controlling interests	97,462,409	107,282,256
Total equity	414,056,676	417,119,773
Total equity and net debt	1,403,883,325	1,281,478,954
Gearing ratio	71%	67%

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IX. DISCLOSURE OF FAIR VALUE

1. Assets and liabilities measured at fair value

RMB'000

30 June 2024	Inputs of fair value measurement (unaudited)			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Continuous measurement of fair value				
Receivables at FVTOCI	-	1,718,133	-	1,718,133
Held-for-trading financial assets	473,938	-	1,087,078	1,561,016
Other current assets	-	3,951,571	-	3,951,571
Other equity instrument investments	2,050,055	-	10,878,995	12,929,050
Other non-current financial assets	218,901	-	11,450,270	11,669,171
Sum of assets under continuous measurement of fair value	2,742,894	5,669,704	23,416,343	31,828,941

RMB'000

31 December 2023	Inputs of fair value measurement			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Continuous measurement of fair value				
Receivables at FVTOCI	-	2,723,520	-	2,723,520
Held-for-trading financial assets	467,563	-	1,162,222	1,629,785
Other debt investments	-	5,115,845	-	5,115,845
Current portion of other debt investments	-	6,963,058	-	6,963,058
Other equity instrument investments	1,974,362	-	10,601,209	12,575,571
Other non-current financial assets	169,604	-	10,117,545	10,287,149
Sum of assets under continuous measurement of fair value	2,611,529	14,802,423	21,880,976	39,294,928

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

1. Assets and liabilities measured at fair value (continued)

Quantitative information of fair value measurement at Level 2:

RMB'000

Item	Fair value as at		
	30 June 2024 (unaudited)	Valuation technique(s)	Key input(s)
Receivables at FVTOCI	1,718,133	Discounted cash flows	Discount rates for bank acceptance bills in the same term
Other current assets	3,951,571	Discounted cash flows	Market average rate of return with the category in the same term
Total	5,669,704	--	--

Quantitative information of fair value measurement at Level 3:

RMB'000

Item	Fair value as at		
	30 June 2024 (unaudited)	Valuation technique(s)	Significant unobservable input(s)
Held-for-trading financial assets	341,850	Discounted cash flows	Future cash flows discounted at rates that reflected the expected risk level
Other equity instrument investments	10,878,995	Market method	Discount rate for lack of market mobility
Held-for-trading financial assets/Other non-current financial assets – call options for unlisted entities	3,593,751	Binomial tree option pricing model for valuation	Unlisted entities' revenue volatility and unlisted equity investments' comparable entities' stock price volatility
Held-for-trading financial assets/Other non-current financial assets – others	8,601,747	Discounted cash flows	Future cash flows discounted at rates that reflected the expected risk level
Sum of assets under continuous measurement of fair value	23,416,343	--	--

Fair value of listed equity instruments is determined based on a quoted market price.

For the six months ended 30 June 2024, there was no transfer of fair value measurements between each level for both financial assets and financial liabilities of the Group.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

2. Fair value of assets and liabilities that are not measured at fair values

The management of the Group considers that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the financial statements approximate to their fair values except the following items:

RMB'000

Item	Carrying amount		Fair value	
	30 June 2024 (unaudited)	31 December 2023	30 June 2024 (unaudited)	31 December 2023
Long-term loans	41,035,989	39,766,723	41,043,841	39,964,552
Bonds payable	26,665,330	31,031,549	26,671,800	31,099,055

Note: Fair value of long-term loans and bonds payable is determined by discounted future cash flow method, with market yield of other financial instruments with similar contractual terms, credit risk and remaining period, which used as the discount rate. As at 30 June 2024, its own default risk of long-term and short-term loans was evaluated as insignificant.

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent

RMB'000

Company name	Place of registration	Business scope	Registered capital	Percentage of ownership interest in the Company (%)	Percentage of voting rights in the Company (%)
China Railway Construction Corporation	Beijing	Construction and management	RMB9,000,000,000	51.23	51.23

2. Subsidiaries

Please refer to Note XIV. 3(i) "Subsidiaries".

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate

<u>Company name</u>	<u>Related party relationship</u>
Anhui Hehan Expressway Co., Ltd.	Joint venture
Beijing Jiehai Real Estate Co., Ltd.	Joint venture
Beijing Liuzhuang Real Estate Co., Ltd.	Joint venture
Beijing Ruida Real Estate Co., Ltd.	Joint venture
Beijing Xinda Real Estate Co., Ltd.	Joint venture
Changzhou Jingrui Real Estate Development Co., Ltd.	Joint venture
Chengdu Kunlun Sentou Longquanshan Ecological Construction Co., Ltd.	Joint venture
Chengdu Wuhou Yele Real Estate Development Co., Ltd.	Joint venture
Chengdu Tiecheng Real Estate Co., Ltd.	Joint venture
Chengdu Zhongwan Yixing Real Estate Co., Ltd.	Joint venture
Deqing Jingsheng Real Estate Development Co., Ltd.	Joint venture
Dong'e Huicheng Investment Development and Construction Co., Ltd.	Joint venture
Foshan Shunde District Shunhao Real Estate Co., Ltd.	Joint venture
Fuzhou Xincheng Real Estate Co., Ltd.	Joint venture
Guangxi Urban Rail Engineering Construction Co., Ltd.	Joint venture
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.	Joint venture
Guangzhou Suiyun Real Estate Co., Ltd.	Joint venture
Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	Joint venture
Guangzhou Tiejue Real Estate Development Co., Ltd.	Joint venture
Guangzhou Xintie Xinjian Investment Co., Ltd.	Joint venture
Guigang Hesi Quanyu Tourism Development Co., Ltd.	Joint venture
Guiyang Changda Rail Transit Construction Co. Ltd.	Joint venture
Guizhou Guijin Highway Co., Ltd.	Joint venture
Guizhou Jianli Highway Co., Ltd.	Joint venture
Guizhou Qianzhong Expressway Development Co., Ltd.	Joint venture
Guizhou Tongxin Highway Development Co., Ltd.	Joint venture
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	Joint venture
Guoshou Tiejian (Shenzhen) Infrastructure Private Equity Investment Fund Partnership (Limited Partnership)	Joint venture
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	Joint venture
Hangzhou Genshan East Road Crossing Tunnel Management Co., Ltd.	Joint venture
Hohhot Metro Line 2 Construction & Management Co., Ltd.	Joint venture
Hunan Railway Construction Kunlun Changzhu Guixin Highway Co., Ltd.	Joint venture
Jinan Railway Segment Manufacturing Co., Ltd.	Joint venture
Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	Joint venture
Jiangsu Yinbao Gangkai Construction Co., Ltd.	Joint venture
Jiangyin China Railway Construction Kunlun City Development Co., Ltd.	Joint venture
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	Joint venture
Kunming Kunlun Shouzhi Real Estate Co., Ltd.	Joint venture

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (continued)

Company name	Related party relationship
Kunming Qiping Real Estate Co., Ltd.	Joint venture
Nanchang Xintiecheng Construction Co., Ltd.	Joint venture
Nanjing Jingsheng Real Estate Development Co., Ltd.	Joint venture
Nanjing Jiangbei New Area Guanglian Pipe Gallery Construction Co., Ltd.	Joint venture
Ningbo Jingwan Investment Management Co., Ltd.	Joint venture
Ningxia Guoyun Railway Construction High-tech Materials Technology Co., Ltd.	Joint venture
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	Joint venture
Shanghai Hongjun Real Estate Co., Ltd.	Joint venture
Shijiazhuang Runshi Ecological Protection Management Service Co., Ltd.	Joint venture
Sichuan Chengmian Cangba Expressway Co., Ltd.	Joint venture
Sichuan Danei Highway Co., Ltd.	Joint venture
Sichuan Nansuitong Highway Co., Ltd.	Joint venture
Sichuan Suide Highway Co., Ltd.	Joint venture
Suzhou Jingzhao Real Estate Development Co., Ltd.	Joint venture
Suzhou Ruihua Real Estate Co., Ltd.	Joint venture
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	Joint venture
Taiyuan Rongchuang Huifeng Real Estate Co., Ltd.	Joint venture
Tianjin Tiejian Yinkun Equity Investment Partnership Enterprise (Limited Partnership)	Joint venture
Tianjin Wanhe Real Estate Co., Ltd.	Joint venture
Tianjin Line 1 Rail Transit Operation Co., Ltd.	Joint venture
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	Joint venture
CRCC Aerospace City (Wuhan) Development and Construction Co., Ltd.	Joint venture
Wuhan Yuejun Real Estate Development Co., Ltd.	Joint venture
Xi'an Kaishengda Real Estate Co., Ltd.	Joint venture
XiXian New Area Century Pipe Gallery Construction Management Co., Ltd.	Joint venture
Xixian New Area Xingcheng Renju Real Estate Co., Ltd.	Joint venture
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	Joint venture
Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	Joint venture
Yangxi Yiju Ecological Construction Co., Ltd.	Joint venture
Changchun Jingde Real Estate Development Co., Ltd.	Joint venture
Changsha Yuchi River Area Development & Investment Co., Ltd.	Joint venture
Changsha Zhicheng Real Estate Co., Ltd.	Joint venture
China-Africa Lekkil Investment Co., Ltd.	Joint venture
China Construction 3rd Bureau (Xiamen) Minsheng Construction Investment Co., Ltd.	Joint venture
China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	Joint venture
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	Joint venture
CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.	Joint venture
CRCC (Wuxi) Engineering Technology Development Co., Ltd.	Joint venture
China Railway Construction Kunlun Cangzhou Urban Development Co., Ltd.	Joint venture
CRCC Kunlun Yunnan Real Estate Co., Ltd.	Joint venture
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	Joint venture
CRCC Shaanxi Highway Co., Ltd.	Joint venture
CRCC Shaanxi Meitai Highway Co., Ltd.	Joint venture

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (continued)

Company name	Related party relationship
China Railway Construction Investment (Liaoning) Highway Co., Ltd.	Joint venture
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	Joint venture
China Railway Construction Investment (Shandong) Dongyang Expressway Co., Ltd.	Joint venture
China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.	Joint venture
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	Joint venture
China Railway Construction Investment Xi'an City Development Co., Ltd.	Joint venture
Chongqing High Speed Railway Construction Wankaida Highway Co., Ltd.	Joint venture
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	Joint venture
Chongqing Jianlian New Real Estate Development Co., Ltd.	Joint venture
Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	Joint venture
Chongqing Sensor Industrial Park Construction and Operation Co., Ltd.	Joint venture
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	Joint venture
Chongqing Tiefa Jianxin Highway Co., Ltd.	Joint venture
Chongqing Tiefa Shuanghe Highway Co., Ltd.	Joint venture
Chongqing Yusui Double Track Highway Co., Ltd.	Joint venture
Chongqing Yuxiang Fuxian Highway Co., Ltd.	Joint venture
Anhui Zhenrui Construction Engineering Co., Ltd.	Joint venture
Ningbo Jingsheng Real Estate Co., Ltd.	Joint venture
Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	Joint venture
Anhui Huiyu Construction Engineering Co., Ltd.	Associate
Anqing Gaotie New Area Construction Investment Co., Ltd.	Associate
Chengdu Yueran Real Estate Co., Ltd.	Associate
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	Associate
Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	Associate
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	Associate
Gansu Jinhe Highway Project Management Co., Ltd.	Associate
Gansu Jingli Highway Longnan Management Co., Ltd.	Associate
Gansu Tietou Materials Co., Ltd.	Associate
Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.	Associate
Guangde Railway Construction Chuangxin Investment Partnership (Limited Partnership)	Associate
Guangde CRCC Daqin Investment Partnership Enterprise (Limited Partnership)	Associate
Guangde CRCC Blue Ocean Longxin Investment Center (Limited Partnership)	Associate
Guangxi Yujin Investment Development Co., Ltd.	Associate
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	Associate
Guangzhou Hongxuan Real Estate Co., Ltd.	Associate
Guangzhou Huangpu Light Rail Line 2 Investment Construction Co., Ltd.	Associate
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	Associate
Guangzhou Shengdu Investment Development Co., Ltd.	Associate
Guigang Western Outer Ring Road Highway Co., Ltd.	Associate
Guizhou Jinrentong Highway Development Co., Ltd.	Associate
Guizhou Tongren Yongfa Road Engineering Investment Co., Ltd.	Associate
Guizhou Wengma Railway Limited Co., Ltd.	Associate

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (continued)

Company name	Related party relationship
CRCC Guizhou Engineering Investment Co., Ltd	Associate
Hangqu Railway Co., Ltd.	Associate
Hangzhou Jiandejiang Investment Co., Ltd.	Associate
Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.	Associate
Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.	Associate
Hengda Real Estate (Shenzhen) Co., Ltd.	Associate
Huaibei Zhongsui Construction Development Co., Ltd.	Associate
Huizhou CRCC Harbor & Channel Engineering Bureau Infrastructure Investment Co., Ltd.	Associate
Jining China Railway Shengtong Urban Construction and Development Co., Ltd.	Associate
Jiayang Railway Construction Hexing Highway Investment Co., Ltd.	Associate
Jianghua Fengcheng Construction Investment Co., Ltd.	Associate
Jiangxi Wanshui Ecological Resources Development Co., Ltd.	Associate
Jintai Infrastructure Investment (Tianjin) Partnership (Limited Partnership)	Associate
Jingnan (Gu'an) Urban Development and Construction Co., Ltd.	Associate
Kunming Fuyi Highway Co., Ltd.	Associate
Kunming Sanqing Highway Co., Ltd.	Associate
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	Associate
Liaocheng Xurui Municipal Engineering Co., Ltd.	Associate
Linyi Xinfenghuang Urban Renewal Co., Ltd.	Associate
CRCC Luoyang Guozhan Development and Construction Co., Ltd	Associate
Nanjing Yuanchen Real Estate Co., Ltd.	Associate
Nantong Tiejian Construction Component Co., Ltd.	Associate
Nantong Yanglv Railway Development&Construction Co., Ltd.	Associate
Ningbo Runsheng Real Estate Development Co., Ltd.	Associate
Ningxia Inter-City Railway Co., Ltd.	Associate
Ningxia Chengxin Railway Logistics Co., Ltd.	Associate
Ningxia High speed Rail Industry Development Co., Ltd.	Associate
CRCC Ningxia Ningdong Road and Bridge Investment Development Co., Ltd.	Associate
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	Associate
Qingyuan Maglev Transportation Co., Ltd.	Associate
Sanmenxia Smart Island Construction Development Co., Ltd.	Associate
Sanya Zhongcheng Real Estate Co., Ltd.	Associate
Shanxi Transformation and Comprehensive Reform Demonstration Zone Yaocun Guanlang Project Management Co., Ltd.	Associate
Shaanxi Danningdong Highway Co., Ltd.	Associate
Shaanxi Guanhuan Linfa Expressway Co., Ltd.	Associate
Shanghai Gangheng Real Estate Co., Ltd.	Associate
Shanghai Jingmiaoxin Real Estate Co., Ltd.	Associate
Shanghai Wanjinglong Real Estate Co., Ltd.	Associate
Shanghai Xinfucheng Real Estate Development Co., Ltd.	Associate
Shanghai Xinjinghui Real Estate Development Co., Ltd.	Associate
Shanghai Xinruicheng Real Estate Development Co., Ltd.	Associate

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (continued)

<u>Company name</u>	<u>Related party relationship</u>
Sichuan Jinsuiyuan Construction Development Co., Ltd.	Associate
Sichuan Tianmeile Highway Co., Ltd.	Associate
Sichuan Tiexin Zhiyuan Construction Co., Ltd.	Associate
Taiyuan Airport Hub Investment and Construction Co., Ltd.	Associate
Taiyuan Airport Hub Real Estate Co., Ltd.	Associate
Tianjin Bincheng Beautiful Life Service Co., Ltd.	Associate
Tianjin Ninghe Rural Roads Engineering Co., Ltd.	Associate
Tianjin Tiejian Hongtu Fengchuang Investment Partnership (Limited Partnership)	Associate
Tianshui Tram Co., Ltd.	Associate
Railway Construction Development (Dingzhou) Tanghe River Basin Treatment Co., Ltd.	Associate
CRCC Development (Rizhao) Environmental Protection Co., Ltd.	Associate
Wantong Intercity Railway Co., Ltd.	Associate
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	Associate
Wuhan Nanhu Municipal Pipe Network Operation and Maintenance Co., Ltd.	Associate
Wuhan Zhaorui Real Estate Co., Ltd.	Associate
Wuxue Port Multimodal Transport Investment and Development Co., Ltd.	Associate
Xilinhot China Railway Municipal Infrastructure Construction Co., Ltd.	Associate
Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	Associate
Xuzhou Jiaokong Supply Chain Co., Ltd.	Associate
Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.	Associate
Yongzhou Railway Co., Ltd.	Associate
Yuxi China Railway Infrastructure Construction Co., Ltd.	Associate
Yunnan Gangcheng Infrastructure Construction Co., Ltd.	Associate
Yunnan Kunchu Highway Investment & Development Co., Ltd.	Associate
Changchun Chengtou Ecological Governance Construction Investment Co., Ltd.	Associate
Changchun Nonggao Lingfa Park Management Service Co., Ltd.	Associate
Zhejiang Hangyong Multiple Line Ningbo Highway Phase I Co., Ltd.	Associate
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	Associate
CRCC (Shandong) Deshang Highway Co., Ltd.	Associate
CRCC (Shandong) Gaodong Highway Co., Ltd.	Associate
CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	Associate
CRCC East Investment & Construction (Cixi) Co., Ltd.	Associate
CRCC Gansu Zhangbian Highway Co., Ltd.	Associate
CRCC Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.	Associate
CRCC Financial Leasing Co., Ltd.	Associate
CRCC Ningxia Highway Co. Ltd.	Associate

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (continued)

Company name	Related party relationship
CRCC Shandong Jinghu Expressway Jile Co., Ltd.	Associate
CRCC Sichuan Dedu Expressway Co., Ltd.	Associate
China Railway Construction Sichuan Dejian Highway Co., Ltd.	Associate
CRCC Tongguan Investment Co., Ltd.	Associate
China Railway Construction Investment (Linqing) Highway Construction Co., Ltd.	Associate
China Railway Construction Investment (Wenzhou) Urban Development Co., Ltd.	Associate
China Railway Construction Investment (Xi'an) Meibei Comprehensive Development Co., Ltd.	Associate
CRCC Investment Baoding Urban Development and Construction Co., Ltd.	Associate
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	Associate
China Railway Construction Investment Jilin Changtai Highway Co., Ltd.	Associate
CRCC Investment Jizhong Development and Construction Co., Ltd.	Associate
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	Associate
CRCC Investment Langfang Development and Construction Co., Ltd.	Associate
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	Associate
CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.	Associate
China Railway Construction and Investment Shanxi Highway Co., Ltd.	Associate
CRCC Xinjiang Jingxin Highway Co., Ltd.	Associate
CRCC Real Estate Co., Ltd.	Associate
Chongqing High Speed Railway (Chongqing) Commercial Factoring Co., Ltd.	Associate
Chongqing Tiefsa Xiusong Highway Co., Ltd.	Associate
Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	Associate
Zhuhai Jiaojian Engineering Co., Ltd.	Associate
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	Associate
Hangzhou Lin'an Xingsheng Construction Investment Co., Ltd.	Associate
Nanjing Jingyue Real Estate Development Co., Ltd.	Associate
Shanghai Jingmao Yue Real Estate Co., Ltd.	Associate

4. Other related party

Company name	Related party relationship
CRCC JinLi Asset Management Co., Ltd.	Fellow subsidiary

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
(1) Revenue from construction services	<i>Note 1</i>	
Hangqu Railway Co., Ltd.	3,180,112	2,449,982
Chongqing Yuxiang Fuxian Highway Co., Ltd.	1,965,097	2,489,618
China Railway Construction Investment (Liaoning) Highway Co., Ltd.	1,494,952	1,130,859
Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.	1,331,318	288,706
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	1,248,863	953,984
Guizhou Jianli Highway Co., Ltd.	1,130,570	1,922,912
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	1,079,981	694,220
China Railway Construction Investment (Shandong) Dongyang Expressway Co., Ltd.	1,051,748	–
CRCC Ningxia Highway Co. Ltd.	945,845	1,229,082
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	917,557	676,088
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	909,166	1,430,376
Kunming Sanqing Highway Co., Ltd.	895,388	732,657
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	771,794	1,062,607
CRCC Shaanxi Meitai Highway Co., Ltd.	712,634	824,227
Chongqing Yusui Double Track Highway Co., Ltd.	647,862	862,690
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	617,838	107,168
Guizhou Jinrentong Highway Development Co., Ltd.	590,488	730,430
Sichuan Nansuitong Highway Co., Ltd.	571,993	551,683
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	540,453	218,821
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	506,047	–
Ningxia Inter-City Railway Co., Ltd.	490,765	226,596
Sichuan Chengmian Cangba Expressway Co., Ltd.	490,132	1,712,203
Chongqing Tiefa Shuanghe Highway Co., Ltd.	467,599	287,620
Guigang Western Outer Ring Road Highway Co., Ltd.	436,864	648,154
CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.	436,492	181,533
Chongqing High Speed Railway Construction Wankaida Highway Co., Ltd.	426,307	–

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (continued)

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
(1) Revenue from construction services (continued)		
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	403,498	499,250
Taiyuan Airport Hub Investment and Construction Co., Ltd.	354,784	68,981
Tianjin Bincheng Beautiful Life Service Co., Ltd.	337,705	581,409
Guiyang Changda Rail Transit Construction Co. Ltd.	330,269	480,975
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	299,665	45,123
Jianghua Fengcheng Construction Investment Co., Ltd.	280,456	213,403
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	279,934	165,518
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	276,889	128,041
Anhui Huiyu Construction Engineering Co., Ltd.	269,446	53,896
Ningxia High speed Rail Industry Development Co., Ltd.	268,605	–
China Railway Construction Investment (Wenzhou) Urban Development Co., Ltd.	258,842	180,696
Shaanxi Guanhuo Linfa Expressway Co., Ltd.	251,438	72,960
CRCC East Investment & Construction (Cixi) Co., Ltd.	249,669	327,616
CRCC Investment Jizhong Development and Construction Co., Ltd.	246,085	1,294,649
Kunming Fuyi Highway Co., Ltd.	240,603	954,331
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	235,694	251,804
China Railway Construction Investment Xi'an City Development Co., Ltd.	226,613	149,558
Hangzhou Lin'an Xingsheng Construction Investment Co., Ltd.	222,745	56,905
Ningbo Jingsheng Real Estate Co., Ltd.	221,048	275,284
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	215,868	–
China Railway Construction Investment (Linqing) Highway Construction Co., Ltd.	205,260	168,420
CRCC Shaanxi Highway Co., Ltd.	204,920	141,920
Guizhou Guijin Highway Co., Ltd.	164,149	1,559,682
Shaanxi Danningdong Highway Co., Ltd.	152,502	635,850
Zhejiang Hangyong Multiple Line Ningbo Highway Phase I Co., Ltd.	118,715	534,083

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (continued)

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
(1) Revenue from construction services (continued)		
Jiangyin China Railway Construction Kunlun City Development Co., Ltd.	114,497	461,449
CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.	95,392	422,119
CRCC Luoyang Guozhan Development and Construction Co., Ltd.	77,651	415,489
China Railway Construction and Investment Shanxi Highway Co., Ltd.	31,526	548,517
Gansu Jingli Highway Longnan Management Co., Ltd.	31,214	381,956
China Railway Construction Investment Jilin Changtai Highway Co., Ltd.	9,823	875,383
Guizhou Qianzhong Expressway Development Co., Ltd.	4,226	2,577,482
Nantong Yanglv Railway Development&Construction Co., Ltd.	3,951	1,270,455
Total	30,541,547	37,205,420
(2) Revenue from sales of goods	<i>Note 2</i>	
CRCC Financial Leasing Co., Ltd.	440,347	283,622
Xuzhou Jiaokong Supply Chain Co., Ltd.	138,487	264,067
Anhui Zhenrui Construction Engineering Co., Ltd.	61,841	136,208
Total	640,675	683,897
(3) Other incomes	<i>Note 3</i>	
Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	66,325	59,500
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	49,751	50,705
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.	38,630	–
Guangzhou Shengdu Investment Development Co., Ltd.	29,408	20,723
Kunming Qiping Real Estate Co., Ltd.	24,717	23,553
Wuhan Zhaorui Real Estate Co., Ltd.	23,142	31,691
China Railway Construction Corporation	19,835	18,860
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	19,342	11,175
Chengdu Tiecheng Real Estate Co., Ltd.	17,976	15,075
Wuhan Yuejun Real Estate Development Co., Ltd.	17,612	–
Changchun Jingde Real Estate Development Co., Ltd.	14,832	–
Suzhou Jingzhao Real Estate Development Co., Ltd.	12,776	22,212
Sichuan Chengmian Cangba Expressway Co., Ltd.	12,247	–

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (continued)

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
(3) Other incomes (continued)		
Fuzhou Xincheng Real Estate Co., Ltd.	11,929	5,596
Chengdu Yueran Real Estate Co., Ltd.	10,561	14,407
Beijing Ruida Real Estate Co., Ltd.	581	34,555
CRCC East Investment & Construction (Cixi) Co., Ltd.	–	17,466
Beijing Jiehai Real Estate Co., Ltd.	–	28,737
Total	369,664	354,255
(4) Purchase of goods or receipt of services	<i>Note 5</i>	
Xuzhou Jiaokong Supply Chain Co., Ltd.	250,331	382,314
Gansu Tietou Materials Co., Ltd.	163,082	20,165
Guangxi Urban Rail Engineering Construction Co., Ltd.	95,438	–
CRCC (Wuxi) Engineering Technology Development Co., Ltd.	90,726	13,000
Nantong Tiejian Construction Component Co., Ltd.	83,511	1,000
Jinan Railway Segment Manufacturing Co., Ltd.	67,979	59,727
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	58,655	5,500
Zhuhai Jiaojian Engineering Co., Ltd.	9,250	113,039
Total	818,972	594,745
(5) Other expenses	<i>Note 5</i>	
Chongqing High Speed Railway (Chongqing) Commercial Factoring Co., Ltd.	93,848	112,627
Guangzhou Xintie Xinjian Investment Co., Ltd.	46,262	77,767
China Railway Construction Corporation	<i>Note 4</i> 22,330	22,000
CRCC Jinli Asset Management Co., Ltd.	<i>Note 4</i> 5,475	8,384
Total	167,915	220,778

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (continued)

(6) Related party leasing

As the lessee:

RMB'000

Lessor	Leasing asset types	Amount recognised for the six months ended 30 June 2024 (unaudited)	Amount recognised for the six months ended 30 June 2023 (unaudited)
CRCC Financial Leasing Co., Ltd.	<i>Note 6</i> Machinery	763,969	935,781
China Railway Construction Corporation	<i>Note 4, Note 6</i> Buildings	8,669	7,475
Total	—	772,638	943,256

(7) Guarantees granted to a related party

30 June 2024 (unaudited):

RMB'000

Secured party	Amount of guarantee	Inception of guarantee	Termination of guarantee	Whether the guarantee is fulfilled
Guizhou Wengma Railway Limited Co., Ltd.	614,913	31 March 2016	31 March 2039	No
Wuhan Zhaorui Real Estate Co., Ltd.	537,530	17 August 2022	30 December 2027	No
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	448,590	14 June 2022	21 December 2031	No
Total	1,601,033	—	—	—

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (continued)

(7) Guarantees granted to a related party (continued)

31 December 2023:

RMB'000

Secured party	Amount of guarantee	Inception of guarantee	Termination of guarantee	Whether the guarantee is fulfilled
Guizhou Wengma Railway Limited Co., Ltd.	623,347	31 March 2016	31 March 2039	No
Wuhan Zhaorui Real Estate Co., Ltd.	538,020	17 August 2022	30 December 2027	No
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	398,040	14 June 2022	21 December 2031	No
Wuhan Zhaorui Real Estate Co., Ltd.	191,100	9 July 2021	27 March 2024	No
Total	1,750,507	—	—	—

(8) Key management's remuneration

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Key management's remuneration	4,475	7,065

Note 1: The terms of the construction service agreements entered into by the Group and related parties were mutually agreed by the parties.

Note 2: The terms of the sales agreements of goods entered into by the Group and related parties were mutually agreed by the parties.

Note 3: The terms of the agreements relating to rendering of or receiving other services entered into by the Group and related parties were mutually agreed by the parties. The other income from related parties was mainly interest income from loans receivable.

Note 4: The above related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Hong Kong Listing Rules.

Note 5: The terms of the purchase agreements of goods and services entered into by the Group and related parties were mutually agreed by the parties.

Note 6: The lease fees recognised by the group and its affiliated companies are the lease payments paid by the group to repay the lease liabilities in the current period and the short-term lease and low-value assets lease expenses included in the current profit and loss.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties

RMB'000

		30 June 2024 (unaudited)		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Bills receivable	<i>Note 1</i>				
Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.		38,301	191	4,000	20
CRCC Financial Leasing Co., Ltd.		9,612	48	–	–
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.		–	–	90,000	450
Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.		–	–	300,000	1,500
Xilinhote China Railway Municipal Infrastructure Construction Co., Ltd.		–	–	46,000	230
Total		47,913	239	440,000	2,200
Trade receivables	<i>Note 1</i>				
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.		760,563	788	204,969	250
CRCC Luoyang Guozhan Development and Construction Co., Ltd.		744,893	17,149	761,448	17,154
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.		447,587	2,238	4,076	35
China Railway Construction Investment (Shandong) Dongyang Expressway Co., Ltd.		419,555	2,307	–	–
Anhui Zhenrui Construction Engineering Co., Ltd.		416,493	978	402,153	1,263
Tianjin Bincheng Beautiful Life Service Co., Ltd.		391,089	1,895	322,423	1,575
CRCC Shaanxi Meitai Highway Co., Ltd.		385,943	2,027	335,691	356
Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.		380,805	381	236,130	236
Sichuan Chengmian Cangba Expressway Co., Ltd.		373,373	373	22,691	30
China Railway Construction Investment (Liaoning) Highway Co., Ltd.		342,656	1,713	2,400	12

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

	30 June 2024 (unaudited)	31 December 2023				
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables (continued)						
	<i>Note 1</i>					
Tianjin Ninghe Rural Roads Engineering Co., Ltd.	308,866	1,958	-	-		
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	282,908	2,735	292,075	1,499		
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	259,345	1,539	428	2		
Chongqing Tiefsa Jianxin Highway Co., Ltd.	231,542	800	104,767	1,758		
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	222,217	1,389	160,679	1,042		
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	220,509	1,213	69,471	347		
Jingnan (Gu'an) Urban Development and Construction Co., Ltd.	211,148	211	174,267	174		
Railway Construction Development (Dingzhou) Tanghe River Basin Treatment Co., Ltd.	202,045	1,134	224,995	1,125		
Yuxi China Railway Infrastructure Construction Co., Ltd.	197,423	3,527	248,692	7,369		
Guizhou Jianli Highway Co., Ltd.	185,778	1,168	4,223	21		
Guangzhou Shengdu Investment Development Co., Ltd.	182,536	871	68,422	290		
Sichuan Tiexin Zhiyuan Construction Co., Ltd.	180,601	1,806	114,595	951		
Jiayang Railway Construction Hexing Highway Investment Co., Ltd.	174,381	2,220	163,795	2,886		
Huaibei Zhongsui Construction Development Co., Ltd.	167,622	265	155,445	265		
Ningxia Inter-City Railway Co., Ltd.	166,593	913	90,967	2,507		
China Railway Construction Investment (Linqing) Highway Construction Co., Ltd.	162,665	813	-	-		
CRCC Kunlun Yunnan Real Estate Co., Ltd.	155,650	525	72,743	416		
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	152,152	759	17,698	88		
China Railway Construction Kunlun Gangzhou Urban Development Co., Ltd.	145,392	727	132,648	663		
Xixian New Area Xingcheng Renju Real Estate Co., Ltd.	142,288	2,494	136,892	1,619		
Sichuan Tianmeile Highway Co., Ltd.	136,168	136	-	-		
Tianshui Tram Co., Ltd.	135,582	678	124,453	679		

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

	30 June 2024 (unaudited)		31 December 2023	
	Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables (continued)				
	<i>Note 1</i>			
China Railway Construction Investment Xi'an City Development Co., Ltd.	135,142	937	–	–
Qingyuan Maglev Transportation Co., Ltd.	134,618	743	95,822	483
Changsha Zhicheng Real Estate Co., Ltd.	131,822	610	41,329	119
Wuhan Nanhu Municipal Pipe Network Operation and Maintenance Co., Ltd.	131,159	266	9,162	46
Suzhou Jingzhao Real Estate Development Co., Ltd.	130,881	402	175,133	489
CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	128,435	183	134,110	1,164
Shaanxi Guanhuo Linfa Expressway Co., Ltd.	127,852	251	959	1
XiXian New Area Century Pipe Gallery Construction Management Co., Ltd.	123,955	124	28,809	29
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	122,916	982	2,070	10
Shijiazhuang Runshi Ecological Protection Management Service Co., Ltd.	120,121	1,592	184,082	1,594
CRCC Financial Leasing Co., Ltd.	119,685	469	64,807	243
Nanchang Xintiecheng Construction Co., Ltd.	117,514	588	106,468	532
Chengdu Kunlun Sentou Longquanshan Ecological Construction Co., Ltd.	116,949	585	78,958	539
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	108,370	528	13,019	65
Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	104,449	2,258	44,573	1,959
Nanjing Jingyue Real Estate Development Co., Ltd.	100,555	467	14,336	37
Nanjing Jiangbei New Area Guanglian Pipe Gallery Construction Co., Ltd.	88,025	11,836	135,078	11,841
Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	86,678	633	182,453	906
Guizhou Jinrentong Highway Development Co., Ltd.	82,478	82	241,859	242
Shanxi Transformation and Comprehensive Reform Demonstration Zone Yaocun Guanlang Project Management Co., Ltd.	53,862	539	135,028	1,514

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables (continued)	<i>Note 1</i>				
CRCC Development (Rizhao) Environmental Protection Co., Ltd.		39,399	153	235,678	1,178
Ningxia Chengxin Railway Logistics Co., Ltd.		24,476	139	106,209	531
Jiangxi Wanshui Ecological Resources Development Co., Ltd.		18,189	576	152,290	761
Hangzhou Genshan East Road Crossing Tunnel Management Co., Ltd.		5,516	28	215,029	215
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.		310	140	128,675	812
Yangxi Yiju Ecological Construction Co., Ltd.		–	–	163,058	907
Total		11,239,724	82,841	7,338,230	70,829
Loans and advances to customers					
China Railway Construction Corporation	<i>Note 3</i>	1,698,000	53,428	1,650,000	45,375
Hangqiu Railway Co., Ltd.		84,180	3,627	85,000	3,320
Total		1,782,180	57,055	1,735,000	48,695
Other receivables					
Tianjin Wanhe Real Estate Co., Ltd.	<i>Note 2</i>	2,527,272	546,483	2,537,172	505,619
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	<i>Note 2</i>	1,762,816	1,820	1,633,436	1,691
Beijing Xinda Real Estate Co., Ltd.	<i>Note 2</i>	1,704,576	76,483	113,246	76,484
Guangzhou Xintie Xinjian Investment Co., Ltd.	<i>Note 2</i>	1,384,225	742	440,035	243
Guangzhou Shengdu Investment Development Co., Ltd.	<i>Note 2</i>	1,338,278	1,338	1,344,976	1,345
Beijing Ruida Real Estate Co., Ltd.	<i>Note 2</i>	1,331,561	1,332	1,341,562	1,342
Wuhan Zhaorui Real Estate Co., Ltd.	<i>Note 2</i>	1,261,910	1,262	1,124,439	1,124
Beijing Jiehai Real Estate Co., Ltd.	<i>Note 2</i>	979,944	980	972,944	973
Shanghai Jingmao Yue Real Estate Co., Ltd.	<i>Note 2</i>	963,752	964	–	–
CRCC Guizhou Engineering Investment Co., Ltd.		913,244	150,588	913,446	150,588
Chengdu Tiecheng Real Estate Co., Ltd.	<i>Note 2</i>	841,949	833	822,791	823
Guangzhou Suiyun Real Estate Co., Ltd.	<i>Note 2</i>	785,102	99,348	785,102	64,595
Kunming Qiping Real Estate Co., Ltd.	<i>Note 2</i>	665,246	654	643,421	643
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	<i>Note 2</i>	618,039	618	491,046	491

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Other receivables (continued)					
Nanjing Yuanchen Real Estate Co., Ltd.	Note 2	581,080	581	643,080	643
China Railway Construction Investment Xi'an City Development Co., Ltd.		576,372	26,702	969,360	28,597
Ningbo Jingwan Investment Management Co., Ltd.	Note 2	527,518	349	522,350	522
Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	Note 2	505,525	344,393	494,197	280,075
Shanghai Wanjinglong Real Estate Co., Ltd.	Note 2	495,482	495	1,082,998	1,083
Changchun Jingde Real Estate Development Co., Ltd.	Note 2	461,182	461	446,350	440
Fuzhou Xincheng Real Estate Co., Ltd.	Note 2	446,656	435	434,727	435
Suzhou Jingzhao Real Estate Development Co., Ltd.	Note 2	407,184	407	395,602	396
China Railway Construction Sichuan Dejian Highway Co., Ltd.		381,269	1,979	206,592	1,196
Chengdu Yueran Real Estate Co., Ltd.	Note 2	348,011	343	464,849	465
Xi'an Kaishengda Real Estate Co., Ltd.	Note 2	341,791	342	283,165	283
Deqing Jingsheng Real Estate Development Co., Ltd.	Note 2	278,714	279	278,714	279
Xixian New Area Xingcheng Renju Real Estate Co., Ltd.	Note 2	250,864	247	240,046	240
Wuhan Yuejun Real Estate Development Co., Ltd.	Note 2	223,989	224	10,581	358
Guangzhou Tiejue Real Estate Development Co., Ltd.	Note 2	222,812	223	–	–
Beijing Liuzhuang Real Estate Co., Ltd.	Note 2	209,301	209	311,282	311
Chongqing Tiejue Zhaohua Real Estate Development Co., Ltd.	Note 2	209,279	209	206,228	206
CRCC (Shandong) Gaodong Highway Co., Ltd.		200,300	1,000	120,000	600
Taiyuan Airport Hub Real Estate Co., Ltd.	Note 2	199,409	7,310	386,109	2,867
Guangxi Yujin Investment Development Co., Ltd.	Note 2	155,930	780	152,142	761
CRCC Shaanxi Highway Co., Ltd.		146,000	146	–	–
Chongqing Jianlian New Real Estate Development Co., Ltd.	Note 2	132,000	132	132,013	132
Sanya Zhongcheng Real Estate Co., Ltd.	Note 2	126,519	19,867	126,487	16,521
Suzhou Ruihua Real Estate Co., Ltd.	Note 2	122,653	123	121,981	122
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.		112,831	512	114,473	572
Total		24,740,585	1,291,193	21,306,942	1,143,065

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables					
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.	Note 2	2,248,453	2,248	2,391,047	2,391
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.		729,338	3,643	140,104	701
China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	Note 2	723,394	430,798	745,411	430,829
Chengdu Tiecheng Real Estate Co., Ltd.	Note 2	689,065	689	689,065	689
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.		583,135	3,899	438,948	2,287
CRCC Investment Jizhong Development and Construction Co., Ltd.		571,564	2,858	977,308	5,357
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.		480,000	2,400	480,000	2,400
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.		420,289	2,142	302,376	1,528
Guizhou Tongren Yongfa Road Engineering Investment Co., Ltd.		374,617	1,873	374,617	1,873
Hohhot Metro Line 2 Construction & Management Co., Ltd.		329,180	45,770	537,662	45,770
Dong'e Huicheng Investment Development and Construction Co., Ltd.		328,682	1,645	272,127	1,362
CRCC Sichuan Dedu Expressway Co., Ltd.		289,945	1,599	319,892	1,599
Anqing Gaotie New Area Construction Investment Co., Ltd.		285,682	1,428	301,440	1,507

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

	30 June 2024 (unaudited)		31 December 2023	
	Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (continued)				
Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	284,587	1,423	179,842	899
Taiyuan Airport Hub Real Estate Co., Ltd. <i>Note 2</i>	271,562	1,265	136,836	419
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	265,443	1,339	80,676	420
Sichuan Jinsuiyuan Construction Development Co., Ltd.	262,337	1,312	272,189	1,426
CRCC Investment Baoding Urban Development and Construction Co., Ltd.	262,007	1,311	641,070	3,634
Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	252,881	1,248	248,149	1,241
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	229,845	1,149	123,937	620
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	215,385	1,077	–	–
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	204,643	1,023	193,723	1,195
Shanghai Gangheng Real Estate Co., Ltd. <i>Note 2</i>	168,484	842	168,484	842
CRCC Investment Langfang Development and Construction Co., Ltd.	167,540	838	157,718	789
Wantong Intercity Railway Co., Ltd.	103,444	649	152,834	894
Tianjin Bincheng Beautiful Life Service Co., Ltd.	79,722	401	306,882	1,534
Yuxi China Railway Infrastructure Construction Co., Ltd.	77,206	592	409,681	2,048
CRCC East Investment & Construction (Cixi) Co., Ltd.	64,646	65	217,478	1,087
Changzhou Jingrui Real Estate Development Co., Ltd. <i>Note 2</i>	63,000	437	131,131	606
Jiangsu Yinbao Gangkai Construction Co., Ltd.	38,528	147	299,857	1,499
Total	11,064,604	516,110	11,690,484	517,446

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

	30 June 2024 (unaudited)		31 December 2023	
	Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Debt investments				
Hengda Real Estate (Shenzhen) Co., Ltd.	2,927,357	1,706,991	2,927,357	1,706,991
CRCC Ningxia Ningdong Road and Bridge Investment Development Co., Ltd.	647,127	97,069	517,478	76,930
Liaocheng Xurui Municipal Engineering Co., Ltd.	574,885	2,874	551,580	2,758
Yunnan Gangcheng Infrastructure Construction Co., Ltd.	524,058	524	524,058	524
Linyi Xinfenghuang Urban Renewal Co., Ltd.	150,000	7,500	150,000	7,500
Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	132,010	660	134,505	673
Changchun Nonggao Lingfa Park Management Service Co., Ltd.	88,075	440	85,574	428
Sanmenxia Smart Island Construction Development Co., Ltd.	86,763	434	71,264	356
Huizhou CRCC Harbor & Channel Engineering Bureau Infrastructure Investment Co., Ltd.	66,669	67	68,669	69
Taiyuan Airport Hub Real Estate Co., Ltd.	51,433	253	51,433	253
CRCC Tongguan Investment Co., Ltd.	100	-	363,980	364
Total	5,248,477	1,816,812	5,445,898	1,796,846

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)	31 December 2023
Bills payable	<i>Note 1</i>		
Xuzhou Jiaokong Supply Chain Co., Ltd.		198,500	54,534
Gansu Tietou Materials Co., Ltd.		92,000	45,000
CRCC Financial Leasing Co., Ltd.		4,505	56,862
Total		295,005	156,396
Trade payables	<i>Note 1</i>		
Xuzhou Jiaokong Supply Chain Co., Ltd.		253,750	145,665
CRCC Financial Leasing Co., Ltd.		195,107	71,377
Jinan Railway Segment Manufacturing Co., Ltd.		139,887	141,016
Gansu Tietou Materials Co., Ltd.		118,038	99,006
Guangxi Urban Rail Engineering Construction Co., Ltd.		58,337	3,685
Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.		56,904	62,603
CRCC (Wuxi) Engineering Technology Development Co., Ltd.		55,490	233
Ningxia Guoyun Railway Construction High-tech Materials Technology Co., Ltd.		50,805	72,168
Total		928,318	595,753

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)	31 December 2023
Contract liabilities	<i>Note 4</i>		
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.		432,149	468,458
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.		386,460	26,063
Anhui Hehan Expressway Co., Ltd.		381,016	–
Sichuan Nansuitong Highway Co., Ltd		227,957	383,089
Wuxue Port Multimodal Transport Investment and Development Co., Ltd.		186,690	–
Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.		182,812	–
Guangzhou Huangpu Light Rail Line 2 Investment Construction Co., Ltd.		95,163	–
Chongqing High Speed Railway Construction Wankaida Highway Co., Ltd.		81,786	–
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.		69,698	30,967
Gansu Jinhe Highway Project Management Co., Ltd.		65,554	–
Sichuan Chengmian Cangba Expressway Co., Ltd.		64,405	859
China Construction 3rd Bureau (Xiamen) Minsheng Construction Investment Co., Ltd.		63,606	75,470
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.		62,864	–
Yongzhou Railway Co., Ltd.		61,900	–
Xuzhou Jiaokong Supply Chain Co., Ltd.		60,663	27,375
Guigang Hesi Quanyu Tourism Development Co., Ltd.		57,197	95,000
Changchun Chengtou Ecological Governance Construction Investment Co., Ltd.		51,141	79,700
Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.		33,681	154,420
Guigang Western Outer Ring Road Highway Co., Ltd.		–	188,896
Total		2,564,742	1,530,297

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)	31 December 2023
Other payables	<i>Note 1</i>		
CRCC Xinjiang Jingxin Highway Co., Ltd.		2,475,292	13,950
Guangzhou Xintie Xinjian Investment Co., Ltd.		1,903,184	1,231,252
CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.		1,533,222	38,092
Yunnan Kunchu Highway Investment & Development Co., Ltd.		1,117,920	336,312
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.		1,104,525	492,379
Shanghai Xinjinghui Real Estate Development Co., Ltd.		806,701	803,516
Chongqing Tiefa Jianxin Highway Co., Ltd.		753,763	324,262
Shanghai Jingmiaoxin Real Estate Co., Ltd.		670,961	718,274
Chongqing Tiefa Shuanghe Highway Co., Ltd.		635,100	57,567
Chongqing High Speed Railway (Chongqing) Commercial Factoring Co., Ltd.		617,298	667,315
Ningbo Runsheng Real Estate Development Co., Ltd.		605,387	598,201
Kunming Fuyi Highway Co., Ltd.		532,972	164,077
Sichuan Nansuitong Highway Co., Ltd.		488,090	172,457
CRCC Investment Langfang Development and Construction Co., Ltd.		480,201	819
CRCC Sichuan Dedu Expressway Co., Ltd.		413,764	407,217
Jiangyin China Railway Construction Kunlun City Development Co., Ltd.		409,823	501,960
Guiyang Changda Rail Transit Construction Co. Ltd.		367,717	9,294
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.		323,358	185,151
Shanghai Xinfucheng Real Estate Development Co., Ltd.		318,876	253,264
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.		311,041	484,470
CRCC Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.		302,433	–
CRCC Investment Baoding Urban Development and Construction Co., Ltd.		293,070	2,184
Kunming Kunlun Shouzhi Real Estate Co., Ltd.		279,250	279,250

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)	31 December 2023
Other payables (continued)	<i>Note 1</i>		
Shanghai Xinruicheng Real Estate Development Co., Ltd.		266,106	218,638
Nanjing Jingsheng Real Estate Development Co., Ltd.		253,603	240,177
CRCC (Shandong) Deshang Highway Co., Ltd.		251,243	220,300
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.		250,634	–
China Railway Construction Investment (Xi'an) Meibei Comprehensive Development Co., Ltd.		240,395	258,216
Chongqing Sensor Industrial Park Construction and Operation Co., Ltd.		229,263	254,308
Chengdu Wuhou Yele Real Estate Development Co., Ltd.		221,076	271,076
Shanghai Hongjun Real Estate Co., Ltd.		199,920	143,820
CRCC Gansu Zhangbian Highway Co., Ltd.		183,723	237,522
Guizhou Tongxin Highway Development Co., Ltd.		167,918	176,777
Chongqing Tiefa Xiusong Highway Co., Ltd.		157,925	148,213
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.		155,127	–
China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.		154,831	32,199
Taiyuan Rongchuang Huifeng Real Estate Co., Ltd.		151,772	151,772
CRCC Real Estate Co., Ltd.		150,147	119,922
Tianjin Line 1 Rail Transit Operation Co., Ltd.		143,677	205,862
Chongqing Yusui Double Track Highway Co., Ltd.		139,003	74,309
China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.		138,939	84,449
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.		130,072	1,748
Hunan Railway Construction Kunlun Changzhu Guixin Highway Co., Ltd.		122,232	126,977
Guangzhou Hongxuan Real Estate Co., Ltd.		118,489	118,489
Sichuan Suide Highway Co., Ltd.		117,673	106,952

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)	31 December 2023
Other payables (continued)	<i>Note 1</i>		
Ningbo Jingwan Investment Management Co., Ltd.		112,247	36,288
Chengdu Zhongwan Yixing Real Estate Co., Ltd.		111,930	219,982
Changsha Yuchi River Area Development & Investment Co., Ltd.		110,172	169,330
Sichuan Danei Highway Co., Ltd.		108,047	76,756
CRCC Shandong Jinghu Expressway Jile Co., Ltd.		105,920	26,846
CRCC Ningxia Highway Co. Ltd.		103,049	185,991
Kunming Sanqing Highway Co., Ltd.		100,944	7,322
Foshan Shunde District Shunhao Real Estate Co., Ltd.		100,764	49,878
Yuxi China Railway Infrastructure Construction Co., Ltd.		100,000	280,000
Total		21,640,789	11,985,382
Advances to suppliers			
Xuzhou Jiaokong Supply Chain Co., Ltd.		87,650	20,015
CRCC Financial Leasing Co., Ltd.		86,258	62,994
Total		173,908	83,009
Due to customers	<i>Note 5</i>		
CRCC Jinli Asset Management Co., Ltd.		531,465	560,642
China Railway Construction Corporation		158,941	166,979
Hangzhou Jiandejiang Investment Co., Ltd.		124,650	51,826
Jining China Railway Shengtong Urban Construction and Development Co., Ltd.		100,000	–
China-Africa Lekkil Investment Co., Ltd.		83,740	82,380
CRCC Aerospace City (Wuhan) Development and Construction Co., Ltd.		62,075	–
Guangzhou Xintie Xinjian Investment Co., Ltd.		50,555	179,280
CRCC Financial Leasing Co., Ltd.		85	204,035
Total		1,111,511	1,245,142

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

RMB'000

		30 June 2024 (unaudited)	31 December 2023
Long-term loans (including current portion)	<i>Note 6</i>		
China Railway Construction Corporation		1,423,276	1,423,276
Total		1,423,276	1,423,276
Lease liabilities (including current portion)			
CRCC Financial Leasing Co., Ltd.		1,423,105	1,796,707
China Railway Construction Corporation		36,690	37,001
Total		1,459,795	1,833,708
Long-term payables (including current portion)			
Guoshou Tiejian (Shenzhen) Infrastructure Private Equity Investment Fund Partnership (Limited Partnership)		516,937	578,311
Guangde CRCC Blue Ocean Longxin Investment Center (Limited Partnership)		451,365	440,839
Guangde CRCC Daqin Investment Partnership Enterprise (Limited Partnership)		380,972	374,943
Tianjin Tiejian Hongtu Fengchuang Investment Partnership (Limited Partnership)		348,956	345,708
Guangde Railway Construction Chuangxin Investment Partnership (Limited Partnership)		144,239	137,419
Tianjin Tiejian Yinkun Equity Investment Partnership Enterprise (Limited Partnership)		133,484	158,582
CRCC Financial Leasing Co., Ltd.		66,223	74,563
Jintai Infrastructure Investment (Tianjin) Partnership (Limited Partnership)		59,296	58,512
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)		–	349,362
Total		2,101,472	2,518,239

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (continued)

- Note 1:* The amounts due from/to related parties were interest-free, unsecured, and had no fixed terms of repayment.
- Note 2:* The amounts due from related parties were loans for cooperative development project from the Group's real estate development operation segments, with the interest rate agreed in the contracts.
- Note 3:* The amounts due from the Controlling Shareholder and associates were borrowings from CRCC Finance Company Limited.
- Note 4:* The amounts were mainly advances from related parties and were interest-free.
- Note 5:* The amounts due to the Group's related parties were deposits in CRCC Finance Company Limited.
- Note 6:* The amounts were appropriations from the Ministry of Finance to the Controlling Shareholder and considered as the entrusted loans granted to the Group by the Controlling Shareholder. The interest rate of such entrusted loans was determined by the Loan Prime Rate published by National Interbank Funding Center.

XI. COMMITMENTS AND CONTINGENCIES

1. Commitments

RMB'000

	30 June 2024 (unaudited)	31 December 2023
Contracted, but not provided for:		
Capital commitments	2,557,944	3,806,127
Investment commitments	67,152,319	69,708,257
Total	69,710,263	73,514,384

2. Contingencies

The Group was involved in a number of legal proceedings and claims against it in the ordinary course of business. Provision has been made for the probable losses to the Group on those legal proceedings and claims when management can reasonably estimate the outcome of the legal proceedings and claims taking into account legal advice. No provision has been made for pending legal proceedings and claims when the outcome of the legal proceedings and claims cannot be reasonably estimated or management believes that the probability of loss is remote.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XI. COMMITMENTS AND CONTINGENCIES (CONTINUED)

3. Guarantees

The Group had issued guarantees to banks in respect of the banking facilities granted to the following parties:

RMB'000

The Group	30 June 2024 (unaudited)	31 December 2023
Associates	1,601,033	1,750,507
Other entities	488,231	696,030
Total	2,089,264	2,446,537

The above guarantees exclude guarantees in respect of the banking facilities other than mortgages. As at 30 June 2024, the Group's guarantees (excluding guarantees in respect of the banking facilities other than mortgages) amounted to RMB2,089,264,000 (31 December 2023: RMB2,446,537,000), the guarantees in respect of mortgages amounted to RMB22,299,847,000 (31 December 2023: RMB29,178,017,000). Until now, the guarantees rarely defaulted payments to the banks, thus the Group considered the risks related to the guarantees were low and the fair value was immaterial.

The above guarantees in respect of mortgages were granted to the purchasers of the Group's properties and secured by the mortgages.

The Company had issued guarantees to banks in respect of the banking facilities granted to the following parties:

RMB'000

The Company	30 June 2024 (unaudited)	31 December 2023
Subsidiaries	4,539,994	11,710,103
Other entities	203,759	405,931
Total	4,743,753	12,116,034

In addition, no interest-bearing bank and other loans of the Company were guaranteed by the subsidiaries of the Company as at 30 June 2024 (31 December 2023: Nil).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XII. EVENTS AFTER THE BALANCE SHEET DATE

As at the date of this report being approved to issue, the Group did not have any significant events after the end of the reporting period that require disclosure.

XIII. OTHER SIGNIFICANT EVENTS

1. *Segment reporting*

Operating segments

For management purposes, the Group is organised into the following five operating segments based on their products and services:

- (1) The construction operations segment engages in the construction of infrastructure such as railways, highways, metropolitan railways and real estate projects;
- (2) The plan, design and consultancy operations segment engage in the provision of plan, design and consultancy services for civil engineering and infrastructure construction, such as railways, highways and urban rail transport, etc.;
- (3) The manufacturing operations segment engages in the research and development, production and sale of mechanical equipment, such as the large railway track maintenance machinery, tunnel boring machinery as well as the manufactures of track system, etc.;
- (4) The real estate development operations segment engages in the development, construction and sale of residential properties and commercial properties; and
- (5) The other business operations segment mainly comprises trade and logistics, finance and insurance and highway operation service.

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. The Group does not manage income tax based on operating segments and hence income tax has not been allocated to the operating segments.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (continued)

Operating segments (continued)

RMB'000

	Construction operations	Plan, design and consultancy operations	Manufacturing operations	Real estate development operations	Other business operations	Eliminations and adjustments	Total
For the six months ended 30 June 2024: (unaudited)							
Revenue from external customers	444,519,432	7,985,002	8,982,834	31,547,625	23,101,825	-	516,136,718
Inter-segment sales	7,095,352	17,282	2,250,658	-	19,062,719	(28,426,011)	-
Total	451,614,784	8,002,284	11,233,492	31,547,625	42,164,544	(28,426,011)	516,136,718
Share of profits/(losses) of joint ventures and associates	(72,410)	(45,159)	103,700	(12,746)	(478,032)	-	(504,647)
Impairment of credit losses and impairment losses on assets	(1,649,866)	(122,809)	(50,640)	(206,403)	(232,074)	-	(2,261,792)
Depreciation and amortisation	9,301,543	212,209	770,497	179,671	730,592	-	11,194,512
Profit before tax	12,157,451	2,055,447	1,070,422	1,286,018	1,210,934	80,764	17,861,036
Other disclosures:							
Increase in other non-current assets other than long-term equity investments	10,872,627	89,323	726,556	503,469	6,482,427	-	18,674,402
30 June 2024 (unaudited)							
Segment assets (Note 1)	1,277,603,080	35,666,524	63,415,910	381,265,164	385,437,697	(397,546,854)	1,745,841,521
Segment liabilities (Note 2)	994,050,110	10,920,218	35,283,083	310,759,029	334,353,867	(353,581,462)	1,331,784,845
Other disclosures:							
Long-term equity investments in joint ventures and associates	130,562,243	4,688,502	2,195,665	13,036,980	4,298,492	-	154,781,882

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (continued)

Operating segments (continued)

RMB'000

	Construction operations	Plan, design and consultancy operations	Manufacturing operations	Real estate development operations	Other business operations	Eliminations and adjustments	Total
For the six months ended							
30 June 2023: (unaudited)							
Revenue from external customers	473,683,965	8,358,836	10,630,897	21,411,451	26,974,842	-	541,059,991
Inter-segment sales	9,716,476	26,328	1,533,791	-	18,269,319	(29,545,914)	-
Total	483,400,441	8,385,164	12,164,688	21,411,451	45,244,161	(29,545,914)	541,059,991
Share of profits/(losses) of joint ventures and associates	186,406	43,492	129,658	106,742	(262,481)	-	203,817
Impairment of credit losses and impairment losses on assets	(1,738,298)	(115,762)	(15,325)	(151,201)	70,039	-	(1,950,547)
Depreciation and amortisation	8,708,015	141,797	649,541	8,653	626,346	-	10,134,352
Profit before tax	13,913,519	2,115,078	1,525,593	996,414	1,585,278	(417,656)	19,718,226
Other disclosures:							
Increase in other non-current assets other than long-term equity investments	11,035,476	290,831	1,815,505	260,873	3,250,446	-	16,653,131
31 December 2023							
Segment assets (Note 1)	1,211,379,893	39,089,326	58,104,235	379,148,288	352,244,035	(376,946,199)	1,663,019,578
Segment liabilities (Note 2)	954,493,054	14,809,678	30,876,710	311,123,245	297,137,937	(362,540,819)	1,245,899,805
Other disclosures:							
Long-term equity investments in joint ventures and associates	127,280,722	4,494,805	2,153,821	11,313,268	4,035,741	-	149,278,357

Note 1: Segment assets do not include deferred tax assets of RMB11,550,447,000 (31 December 2023: RMB11,211,912,000) and advance payment of corporate income tax of RMB2,627,266,000 (31 December 2023: RMB2,444,248,000), as the Group does not manage these assets based on operating segments. In addition, inter-segment receivables of RMB411,724,567,000 (31 December 2023: RMB390,602,359,000) are eliminated on consolidation.

Note 2: Segment liabilities do not include deferred tax liabilities of RMB1,903,073,000 (31 December 2023: RMB2,008,603,000) and corporate income tax payable of RMB2,677,966,000 (31 December 2023: RMB4,279,976,000) as the Group does not manage these liabilities based on operating segments. In addition, inter-segment payables of RMB358,162,501,000 (31 December 2023: RMB368,829,398,000) are eliminated on consolidation.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (continued)

Group information

Geographical information

Revenue from external customers

RMB'000

	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Mainland China	485,302,962	511,771,460
Outside Mainland China	30,833,756	29,288,531
Total	516,136,718	541,059,991

Total non-current assets (Note)

RMB'000

	30 June 2024 (unaudited)	31 December 2023
Mainland China	325,559,992	301,995,741
Outside Mainland China	14,877,338	15,507,623
Total	340,437,330	317,503,364

In the geographical information above, revenue from external customers is based on the locations of the customers. Non-current asset information above is based on the locations of the non-current assets.

Note: Non-current assets consisted of investment properties, fixed assets, construction in progress, right-of-use assets, intangible assets, development expenditure, long-term prepaid expenses and investments in joint ventures and associates.

Information about major customers

The Group did not derive more than 10% of its total revenue from any single customer for the six months ended 30 June 2024 (for the six months ended 30 June 2023: did not derive more than 10% of its total revenue from any single customer).

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information

(i) Pension scheme contributions

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Pension scheme contributions (defined contribution plans)	4,286,779	4,004,887
Pension scheme costs (defined benefit plans)	594	762

As at 30 June 2024, there were no forfeited contributions available to reduce the Group's contributions to its pension scheme in the next year (31 December 2023: Nil).

(ii) Directors' and supervisors' remuneration

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Directors' and supervisors' remuneration	2,251	2,822

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

1. Trade receivables

An aging analysis of trade receivables is listed as follows:

RMB'000

Aging	30 June 2024 (unaudited)	31 December 2023
Within 1 year	2,311,379	2,710,101
1 to 2 years	170,013	170,555
2 to 3 years	–	3,045
Over 3 years	3,045	–
Subtotal	2,484,437	2,883,701
Less: Allowance for credit losses	27,211	29,640
Total	2,457,226	2,854,061

Trade receivables and allowance for credit losses by category are listed as follows:

RMB'000

Category	30 June 2024 (unaudited)				Carrying amount
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage %	Amount	Percentage %	
Allowance for credit losses assessed by credit risk portfolio	2,484,437	100.00	27,211	1.10	2,457,226
Total	2,484,437	100.00	27,211	1.10	2,457,226

RMB'000

Category	31 December 2023				Carrying amount
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage %	Amount	Percentage %	
Allowance for credit losses assessed by credit risk portfolio	2,883,701	100.00	29,640	1.03	2,854,061
Total	2,883,701	100.00	29,640	1.03	2,854,061

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Trade receivables (continued)

As at 30 June 2024, trade receivables whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

RMB'000

Aging	30 June 2024 (unaudited)			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage %	Amount	Percentage %
Within 1 year	2,311,379	93.04	21,154	0.92
1 to 2 years	170,013	6.84	4,991	2.94
Over 3 years	3,045	0.12	1,066	35.01
Total	2,484,437	100.00	27,211	1.10

As at 30 June 2024, top five entities with the largest balances of trade receivables and contract assets are listed as follows (unaudited):

RMB'000

Company name	Gross carrying amount of trade receivables	Gross carrying amount of contract assets	Gross carrying amount of trade receivables and contract assets	Percentage of total gross carrying amount of trade receivables and contract assets (%)	Closing balance of allowance for credit losses
Company 1	1,228,644	274,407	1,503,051	25.62	15,031
Company 2	313,911	361,027	674,938	11.51	6,749
Company 3	210,525	100,068	310,593	5.30	3,106
Company 4	164,614	211,341	375,955	6.41	3,908
Company 5	142,584	–	142,584	2.44	713
Total	2,060,278	946,843	3,007,121	51.28	29,507

As at 30 June 2024 and 31 December 2023, no amount due from shareholders that held 5% or more of the Company's voting rights or other related parties was included in the aforesaid balance of trade receivables.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables

An aging analysis of other receivables is listed as follows:

RMB'000

Aging	30 June 2024 (unaudited)	31 December 2023
Within 1 year	17,683,862	17,049,773
1 to 2 years	5,009,093	468,644
2 to 3 years	109,258	277,350
Over 3 years	816,460	1,191,119
Subtotal	23,618,673	18,986,886
Less: Allowance for credit losses	1,298	1,305
Total	23,617,375	18,985,581

Provision for allowance for credit losses are as follows:

- As at 30 June 2024, the Company did not have other receivables at phase II.
- As at 30 June 2024, the Company did not have other receivables at phase III.

For the six months ended 30 June 2024, no other receivables have been written off (For the six months ended 30 June 2023: Nil).

As at 30 June 2024, other receivables from the five largest customers are listed as follows (unaudited):

RMB'000

Company name	Relationship with the Company	Amount	Aging	Percentage of total other receivables %
Company 1	Subsidiaries	5,000,000	Within 2 years	21.17
Company 2	Subsidiaries	3,246,572	Within 3 years	13.75
Company 3	Subsidiaries	1,783,832	Within 3 years	7.55
Company 4	Subsidiaries	1,703,139	Within 5 years	7.21
Company 5	Subsidiaries	1,096,814	Within 2 years	4.64
Total	—	12,830,357	—	54.32

As at 30 June 2024 and 31 December 2023, no amount due from shareholders that held 5% or more of the Company's voting rights was included in the aforesaid balance of other receivables.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments

RMB'000

Item		30 June 2024 (unaudited)	31 December 2023
Equity investment under cost method			
– Subsidiaries	(i)	103,305,853	103,305,853
Total		103,305,853	103,305,853

Note: All the long-term equity investments are investments in unlisted companies, except for CRCC High-Tech Equipment Corporation Limited and China Railway Construction Heavy Industry Corporation Limited.

(i) Subsidiaries

RMB'000

Investee	Carrying amount at 31 December 2023	Changes for the period (unaudited)		Carrying amount at 30 June 2024 (unaudited)	Percentage of the investee's registered capital directly attributable to the Company as at 30 June 2024 (unaudited) (%)	Category
		Transfer to/ Increase in investment	Decrease in investment			
China Civil Engineering Construction Corporation	2,946,507	–	–	2,946,507	100.00	Co., Ltd
China Railway 11th Bureau Group Co., Ltd.	1,893,912	–	–	1,893,912	81.62	Co., Ltd
China Railway 12th Bureau Group Co., Ltd.	1,957,277	–	–	1,957,277	100.00	Co., Ltd
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	2,660,480	–	–	2,660,480	100.00	Co., Ltd
China Railway 14th Bureau Group Co., Ltd.	2,130,105	–	–	2,130,105	79.02	Co., Ltd
China Railway 15th Bureau Group Co., Ltd.	1,585,152	–	–	1,585,152	100.00	Co., Ltd
China Railway 16th Bureau Group Co., Ltd.	1,482,412	–	–	1,482,412	100.00	Co., Ltd
China Railway 17th Bureau Group Co., Ltd.	1,735,340	–	–	1,735,340	100.00	Co., Ltd
China Railway 18th Bureau Group Co., Ltd.	1,103,234	–	–	1,103,234	80.30	Co., Ltd
China Railway 19th Bureau Group Co., Ltd.	3,954,638	–	–	3,954,638	100.00	Co., Ltd
China Railway 20th Bureau Group Co., Ltd.	1,615,144	–	–	1,615,144	70.41	Co., Ltd
China Railway 21st Bureau Group Co., Ltd.	1,557,251	–	–	1,557,251	100.00	Co., Ltd
China Railway 22nd Bureau Group Co., Ltd.	1,295,286	–	–	1,295,286	100.00	Co., Ltd
China Railway 23rd Bureau Group Co., Ltd.	1,545,004	–	–	1,545,004	100.00	Co., Ltd
China Railway 24th Bureau Group Co., Ltd.	1,346,917	–	–	1,346,917	100.00	Co., Ltd

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (continued)

(i) Subsidiaries (continued)

RMB'000

Investee	Carrying amount at 31 December 2023	Changes for the period (unaudited)		Carrying amount at 30 June 2024 (unaudited)	Percentage of the investee's registered capital directly attributable to the Company as at 30 June 2024 (unaudited) (%)	Category
		Transfer to/ Increase in investment	Decrease in investment			
China Railway 25th Bureau Group Co., Ltd.	1,348,597	-	-	1,348,597	100.00	Co., Ltd
China Railway Construction Group Co., Ltd.	2,868,346	-	-	2,868,346	85.64	Co., Ltd
China Railway Construction Electrification Bureau Group Co., Ltd.	1,105,530	-	-	1,105,530	100.00	Co., Ltd
China Railway Construction Real Estate Group Co., Ltd.	7,233,191	-	-	7,233,191	100.00	Co., Ltd
China Railway First Survey and Design Institute Group Co., Ltd.	653,730	-	-	653,730	100.00	Co., Ltd
China Railway Siyuan Survey and Design Group Co., Ltd.	1,607,809	-	-	1,607,809	100.00	Co., Ltd
China Railway Fifth Survey and Design Institute Group Co., Ltd.	338,196	-	-	338,196	100.00	Co., Ltd
China Railway Shanghai Design Institute Group Co., Ltd.	267,624	-	-	267,624	100.00	Co., Ltd
China Railway Material Group Co., Ltd.	3,407,584	-	-	3,407,584	100.00	Co., Ltd
CRCC High-Tech Equipment Corporation Limited	1,714,797	-	-	1,714,797	63.70	Corporation Limited
China Railway Construction Heavy Industry Corporation Limited	4,028,004	-	-	4,028,004	71.93	Corporation Limited
China Railway Construction Business Management Co., Ltd.	28,313	-	-	28,313	100.00	Co., Ltd
China Railway Construction Investment Group Co., Ltd.	10,538,793	-	-	10,538,793	87.34	Co., Ltd
CRCC Harbour and Channel Engineering Bureau Group Co., Ltd.	1,385,891	-	-	1,385,891	100.00	Co., Ltd
CRCC Finance Company Limited	8,460,000	-	-	8,460,000	94.00	Co., Ltd
China Railway Construction Corporation (International) Limited	3,012,602	-	-	3,012,602	100.00	Co., Ltd
China Railway Urban Construction Group Co., Ltd.	2,000,000	-	-	2,000,000	71.69	Co., Ltd
Beijing CRCC Tianrui Machinery Equipment Co., Ltd.	2,000,000	-	-	2,000,000	98.04	Co., Ltd
CRCC Kunlun Investment Group Co., Ltd.	3,600,000	-	-	3,600,000	70.77	Co., Ltd

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (continued)

(i) Subsidiaries (continued)

RMB'000

Investee	Carrying amount at 31 December 2023	Changes for the period		Carrying amount at 30 June 2024	Percentage of the investee's registered capital directly attributable to the Company as at 30 June 2024 (unaudited) (%)	Category
		Transfer to/ Increase in investment	Decrease in investment			
China Railway Construction Xiong'an Investment Development Co., Ltd.	1,000,000	-	-	1,000,000	100.00	Co., Ltd
China Railway Construction Transportation Operation Group Co., Ltd.	1,000,000	-	-	1,000,000	100.00	Co., Ltd
CRCC Southern Construction and Investment Co., Ltd.	1,000,000	-	-	1,000,000	100.00	Co., Ltd
CRCC South China Investment Co., Ltd.	435,442	-	-	435,442	100.00	Co., Ltd
China Railway Construction South China Construction Co., Ltd.	1,000,000	-	-	1,000,000	100.00	Co., Ltd
China Railway Construction Northwest Investment & Construction Co., Ltd.	1,000,000	-	-	1,000,000	100.00	Co., Ltd
China Railway Construction City Construction Investment Co., Ltd.	2,000,000	-	-	2,000,000	100.00	Co., Ltd
China Railway Construction Eastern China Investment & Construction Co., Ltd.	2,000,000	-	-	2,000,000	100.00	Co., Ltd
CRCC International Investment Co., Ltd.	3,000,000	-	-	3,000,000	100.00	Co., Ltd
CRCC Development Group Co., Ltd.	1,498,690	-	-	1,498,690	100.00	Co., Ltd
CRCC North Investment & Construction Co., Ltd.	200,000	-	-	200,000	100.00	Co., Ltd
CRCC Yellow River Investment & Construction Co., Ltd.	1,110,000	-	-	1,110,000	100.00	Co., Ltd
CRCC Capital Holdings Group Co., Ltd.	3,549,871	-	-	3,549,871	100.00	Co., Ltd
China Railway Construction Treasury Management(Hong Kong) Co., Ltd	4,184	-	-	4,184	100.00	Co., Ltd
China Railway Construction Southwest Investment Co., Ltd.	100,000	-	-	100,000	100.00	Co., Ltd
Total	103,305,853	-	-	103,305,853	--	--

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Other payables

Other payables are disclosed by category:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Payables for advances	9,716,902	10,596,191
Centralised funds payable	2,735,442	2,777,363
Dividends payable	5,911,654	453,598
Guarantees and deposits	236,779	86,212
Others	513,874	514,004
Total	19,114,651	14,427,368

5. Long-term loans

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Credit loans	3,891,276	3,734,276
Total	3,891,276	3,734,276

The maturity profile of the long-term loans as at the balance sheet date is listed as follows:

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Within one year	206,000	406,000
In the second year (inclusive)	810,102	1,189,276
In the third year (inclusive)	1,944,574	1,290,600
Over three years	1,136,600	1,254,400
Total	4,097,276	4,140,276

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

6. Revenue and cost of sales

Revenue is presented as follows:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Revenue from principal operations	5,232,450	3,858,893
Other operating revenue	23,522	303,894
Total	5,255,972	4,162,787

Operating cost is presented as follows:

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Operating cost	5,174,237	3,786,455

7. Finance costs

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Interest expenses	225,923	359,066
Less: Interest income	1,346,537	1,477,692
Exchange losses	32,166	145,076
Bank charges and others	1,110	1,962
Total	(1,087,338)	(971,588)

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

8. Investment income

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Investment income received from long-term equity investments under cost method	10,221,586	8,611,723
Others	2,970	3,936
Total	10,224,556	8,615,659

For the six months ended 30 June, 2024, the investment income mentioned above was composed of investment income of RMB377,281,000 (For the Six months ended 30 June, 2023: RMB427,113,000) from listed companies and RMB9,847,275,000 from unlisted companies (For the Six months ended 30 June, 2023: RMB8,188,546,000).

As at 30 June 2024, the remittance of the Company's investment income was not subject to significant restriction.

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

9. Supplementary information to the statement of cash flows

(1) Supplementary information to the statement of cash flows

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Reconciliation of net profit to cash flows from operating activities:		
Net profit	11,085,139	9,335,096
Plus: Impairment of credit (gains)/losses	(1,573)	10,428
Impairment losses/(gains) on assets	3,094	(7,905)
Depreciation of fixed assets	17,395	7,324
Amortisation of intangible assets	12,886	10,995
Amortisation of long-term prepayments	1,165	684
Depreciation of right-of-use assets	2,215	16,069
Losses on retirement of fixed assets	638	139
Losses from changes in fair value	5,565	2,505
Finance costs	231,210	496,942
Investment income	(10,224,556)	(8,615,659)
Decrease in deferred tax assets	-	303
Increase in deferred tax liabilities	(6,124)	(4,351)
Decrease in inventories	2,478	2,593
Decrease in contract assets	223,024	751,117
(Increase)/decrease in operating receivables	(977,272)	3,506,543
Increase in operating payables	(1,657,385)	(2,858,371)
Net cash flows (used in)/generated from operating activities	(1,282,101)	2,654,452

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

9. Supplementary information to the statement of cash flows (continued)

(2) Cash and cash equivalents

RMB'000

Item	30 June 2024 (unaudited)	31 December 2023
Cash	28,961,202	20,064,143
Including: Cash with banks/financial institutions without restrictions	28,961,202	20,064,143
Closing balance of cash and cash equivalents	28,961,202	20,064,143

XV. SUPPLEMENTARY INFORMATION

1. Summary of non-recurring profit or loss

RMB'000

Item	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
Gains from disposal of non-current assets	167,206	51,953
Gains from disposal of long-term equity investments	2,522	(258)
Government grants recognised through profit or loss (other than government grants which are closely related to the Company's normal business operations, and compliant with national policies and regulations, available according to determined requirements, and have a continuous impact on the Company's profit or loss)	220,160	316,594
Net gains from debt restructuring	124,722	56,912
Investment income from holding and disposal of held- for-trading financial assets and other financial assets	206,768	109,353
Investment income from holding the other equity instrument investments	44,254	45,791
Losses on fair value changes	(278,239)	(12,516)
Reversal of impairment of receivables	327,682	296,563
Other non-operating income and expenses other than the above items	134,149	107,518
Impact on income tax	(159,255)	(160,388)
Impact on non-controlling interests (after tax)	(38,538)	(59,997)
Non-recurring profit or loss	751,431	751,525

Notes to the Financial Statements (continued)

For the six months ended 30 June 2024

XV. SUPPLEMENTARY INFORMATION (CONTINUED)

2. Return on net assets and earnings per share ("EPS")

For the six months ended 30 June 2024 (unaudited):

	Weighted average return on net assets (%)	EPS (RMB) Basic	Diluted
Net profit attributable to the Company's ordinary shareholders	4.19	0.79	0.79
Net profit attributable to the Company's ordinary shareholders after deducting non- recurring profit or loss	3.89	0.73	0.73

For the six months ended 30 June 2023 (unaudited):

	Weighted average return on net assets (%)	EPS (RMB) Basic	Diluted
Net profit attributable to the Company's ordinary shareholders	5.23	0.91	0.91
Net profit attributable to the Company's ordinary shareholders after deducting non- recurring profit or loss	4.91	0.86	0.86

The above weighted average return on equity and earnings per share are calculated in accordance with *Information Disclosure by Companies Offering Securities to the Public No.9 – Calculation and Disclosure of Return on Equity and Earnings Per Share* (Revised in 2010).



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China Railway Construction Corporation Limited