



北京金隅集团股份有限公司
BBMG CORPORATION*

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

Stock Code : 2009

2023
INTERIM
REPORT



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CORPORATE INFORMATION

Chinese name of the Company	北京金隅集團股份有限公司
English name of the Company	BBMG Corporation*
Headquarters of the Company	Tower D, Global Trade Center No. 36, North Third Ring East Road Dongcheng District, Beijing 100013, the PRC
Registered address and principal place of business in the PRC	Tower D, Global Trade Center No. 36, North Third Ring East Road Dongcheng District, Beijing 100013, the PRC
Principal place of business in Hong Kong	Room 405, Kai Wong Commercial Building, 222 Queen's Road Central, Hong Kong
Website of the Company	www.bbmj.com.cn/listco
Legal representative	Jiang Yingwu
The Board	
<i>Executive Directors</i>	Jiang Yingwu (<i>Chairman</i>) Gu Yu (<i>General Manager</i>) Jiang Changlu Zheng Baojin
<i>Non-executive Directors</i>	Gu Tiemin Hao Liwei
<i>Independent non-executive Directors</i>	Liu Taigang Hong Yongmiao Tam Kin Fong

* For identification purposes only

CORPORATE INFORMATION

Committees

Audit and Risk Committee

Tam Kin Fong (*Chairman*)
Gu Tiemin
Hao Liwei
Liu Taigang
Hong Yongmiao

Remuneration and Nomination Committee

Liu Taigang (*Chairman*)
Jiang Changlu
Hong Yongmiao
Tam Kin Fong

Strategic Committee

Jiang Yingwu (*Chairman*)
Gu Yu
Zheng Baojin
Liu Taigang
Hong Yongmiao
Tam Kin Fong

Executive Committee

Jiang Yingwu (*Chairman*)
Gu Yu
Jiang Changlu
Zheng Baojin

Authorised Representatives

Jiang Yingwu
Lau Fai Lawrence

CORPORATE INFORMATION

Board Secretary	Zhang Jianfeng
Company Secretary	Lau Fai Lawrence
Listing Information	
<i>A Shares</i>	
A Share registrar	China Securities Depository and Clearing Corporation Limited, Shanghai Branch 3rd Floor, China Insurance Building 166 Lujiazui Road East, Pudong New District, Shanghai, the PRC
Place of listing	Shanghai Stock Exchange
Stock name	BBMG
Board lot	100 shares
Stock code	601992.SH
<i>H Shares</i>	
H Share registrar	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor, Hopewell Centre 183 Queen's Road East, Wan Chai, Hong Kong
Place of listing	The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange")
Stock name	BBMG
Board lot	1,000 shares
Stock code	02009.HK
Principal bankers	Industrial and Commercial Bank of China Limited Agricultural Bank of China Limited Bank of Beijing Co., Ltd. China Construction Bank Corporation Bank of China Limited
Independent auditor	Deloitte Touche Tohmatsu Certified Public Accountants LLP Certified Public Accountants
Legal advisers	Haiwen & Partners LLP <i>As to Hong Kong law</i> Guantao Law Firm <i>As to PRC law</i>

CHAIRMAN'S STATEMENT

CHAIRMAN'S STATEMENT

Dear Shareholders,

In the first half of 2025, in the fact of a complex and changeable domestic and international environment and fierce and brutal competition, the Company thoroughly implemented the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), made every effort to stabilize growth, focus on innovation and prevent risks, and promoted the implementation of various tasks of "Breakthrough Year of High-quality Development". The economic operation showed a momentum of steady growth and making progress through innovation.

REVIEW

Results Performance

During the six months ended 30 June 2025 (the "Reporting Period"), the Company recorded an operating revenue of approximately RMB45,565.7 million, representing a year-on-year increase of approximately 0.01%; net loss attributable to the shareholders of the parent company amounted to approximately RMB1,495.6 million, as compared with net loss attributable to the shareholders of the parent company of approximately RMB806.7 million for the same period of last year, representing a year-on-year increase of approximately RMB688.9 million or 85.4%; basic losses per share attributable to the shareholders of the parent company amounted to approximately RMB0.19, representing an a year-on-year increase of approximately RMB0.07 million or 58.3% as compared with basic losses per share attributable to the shareholders of the parent company of approximately RMB0.12 for the same period of last year.

Business Performance

During the Reporting Period, the Company anchored the goals and worked earnestly to further improve the quality and efficiency of operation, achieved rapid and steady transformation and development to further optimize the industrial layout, and made breakthroughs in technical innovation and empowerment to further strengthen the development momentum. The Company also continued to improve management efficiency to further consolidate the foundation for development.

CHAIRMAN'S STATEMENT

Modern green building materials segment: In terms of the cement business, the Company strengthened the lean operation and enhanced internal management to reduce costs and improve efficiency. During the Reporting Period, the cost per tonne of cement decreased by RMB19 on a year-on-year basis. The Company externally focused on industrial ecology to stabilize transaction volume and restore pricing levels, actively implemented “anti-involution competition”, and promoted the self-discipline of the industry. The average price of cement clinker increased by RMB9 per tonne on a year-on-year basis, achieving significant decrease in loss. The production and sales volume of the concrete business increased by 23% year-on-year. Among them, the proportion of sales volume to strategic customers rose to 33%, achieving a doubled increase on a year-on-year basis. In terms of modern material business, the Company improved the integrated marketing mechanism, enriched the “products+olutions+services” system, and achieved a year-on-year increase of 5.8% in revenue from sales to strategic customers.

Property development and operation segment: In terms of the property development business, the Company adhered to the policy of “stabilizing profits, grasping cash and adjusting structure”, and projects such as Beijing Yu • Xisong (北京隅•西頌) and Huaxi Yunjin (花溪雲錦) were selling well at launch. The Company deeply participated in the urban renewal and accelerated the revitalization of self-owned land. The first batch of 12 land plots of the self-owned land coordination project in Haidian District have been comprehensively launched and implemented. In terms of the property operation business, the Company adhered to maintaining commercial sales and promoting leases, and accelerated reducing vacant space. The quality of hotel and resort operation continued to improve, and the operating efficiency of science and technology cultural park constantly enhanced.

CHAIRMAN'S STATEMENT

The Company continued to optimize the strategic layout, and enhanced its influence in core industries and core regions. During the Reporting Period, the Company's concrete production capacity increased by 9.23 million cubic meters, the land reserves increased by 60,000 square meters, and the Company newly added processing capacities of refined iron ore with an annual output of 1.8 million. The Company continuously increased investment in research and development, and the intensity of investment in research and development reached 3.6% during the Reporting Period. The Company vigorously developed modern materials industry, integrated the chain of research and development, achievements transformation and industrialization of new materials. The revenue from modern materials industry amounted to RMB4.08 billion, representing a year-on-year increase of 90%.

Prospect

From the perspective of macroeconomic situation, China's economy has a solid foundation, many advantages, strong resilience and great potential, and the supporting conditions and basic trends for its long-term improvement remain unchanged. From the perspective of the development trend of the industry, in the second half of 2025, the state will conduct comprehensive improvement of "anti-involution" competition and promote capacity governance in key industries through revising the Price Law with the times and accelerating the construction of a unified national market. China will promote the high-quality development of the cement industry and provide strong support for the recovery of building materials prices through the in-depth implementation of the Ministry of Industry and Information Technology's Implementation Measures for Capacity Replacement in the Cement and Glass Industries (2024 Edition) and the introduction of the Work Plan for Stabilizing Growth in the Building Materials Industry. In terms of real estate, with the clarification of the standards for "good houses", good houses have become one of the important symbols of the new development model of real estate. The Ministry of Housing and Urban-Rural Development is studying and promoting the theoretical basis and standard support for matching "good materials" with "good houses", which will bring new opportunities for the development of the Company's two main businesses. High-quality urban renewal also provides a clear direction for the development of the Company's real estate business. Additionally, with the enhanced effectiveness of supportive policies such as "Two Major" (implementation of major national strategies and building of security capacity in key areas), "Two New" (large-scale equipment renewals and trade-in of old consumer goods) and special bonds, the real estate industry is expected to gradually bottom out, and the demand for cement and building materials is expected to stop falling and stabilize.

CHAIRMAN'S STATEMENT

In the second half of 2025, the Company will focus on various key tasks of the “Breakthrough Year of High-quality Development”, adhering to unchanged goals, non-compromised standards and unwavering efforts. The Company will uphold the pragmatic spirit of taking “courage” as the lead and “action” as the forerunner, and ensure the comprehensive and high-quality achievement of the set goals for 2025.

Modern green building materials segment: In terms of the cement business, the Company will continue to tap into its potential, strive to reduce costs and improve efficiency, maintain the ecological order of the industry, actively promote stable output and price recovery, consolidate advantages in key engineering fields, expand the market promotion of new products and materials, stabilize existing business volume while exploring new growth, optimize the capacity structure, extend the “cement+” industrial chain, and enhance core competitiveness. In terms of the new materials business, the Company will adhere to strengthening innovation, expanding markets, adjusting structures and reducing costs, further increase the promotion of high-value-added products, and build differentiated competitive advantages.

Property segment: In terms of the property development business, the Company will expand both the breadth and depth of participation in the “Three Major Projects”, flexibly adjust sales strategies to accelerate de-stocking, proactively grasp market trends, strengthen node management, ensure the high-quality construction and delivery of “good housing” projects, speed up the revitalization of self-owned land and fully advance all work related to the overall planning of self-owned land in Haidian District. In terms of the property operation business, the Company will seize development opportunities, intensify efforts to clear vacant areas, increase the occupancy rate of office buildings, commercial properties and science and technology parks, expand sales scenarios, optimize marketing strategies, and enhance the operational capabilities and business efficiency of cultural and creative parks as well as hotel and resort facilities.

In the second half of 2025, the Company will strengthen the role of science and technology as a driving engine, intensify efforts in tackling core technological challenges, promote in-depth integration of industry, academia, research and application, enhance the transformation efficiency of scientific and technological achievements, and increase the proportion of “innovation”, “greenness” and “intelligence” in our development. The Company will vigorously advance the transformation of scientific and technological achievements in new materials and accelerate the creation of a “third growth pole”.

CHAIRMAN'S STATEMENT

ACKNOWLEDGEMENTS

I would like to take this opportunity to sincerely thank all shareholders, regulatory authorities, customers, partners and friends from all walks of life for your constant trust on behalf of the Board of Directors. At the same time, I would also like to thank the colleagues of the Board of Directors of the Company for your diligence and dedication and all employees of the Company for your hard work. In the new journey, we will anchor goals, overcome difficulties and go all out to continuously reward investors with outstanding operating results and make new and greater contributions to the development and modernization of the capital in the new era!

Jiang Yingwu

Chairman

Beijing, the PRC

27 August 2025

MANAGEMENT DISCUSSION AND ANALYSIS





MANAGEMENT DISCUSSION AND ANALYSIS

I. PARTICULARS OF THE INDUSTRY IN WHICH THE COMPANY OPERATED AND PRINCIPAL BUSINESS OF THE COMPANY DURING THE REPORTING PERIOD

(I) Principal business and business model of the Company

1. Modern green building materials segment: The Company is the leader in building materials industry in China, the third largest cement industrial group in China, and one of the largest suppliers of green, environmentally-friendly, and energy-saving building materials in Beijing-Tianjin-Hebei region. The Company is also the leader of low-carbon, green, and environmentally-friendly development, energy saving and emission reduction, and circular economy in the domestic cement industry with strong scale advantage and market dominance within the region.

Modern green and environmentally-friendly building materials manufacturing business: With cement as its core product, the Company has formed a complete industrial chain of building materials that is compatible with upstream and downstream businesses, which covers concrete, wall body and insulation materials, prefabricated building system and parts and furniture and woods, as well as an interactive mechanism that includes products and services such as decoration, architectural design and prefabricated construction contract, creating a coordinated development pattern of the whole industrial chain. Currently, the production capacity of clinker amounted to approximately 110 million tonnes; the production capacity of cement amounted to approximately 184 million tonnes; the production capacity of ready-mixed concrete exceeded 60 million cubic meters while the production capacity of aggregates exceeded 90 million tonnes and the production capacity of grinding aids and admixtures amounted to approximately 0.28 million tonnes, respectively. Its annual capacity for disposal of hazardous wastes and solid wastes exceeded 5 million tonnes (including construction waste). The building material products and construction installation services of the Company were broadly applied in the construction of key and popular projects such as Beijing's urban sub-center, Xiong'an New Area and the Winter Olympics Stadium and were extended to popular regions such as East China, Northwest China, Sichuan-Chongqing and South China, which fully demonstrated the strengths of BBMG's modern building materials business in brand, quality and industrial chain, and enhanced the systematic application and coordinated marketing of its products.

MANAGEMENT DISCUSSION AND ANALYSIS

Equipment manufacturing and trading services business: The Company is capable to construct and provide service for the whole industrial chain in terms of new dry process cement production lines with a daily output of 12,000 tonnes. The products developed by the Company, such as high-efficiency vertical cement mill, co-disposal equipment of hazardous wastes and solid wastes via cement kiln, energy-saving electrical cabinet, automatic control and intelligent operation and maintenance system, heaving castings with piece weight of 10-150 tonnes and precision casting with piece weight of 0.01kg to 30kg, have reached the advanced level in the industry. Under the premise of controllable risks, the Company will improve the supply chain network configuration and asset layout, and continue to improve and strengthen the international trade and building materials and commerce and logistics business.

2. Property development and operation segment: The Company has committed to property development and construction for over 40 years with a comprehensive development strength covering property projects of multiple categories. It ranked in the forefront of the industry in terms of comprehensive strength. The Company is also one of the largest investors and managers of investment properties in Beijing with the most diversified businesses. The Company received various honors such as Top 100 China Real Estate Enterprises for consecutive years. It has obtained AAA credit rating for its quality credit and has great influence and brand awareness across the industry.

Property development business: The Company developed approximately 170 property projects with a total gross floor area over 30.0 million sq.m. At present, the Company has made its presence in 17 cities including Beijing, Shanghai, Tianjin, Chongqing, Hangzhou, Nanjing and Suzhou, developing a nationwide business presence “from Beijing to three major economic rims, namely Beijing-Tianjin-Hebei region, Yangtze River Delta and Chengdu-Chongqing region”.

Property operation business: At present, the Company holds more than 2,500,000 sq.m. of investment properties such as high-end office buildings, commercial and industrial parks, of which approximately 725,000 sq.m. are grade B and above high-end investment properties in core areas in Beijing, and manages more than 19,000,000 sq.m. of properties inside and outside Beijing. Its professional capabilities, brand awareness, occupancy rate and revenue have led the industry in Beijing even the country for years.

MANAGEMENT DISCUSSION AND ANALYSIS

(II) Description of major industries

1. *Cement Industry*

In the first half of 2025, the operation of cement industry was characterized by “continuous weakened demand, price with a downward trend after rising and improved efficiency on a year-on-year basis”. Affected by the profound real estate adjustments and the slowdown in the growth of national infrastructure investment, the lack of infrastructure capabilities and regional structural imbalance led to the cement industry facing continuous pressure. According to data from the National Bureau of Statistics of China, the production volume of cement in China reached 815 million tonnes in the first half of 2025, representing a year-on-year decrease of 4.3%, which narrowed by 5.7 percentage points as compared with the same period of last year.

In the first quarter of 2025, special bonds in the infrastructure field and other measures that produced effects early to support funding needs, promoting the recovery of the cement demand from infrastructure investment. The decline in demand narrowed compared to last year with an increase in average prices as compared with the same period and an improvement in the industry benefits. In the second quarter of 2025, due to less-than-expected demand during the traditional peak season, insufficient operation of downstream construction projects and mixing plants, continuous weak market demand and reduced enforcement of peak staggering by certain enterprises, prices continued to fall and the industry benefit was under pressure. From the perspective of profitability, the total profit of the cement industry in the first half of the year was significantly better than that of the same period of last year, mainly due to the decline in coal prices and periodic recovery of cement prices in the first quarter.

2. *Property Development Industry*

In the first half of 2025, the property industry continued to develop with a trend of reversing the downturn and restoring stability. Property sales remained basically stable, and both the sales area and amount of new houses maintained stable year-on-year; the decline in prices of newly-built commercial residential properties on a year-on-year basis continued to narrow; and the area of commodity housing for sales decreased for three consecutive months.

MANAGEMENT DISCUSSION AND ANALYSIS

According to the National Bureau of Statistics of China, from January to June 2025, the investment in real estate development in China was RMB4,665.8 billion, representing a year-on-year decrease of 11.2%, among which, the residential property investment was RMB3,577.0 billion, representing a decrease of 10.4%. The area of newly commenced construction of real estates was 303.64 million sq.m., representing a decrease of 20.0%. Among them, the area of newly commenced construction of residential properties was 222.88 million sq.m., representing a decrease of 19.6%. The area of completed real estate was 225.67 million sq.m., representing a decrease of 14.8%. Of this, the area of completed residential properties was 162.66 million sq.m., representing a decrease of 15.5%. From January to June, the sales area of newly-built commodity housing was 458.51 million sq.m., representing a year-on-year decrease of 3.5%. Specifically, the sales area of residential properties decreased by 3.7%. The sales amount of newly-built commodity housing amounted to RMB4,424.1 billion, representing a decrease of 5.5%. Of this, the sales amount of residential properties decreased by 5.2%. As at the end of June 2025, the area of commodity housing for sales was 769.48 million sq.m., representing a decrease of 4.79 million sq.m. as compared with the end of May 2025. In particular, the area of residential properties for sales decreased by 4.43 million sq.m.

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF FINANCIAL INFORMATION

Unit: RMB'000

	For the six months ended 30 June		Change
	2025 (Unaudited)	2024 (Unaudited)	
Operating revenue	45,565,715	45,562,407	0.01%
Operating revenue from principal business	45,220,418	45,209,615	0.02%
Gross profit from principal business	4,772,870	4,332,620	10.2%
Gross profit margin from principal business (%)	10.6	9.6	an increase of 1.0 percentage points
Total loss	(1,330,375)	(1,070,454)	24.3%
Net loss	(1,908,864)	(1,749,543)	9.1%
Net loss attributable to the shareholders of the parent company	(1,495,582)	(806,673)	85.4%
Basic losses per share attributable to the shareholders of the parent company (net of the interests of other equity instrument)	RMB(0.19)	RMB(0.12)	58.3%
	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)	Change
Cash and bank balances	18,898,560	18,292,078	3.3%
Current assets	141,284,926	133,195,465	6.1%
Current liabilities	101,040,126	96,778,952	4.4%
Net current assets	40,244,800	36,416,513	10.5%
Non-current assets	130,850,928	130,800,256	0.04%
Non-current liabilities	80,035,424	75,099,447	6.6%
Total assets	272,135,855	263,995,721	3.1%
Equity attributable to the shareholders of the parent company	72,522,293	73,717,500	-1.6%
Debt ratio (total liabilities to total assets) (%)	66.5	65.1	an increase of 1.4 percentage points

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF BUSINESS INFORMATION

	For the six months ended 30 June		
	2025	2024	Change
Modern green building materials segment			
Aggregate sales volume of cement and clinker (in million tonnes)	37.38	38.18	-2.1%
Sales volume of ready-mixed concrete (in million cubic metres)	7.27	5.38	35.1%
Property development and operation segment			
Booked gross-floor area ("GFA") (in thousand sq.m.)	263.6	388.4	-32.1%
Contracted sales GFA (in thousand sq.m.)	328.2	294.4	11.5%
GFA of investment properties (in thousand sq.m.)	2,653.6	2,621.7 [#]	1.2%

[#] GFA of investment properties as of 31 December 2024

DISCUSSION AND ANALYSIS ON OPERATIONS

During the Reporting Period, the Company thoroughly implemented the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), made every effort to stabilize growth, focus on innovation and prevent risks, and promoted the implementation of various tasks of "Breakthrough Year of High-quality Development". The economic operation of the Company showed a momentum of steady growth with improved quality as a whole.

During the Reporting Period, the Group recorded an operating revenue of approximately RMB45,565.7 million, of which operating revenue from its principal business amounted to approximately RMB45,220.4 million, representing a year-on-year increase of approximately 0.02%; total loss amounted to approximately RMB1,330.4 million, increased by approximately RMB259.9 million or 24.3% as compared with the same period of last year; net loss amounted to approximately RMB1,908.9 million, increased by approximately RMB159.4 million or 9.1% as compared with the same period of last year; and net loss attributable to the parent company amounted to approximately RMB1,495.6 million, increased by approximately RMB688.9 million or 85.4% as compared with the same period of last year.

MANAGEMENT DISCUSSION AND ANALYSIS

(I) Modern green building materials segment

During the Reporting Period, the revenue from principal business amounted to approximately RMB40,489.0 million, representing a year-on-year increase of approximately 14.8%; gross profit from principal business amounted to approximately RMB3,620.9 million, representing a year-on-year increase of approximately 26.1%.

In terms of the cement business, the Company strengthened lean operation and launched a special action of “further reducing and controlling costs and further improving efficacy and efficiency”. The Company accelerated the construction of an internal unified big market, improved the market control ability, optimized the market layout and the product structure, seized the value highland, jointly promoted accurate peak shifting, rigid peak shifting and linkage peak shifting, dynamically adjusted the marketing strategy, and promoted the rational return of prices. The sales volume of cement and clinkers amounted to 37.38 million tonnes (exclusive joint ventures and associates), representing a year-on-year decrease of 2.1%, of which the sales volume of cement amounted to 32.46 million tonnes, and the sales volume of clinker amounted to 4.92 million tonnes. The aggregated gross profit margin of cement and clinker was 20.7%, representing a year-on-year increase of 10.3 percentage points as compared with the gross profit margin of 10.4% for the same period of last year.

In terms of the concrete business, the Company implemented the main line of “seeking development, grabbing sales, emphasizing innovation, controlling risks, eliminating overdue and reducing costs”, accelerated the implementation of industrial layout, and newly acquired, leased and consigned the processing of 10 sites in Hebei, Shaanxi, Jilin, Tianjin and Chongqing, with an additional production capacity of more than 9.23 million cubic meters. The sales volume amounted to 7.27 million cubic meters, representing a year-on-year increase of 35.1%. The gross profit margin of concrete was 9.2%, representing a year-on-year decrease of 0.6 percentage point.

In terms of the modern materials business, the Company improved the integrated marketing mechanism, enriched the “products+olutions+services” system, applied and implemented such system in high value-added sub-sectors such as petrochemical industry and new infrastructure, actively explored overseas markets and expanded overseas export business. The Company recorded the revenue from its principal business of approximately RMB6,600 million, representing a year-on-year increase of approximately 6.1%, and the gross profit margin was approximately 15%, representing a year-on-year increase of approximately 1.3 percentage points.

MANAGEMENT DISCUSSION AND ANALYSIS

(II) Property development and operation segment

During the Reporting Period, the Company recorded revenue from its principal business of approximately RMB5,227.4 million, representing a year-on-year decrease of approximately 51.4%, and the gross profit from its principal business was approximately RMB1,177.9 million, representing a year-on-year decrease of approximately 25.9%.

In terms of the property development business, the Company adhered to the policy of “stabilizing profits, grasping cash and adjusting structure”, and projects such as Yu · Xisong (隅·西頌), Huaxi Yunjin (花溪雲錦) and Wangjing Yunshang (望京雲尚) were selling well at launch. The Company implemented the sales and de-stocking policy of “One City, One Policy” and “One Project, One Policy”, and the sales area of de-stocking reached 328,200 square meters, representing a year-on-year increase of approximately 11.5%. During the Reporting Period, the Group recorded the business revenue of approximately RMB3,660.0 million, representing a year-on-year decrease of approximately 58.5%. The booked GFA was approximately 264,000 sq.m., representing a year-on-year decrease of approximately 32.0%. The contracted sales amounted to approximately RMB6,820.0 million, representing a year-on-year increase of approximately 29.0%. The cash receipts amounted to approximately RMB6,493.0 million, representing a year-on-year increase of approximately 13.0%. As of 30 June 2025, the land reserve area of the Company on the equity basis was approximately 5,635,000 sq.m..

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Company acquired the land use right of one parcel of state-owned construction land. The details are as follows:

No.	Name of project (parcel of land)	Location	Use of land	Land area of the project (m ²)	Planned plot ratio area (m ²)	Land price (RMB million)	Method of acquisition	Date of Acquisition (yy-mm-dd)	Percentage of ownership
1	Plot HD00-1412-0017 of Shantytown renovation balanced fund plot (phase II) project in Baoshan Village, Haidian District, Beijing	Baoshan cluster, Sijiqing sector, Haidian District	Residence	28,592.77	60,044.82	3,364.0	Listing	2025.06.05	100%
Total (equity)				28,592.77	60,044.82	3,364.0			

In terms of the property operation business, the Company adhered to maintaining commercial sales and promoting leases, and accelerated reducing vacant space. The quality of hotel and resort operation continued to improve, and the operating efficiency of science and technology cultural park constantly raised. The Company successfully won the bid for property service project of phase I of the National Information Technology Application Innovation Industrial Park (國家信創園), with an increase of 635,000 sq.m. in the area under management, and Beijing Center of The University of Hong Kong has successfully settled in Yucheng Building. As at 30 June 2025, the Company held 2,654,000 sq.m. of investment properties such as high-end office buildings, commercial and industrial parks, with a consolidated average occupancy rate of 77% (excluding construction in progress and decoration and renovation projects). The grade B and above high-end investment properties held in core areas in Beijing totaled 725,000 sq.m., with a consolidated average occupancy rate of 85% and a consolidated average rental unit price of RMB8.5/sq.m./day.

MANAGEMENT DISCUSSION AND ANALYSIS

RENTAL OPERATIONS OF THE MAJOR INVESTMENT PROPERTIES OF THE GROUP AS AT 30 JUNE 2025

Property Name	Location		Use	Gross area	Fair value	Rental unit price	Average occupancy rate	Unit fair value	Expiration of the land use right
				(thousand sq.m.)	(RMB million)	(RMB/sq.m./day)	(Note 1)	(RMB/sq.m.)	(Year)
Phase 1 of Global Trade Center	North Third Ring Road, Beijing	No. 36, North Third Ring East Road, Dongcheng District, Beijing	Commercial	108.0	3,939.1	9.3	78%	36,473	2054
Phase 2 of Global Trade Center	North Third Ring Road, Beijing	No. 36, North Third Ring East Road, Dongcheng District, Beijing	Commercial	141.0	4,594.2	9.1	96%	32,583	2058
Phase 3 of Global Trade Center	North Third Ring Road, Beijing	No. 36, North Third Ring East Road, Dongcheng District, Beijing	Commercial	57.0	1,435.0	8.1	92%	25,175	2058
Tengda Plaza	West Second Ring Road, Beijing	No. 169, Xizhimenwai Street, Haidian District, Beijing	Commercial	68.0	2,099.0	8.3	82%	30,868	2045
Jin Yu Building Tower A	West Second Ring Road, Beijing	No. 129, Xuanwumen West Street, Xicheng District, Beijing	Commercial	41.0	1,629.0	10.4	83%	39,732	2058
Jin Yu Building Tower B	West Second Ring Road, Beijing	No. 129, Xuanwumen West Street, Xicheng District, Beijing	Commercial	41.0	1,585.6	10.3	77%	38,673	2052
Jianda Building	East Second Ring Road, Beijing	No. 14, Donglucheng Road, Chaoyang District, Beijing	Commercial	39.3	668.0	6.3	83%	16,993	Notes 2, 3
Huan Bohai Golden Shore Shopping Mall	Hexi District, Tianjin	No. 473, Jiefang South Road, Hexi District, Tianjin	Commercial	622.6	5,248.6	1.5	83%	8,430	2060
Yucheng Building	North Fourth Ring Road, Beijing	No. 27, North Fourth Ring Middle Road, Asian Sports Village Street, Chaoyang District, Beijing	Commercial	137.0	5,659.4	9.3	35%	41,310	2056
Phase 1 of Hi-tech Industrial Park	South Sixth Ring Road, Beijing	No. 3 Courtyard, Qingxiang North Road, Daxing District, Beijing	Commercial	122.0	1,117.3	2.2	96%	9,158	2058
Phase 2 of Hi-tech Industrial Park	North Sixth Ring Road, Beijing	No. 1 Courtyard, Qingxiang North Road, Daxing District, Beijing	Commercial	101.0	560.0	2.2	46%	5,545	2058
Subtotal				1,477.9	28,535.2				
Other properties (Beijing, urban area of Tianjin, etc.)				1,175.7	17,607.1				
Total				2,653.6	46,142.3	4.1	77%	17,389	

Note 1: The Group leased its investment properties under operating lease arrangements, with most of the leases which were negotiated for terms ranging from 1 to 19 years.

Note 2: The land use certificate of relevant investment properties did not specify the term for the use of the land.

Note 3: The terms for the use of the land for the commercial and catering portion and the underground parking lot of Jianda Building shall expire in 2033 and 2043 respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Analysis on Income Statement, Cash Flows and Items of Assets and Liabilities

1. Principal business operations

Unit: RMB million

	Revenue from principal business	Cost of sales from principal business	Gross profit margin from principal business (%)	Year-on- year increase or decrease in revenue from principal business (%)	Year-on- year increase or decrease in cost of sales from principal business (%)	Year-on- year increase or decrease in gross profit margin from principal business
Modern green building materials segment	40,489.0	36,868.1	8.9	14.8	13.8	Increase of approximately 0.8 percentage point
Property development and operation segment	5,227.4	4,049.5	22.5	-51.4	-55.8	Increase of approximately 7.7 percentage points
Eliminations	(496.0)	(470.0)				
Total	45,220.4	40,447.5	10.6	0.02	-1.1	Increase of approximately 1.0 percentage points

2. Gains from changes in fair value of investment properties

The Group uses the fair value model for subsequent measurement of its investment properties. Fair value changes are included in “Gains from changes in fair value” in the income statement. Reasons for the adoption of the fair value model as the accounting policy for subsequent measurement by the Group are as follows:

MANAGEMENT DISCUSSION AND ANALYSIS

(1) *The investment properties are located in places where the property markets are active*

The Group's current investment properties, most of which are commercial properties at developed commercial districts, are primarily located at core districts of Beijing, Tianjin, Shanghai, Hefei, Chengdu and other cities where the property markets are relatively active. The Group is able to obtain market price and other related information of properties of the same category or similar nature. It is practicable for the Group to adopt the fair value model for subsequent measurement of the investment properties.

(2) The Group is able to obtain market price and other related information of properties of the same category or similar nature from the property markets, by which the Group makes a reasonable estimation of the fair value of its investment properties.

The Group engaged a valuer with relevant qualifications to make valuation on the fair value of the investment properties of the Group using the income method and market approach. The result of such valuation is used as the fair value of the investment properties of the Group.

Key assumptions and major uncertain factors adopted by the Group for the estimation of the fair value of the investment properties of the Group mainly include: assuming the investment properties are traded in the open market and will continue to be used for their existing purposes; there will be no significant changes in the macro-economic policies of the PRC and the social and economic environment, tax policies, credit interest rates and foreign exchange rates in the places where the investment properties are located; and there is no other force majeure and unforeseeable factor that may have a material impact on the Group's operation.

During the Reporting Period, the gains arising from changes in fair value of investment properties of the Group recorded a year-on-year increase of approximately RMB26.1 million or 14.8% to approximately RMB203.1 million.

3. *Changes on items in the income statement and expenses during the Reporting Period*

- (1) Tax and surcharges were approximately RMB853.3 million, representing a year-on-year increase of approximately RMB282.5 million or 49.5%. Such increase was mainly due to the settlement of land appreciation tax for property projects of the Company during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

- (2) Selling expenses were approximately RMB1,136.3 million, representing a year-on-year increase of approximately RMB20.96 million or 1.9%.
- (3) Administrative expenses were approximately RMB3,423.6 million, representing a year-on-year increase of approximately RMB44.52 million or 1.3%.
- (4) Other gains were approximately RMB310.7 million, representing a year-on-year increase of approximately RMB100.6 million or 47.9%. Such increase was mainly due to the year-on-year increase in recognized refunds of VAT and government subsidies related to assets involved the listing of REITs of the Company which were included in other gains one-off during the Reporting Period.
- (5) Investment gains were approximately RMB248.1 million, representing a year-on-year increase of approximately RMB58.3 million or 30.7%. Such increase was mainly due to the recognition of investment gains from the listing of REITs of the Company during the Reporting Period.
- (6) Asset impairment losses were approximately RMB62.5 million, representing a year-on-year decrease of approximately RMB268.1 million or 81.1%. Such decrease was mainly due to the year-on-year decrease in inventory impairment of property projects of the Company during the Reporting Period.
- (7) Gains on disposal of assets were approximately RMB205.0 million, representing a year-on-year decrease of approximately RMB794.8 million or 79.5%. Such decrease was mainly due to the year-on-year decrease in gains on land acquisition and reserve recognized by the Company during the Reporting Period.
- (8) Non-operating income was approximately RMB159.5 million, representing a year-on-year increase of approximately RMB59.8 million or 60.0%. Such increase was mainly due to the year-on-year increase in gains from emission rights trading of the Company during the Reporting Period.
- (9) Non-operating expenses were approximately RMB53.0 million, representing a year-on-year increase of approximately RMB32.6 million or 159.5%. Such increase was mainly due to the year-on-year increase in expenditures on non-operating projects of the Company during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

4. *Cash flows*

During the Reporting Period, a net increase of approximately RMB1,263.6 million in cash and cash equivalents was recognised in the consolidated financial statements of the Group, of which net cash outflow from operating activities was approximately RMB1,537.8 million, representing a year-on-year decrease of approximately RMB2,632.3 million in outflow, which was mainly due to the increase in collection of revenue from cement, modern materials and other businesses of the Company during the Reporting Period; net cash outflow from investing activities was approximately RMB2,652.2 million, representing a year-on-year increase of approximately RMB770.3 million in outflow, which was mainly due to the year-on-year increase in amount paid by the Company for acquisition of the subsidiary during the Reporting Period; net cash inflow generated from financing activities was approximately RMB5,462.0 million, representing a year-on-year increase in cash inflows of approximately RMB1,294.7 million; and the effect of changes in exchange rate on cash and cash equivalents was approximately RMB8.4 million.

5. *Analysis on items of assets and liabilities*

- (1) Financial assets held for trading increased by approximately 48.0% from the beginning of the Reporting Period, mainly due to the increase in investments in bond fund, monetary fund and shares held for trading by the Company during the Reporting Period.
- (2) Non-current assets due within one year increased by approximately 133.6% from the beginning of the Reporting Period, mainly due to the increase in the Company's debt investment due within one year during the Reporting Period.
- (3) Debt investment decreased by approximately 48.4% from the beginning of the Reporting Period, mainly due to the increase in the Company's debt investments due within one year, which were classified into non-current assets due within one year, during the Reporting Period.
- (4) Bills receivable increased by approximately 58.7% from the beginning of the Reporting Period, mainly due to the increase in bills settlement adopted of the cement, modern materials and other businesses of the Company during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

- (5) Long-term payables increased by approximately 68.9% from the beginning of the Reporting Period, mainly due to the payment by installments for new mine reserves of the Company according to the contract during the Reporting Period.
- (6) Other non-current liabilities increased by approximately 100.0% from the beginning of the Reporting Period, mainly due to the impact of successful issuance of CMBS during the Reporting Period.

CORE COMPETITIVENESS ANALYSIS

The Company served the development of the capital in the new era, served the construction of “four centers” of Beijing, and improved the level of “four services” to make dedicated efforts in the development of core areas of the capital in the new era and demonstrate the value of state-owned enterprises in the capital. The Company adhered to the two core major businesses of “manufacturing, trading and serving of modern green and environmentally-friendly building materials, and real estate”, continued to strengthen and expand “large building materials” and “large real estate”, and fostered and developed the high-end equipment manufacturing industry and new commerce and trade service industry. Combining connotative development with outward expansion, the Company managed effective integration of internal and external resources centering on industrial chain coordination, and the C-side strategy has achieved phased results. The Company is built to be an eco-oriented enterprise, with strengthened stability of industrial chain and supply chain to promote comprehensive and synergistic industrial development.

MANAGEMENT DISCUSSION AND ANALYSIS

The core competitiveness of the Company is detailed as follows:

(I) Competitive edge in coordinated development of industrial chain

The Company has the advantage of a fully vertically integrated industrial chain. Each industry continues to form its own industrial chain with core competitiveness and industrial resilience to adapt to the new stage and new consumer needs. The Company accelerated horizontal integration of similar businesses and vertical integration of upstream and downstream of the industrial chain, solidly and detailedly implemented the “chain leader system” working mechanism, promoted outward expansion with the integration of external market resources, built a BBMG industrial ecology based on the core industrial chain, vigorously cultivated industrial development clusters, and accelerated the construction of a modern industrial system with BBMG’s characteristics. BBMG was empowered with digital intelligence, and accelerated the transformation of manufacturing industry to service-oriented manufacturing. The Company formed the plan of the whole industrial chain of design, manufacturing, trade, construction, operation and maintenance, and service, manifesting BBMG’s unique value advantage of the whole industrial chain and advantage of all-round core competitiveness. In combination with the market situation, the Company intensified the development of civil industry, seized the entrance of traffic, and promoted the industrial transformation and upgrading. The one-stop whole house decoration service represented by Tiantan decoration won the trust and praise of consumers, realizing the deep integration of advanced manufacturing industry and modern service industry.

(II) Competitive edge in science and technology innovation engine

The Company formulated, issued and implemented the Opinions on Further Accelerating the Development of the Group’s New Materials Industry, focused on the goal of “upgrading one generation, researching and developing one generation and reserving one generation”, and promoted the development of the new materials industry in a layered and step-by-step manner. The Company systematically advanced the “Three-year Action Plan for Technological Innovation (2024-2026)”, and enhanced the integration and innovation of technology and industry. The Company successfully convened the first meeting of the National Key Laboratory Council, and established the first batch of “self-reliance” research topics of the National Key Laboratory. The Company passed the mid-term evaluation of the original technology source areas of the SASAC with high quality. The Company accelerated the revitalization of “dormant” scientific and technological achievements, sorted out and formed 75 “revitalization lists” in four categories and strengthened supervision. The Company applied for 257 patents, including 90 invention patents; the affiliated enterprise won 5 provincial and ministerial science and technology awards; the Company obtained 14 software copyrights, and added four provincial-level “technologically advanced” enterprises, two national-level high-tech enterprises, and 1 provincial-level enterprise leading an individual field of the manufacturing industry.

MANAGEMENT DISCUSSION AND ANALYSIS

(III) Competitive edge in green and sustainable development

The Company adhered to strategic guidance, formulated and issued the Group's Implementation Plan for Green and Low-carbon Transformation in 2025, and promoted the full implementation of various measures. The Company strengthened the management of carbon emission rights, and realized the full coverage of the "carbon neutrality and carbon emission peaking" information management platform in cement enterprises. For investment properties, the Group adopted a new carbon quota custody model of "carbon asset custody + repurchase" for the first time to ensure the stable appreciation of carbon quotas. The Company improved the level of energy management, the fuel substitution rate of Jidong Cement reached 11.71%, and the clinker production capacity with unit energy consumption reaching the benchmark level accounted for 57.56%. 9 new photovoltaic power generation projects were put into operation with an additional installed capacity of 60.66MW, and 27 grid-connected photovoltaic projects completed the "registration and filing". The Mine Ecological Restoration Project of BBMG Xingfa Science and Technology Park was selected as a typical case of the first ecological restoration of national land and space in Beijing in the new era.

(IV) Competitive edge in industry-finance integration

The industry-finance integration supports and promotes the development of various main businesses of the Company. The Company enhanced its comprehensive strategic cooperation with key financial institutions, continuously innovated financing methods, controlled and reduced the scale of the Company's financing, expanded financing channels, reduced financing costs, ensured the Company's credit adequacy and effectively controlled and reduced the cost of capital usage. The accumulative weighted financing cost of the Company was 2.84%. The Company successfully issued the bonds of RMB11.657 billion, of which the successful launch of the Ping'an-BBMG Shanyuejiayuan Public Rental Housing CMBS Project set a record for the largest scale of CMBS of public rental housing of state-owned enterprise in Beijing. BBMG Finance Co., Ltd. (北京金隅財務有限公司) and BBMG Finance Lease Co., Ltd. (金隅融資租賃有限公司), subsidiaries of the Company, played a professional role in improving the overall capital operation efficiency of the Company, broadening financing channels and preventing capital risks, thus realizing the organic integration of industrial capital and financial capital. The Company played the role of a platform for listed companies, improved the overall financing efficiency and continuously consolidated the financial foundation for the healthy and sustainable development of the Company. The Company actively implemented the policy of tax reduction and fee reduction, and strove for various fiscal and tax concessions of more than RMB300 million. The Company's issuer credit rating remained AAA, the financing channels were smooth in supporting the development of the main business, and the capital structure was optimized.

MANAGEMENT DISCUSSION AND ANALYSIS

(V) Competitive edge in corporate culture and branding

The core value of BBMG's corporate culture is based on the pragmatic working culture of "work with aspiration, competence, efficiency, success and prudence", the human spirits of "eight specials", the development philosophy of "integration, communion, mutual benefit and prosperity", and the corporate spirits of "three emphasis and one endeavor". We united our minds and efforts and forged ahead to carry forward culture and brand value. The Company followed the instructions of Xi Jinping, general secretary of the Chinese Central Committee of the Communist Party of China, on the building of world-class enterprises with outstanding products and brands, leading innovation and modern governance, facilitated full implementation of the Group's C-side brand strategies and promoted brand upgrading, demonstrating "BBMG" Brand power. "BBMG" Brand has been consecutively honored as a well-known trademark in Beijing. The Company ranked 64th in the list of 2025 (22nd) "China's 500 Most Valuable Brands" with a value of RMB136.951 billion. Liu Gengsheng of Beijing Longshuncheng Chinese Style Furniture Co., Ltd. (北京市龍順成中式傢俱有限公司) and Feng Yuehui of Liaoyang Jidong Cement Co., Ltd. (遼陽冀東水泥有限公司) were awarded the honor of national model workers, 13 employees of BBMG, including Wang Mingchang, were awarded the titles of model workers and Labor Day Medal at or above the provincial (ministerial) level respectively, and four collectives, including Dahongmen (Beijing) Construction Development Co., Ltd. (大紅門(北京)建設發展有限公司), were awarded the titles of worker pioneer and advanced collective at or above the provincial (ministerial) level. New breakthroughs were made in the quantity and quality of model workers' selection. Good brand awareness and reputation have shaped a good cultural atmosphere and provided intellectual support for creating a new situation of BBMG's high-quality development.

POSSIBLE RISKS FACED BY THE COMPANY

1. External environment risk

China's development environment is undergoing profound and complex changes, with strategic opportunities and risk challenges coexisting and an increase in uncertainties and unpredictable factors. From the perspective of the international situation, the strategic game between China and the United States continues to deepen, the anti-globalization trends intensify, the reconstruction of global supply chain accelerates, and geopolitical conflicts occur frequently, leading to an increase in cross-border trade compliance costs for companies, intensified fluctuations in export orders, and higher political risk reviews for overseas investments. From the perspective of domestic development, the new urbanization construction has entered the stage of stock renewal, and the business model of enterprises is facing the challenge of deep transformation. At the same time, the negative growth trend of domestic population appears, and the problems of aging and declining birthrate accelerate, leading to the continuous decline in the overall demand of building materials, real estate and other industries. In the field of consumption, consumers' consumption habits are evolving towards rationality, individualization and one-stop. Consumption upgrading drives structural changes, and the demand for green, intelligent and aging-friendly products rises, driving the growth of high-tech building materials, aging-friendly parts and other sub-categories against the trend.

MANAGEMENT DISCUSSION AND ANALYSIS

Responses: China's economy has great development resilience and potential, and China will remain on a positive trajectory over the long run. With regard to the prevailing market conditions, the Company will adhere to the organic combination of scientific and technological innovation, business model innovation as well as system and institutional innovation, accelerate the transformation and upgrading of traditional industries and the layout of new industries, foster new quality productive forces, build a modern industrial system with BBMG's characteristics and achieve high-quality development. With a focus on China's four city clusters, major strategic supporting areas and overseas countries and regions involved in the Belt and Road Initiative, the Company will develop civilian industries, urban renewal and other related fields.

2. Policy risk

In February 2025, the Guiding Opinions on Further Strengthening Environmental Governance of Hazardous Wastes and Strictly Preventing and Controlling Environmental Risks issued by the Ministry of Ecology and Environment proposes that the whole process information supervision of the key monitored units for hazardous wastes will be fully covered by 2026, the relevant units will be basically fully covered and the proportion of landfill disposal will decrease steadily by 2027, the proportion will be controlled within 10% by 2030, and risks will be effectively prevented and controlled. In March, the Work Plan of National Carbon Emissions Trading Market Covering Steel, Cement and Aluminum Smelting Industries issued by the Ministry of Ecology and Environment clarifies that the cement industry will be included in the carbon emissions trading market by two stages, namely the initiation and implementation from 2024 to 2026 and deepening and improvement since 2027, the quota allocation method is stipulated, the scope of management and control is direct carbon dioxide emissions, and the key emission units are those that directly emit 26,000 tons of carbon dioxide equivalent per year. In June, the Opinions on Further Strengthening the Management of Urban Construction Waste issued by the Ministry of Housing and Urban-Rural Development requires that the construction waste management system should be improved in 2027 to curb illegal dumping, and the average resource utilization rate of construction waste in cities at prefecture level and above will exceed 50%. In addition, the principle of source management and classified treatment was put forward.

MANAGEMENT DISCUSSION AND ANALYSIS

Responses: The Company will vigorously promote a steady decline in the proportion of landfill disposal of hazardous wastes, which will bring business increment for the collaborative disposal of cement kilns. Enterprises related to the collaborative disposal of cement kilns shall seize policy opportunities, give full play to their own advantages, and strive to increase the volume and revenue. With the implementation of the policy of the Work Plan of National Carbon Emissions Trading Market Covering Steel, Cement and Aluminum Smelting Industries, opportunities and challenges coexist for cement enterprises that are included in the carbon market. In the future, enterprises with significant energy saving and emission reduction effects will stand to great benefits, while enterprises with higher energy consumption and carbon emissions will face higher cost pressure. Cement enterprises shall improve the level of scientific and technological innovation through technological transformation, and reduce carbon emissions on the one hand and reduce comprehensive energy consumption and thus reduce production costs on the other hand, so as to constantly promote enterprises to develop in a green, sustainable and high-quality direction. With the increasing utilization rate of construction waste used for recycled aggregate, recycled building materials, road materials and other resources, it will have an impact on the Company's existing share in the aggregate market. Aggregate production enterprises shall scientifically formulate production plans by fully investigating market demand, pay attention to product quality and services, firmly establish brand awareness, and continuously expand their market shares.

3. Risk of capital operation

During the Reporting Period, on the basis of maintaining a steady orientation, the monetary policy further demonstrated the policy orientation of flexible dynamics and targeted support. Relying on the toolbox of diversified policies, the People's Bank of China continued to carry out countercyclical adjustment with the focus of the policy further anchoring the downward guidance of financing costs and the optimization of credit structure, focused on strengthening financial support for the construction of "Three Major Projects" of scientific and technological innovation, green development, inclusive small and micro enterprise and government-subsidized housing, and consolidated the foundation of economic recovery by cultivating new quality productive forces through directional regulation. However, macro economy still faced multiple challenges. Although the growth rate of macro leverage ratio slowed down marginally, its absolute level was still at a high level.

MANAGEMENT DISCUSSION AND ANALYSIS

Responses: The Company will broaden financing channels, promote low-cost financing, actively explore green, carbon neutrality and carbon emission peaking, scientific and technological innovation projects and qualifications that are in line with national preferential policies, actively connect with financial institutions, and strive for preferential support such as green credit and scientific and technological loans. The Company will strengthen the whole process control, promote the special action of reduction of “accounts receivable and inventory”, and accelerate inventory turnover and collection of accounts receivable. The Company will focus on the goal of reducing leverage, implement two-dimensional control of “debt scale and asset-liability ratio”, improve the early warning mechanism of debt risk, and ensure that the asset-liability ratio is maintained within a reasonable range. Relying on the Group’s high-quality stock assets, the Company will promote the issuance of asset securitization products, optimize the debt structure of the Company and improve the efficiency of asset operation, providing a solid guarantee for the operation of overall funds. The Company will give full play to the fund co-ordination ability of the finance company and the asset revitalization advantage of the financial leasing company and accurately adjust the debt maturity and cost structure, providing efficient support for the Company’s operation of funds.

4. Market competition risk

In the first half of 2025, under the influence of the new policy of the Implementation Measures for Capacity Replacement in the Cement and Glass Industries (2024 Edition), cement enterprises will accelerate the capacity replacement, accelerate the completion of capacity indicators and continuously improve their comprehensive strength in 2025. In the first half of 2025, the demand for cement increased to some extent due to the investment in the infrastructure, but the overall demand for cement was still less than the demand for cement in the same period due to the continued downturn in real estate. In the first quarter of 2025, the national cement price continued to be at a higher price at the end of 2024, and began to decline in April. In the second quarter, the national cement price showed a fluctuating downward trend. In the first half of 2025, the growth rate of investment in the real estate industry continued to decline, and the pressure to sell the inventories in the industry remained relatively substantial. The overall market has changed from the “peak era” to the “quality era”, requiring that products and services shall have higher quality. Since May, the Project Code for Residential Building, the national standard of Chinese “good houses”, has officially come into effect, marking that residential products have entered a new stage of high-quality development.

MANAGEMENT DISCUSSION AND ANALYSIS

Responses: For the cement business, the Company will research the advantage and weakness of production capacity of different regions in a coordinated manner, make scientific planning, accelerate the implementation of capacity replacement, and give full play to competitive advantages of production capacity. The Company will lay a solid foundation for market competition through whole-process lean operation and refined cost management and control, and develop differentiated competitive strengths by means of product innovation, service optimization and brand building. The Company will adapt to situation changes by improving the market, strengthening the brand, innovating models and building a capable team. Besides, the Company will strive to achieve cost reduction and efficiency improvement with digital intelligent transformation and the application of green technologies. For the real estate business, the Company shall make full use of favorable policies, accelerate inventory de-stocking, continuously strengthen market research and judgement, flexibly adjust sales strategies and strengthen the contract signing and payment collection work. The Company shall actively participate in the construction of government-subsidized housing, urban renewal and renovation of villages in cities, accelerate the revitalization of self-owned land, develop and build more “good houses”, accelerate the improvement of commercial operation ability and form a stable profit-increasing pipeline. The Company shall vigorously improve the quality of comprehensive services and build a new model of real estate development.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the Group's total assets amounted to approximately RMB272,135.9 million, representing an increase of approximately 3.1% from the beginning of the Reporting Period, which comprised total liabilities of approximately RMB181,075.5 million, minority interests of approximately RMB18,538.0 million and total equity attributable to the shareholders of the parent company of approximately RMB72,522.3 million. As at 30 June 2025, total shareholders' equity amounted to approximately RMB91,060.3 million, representing a decrease of approximately 1.1% from the beginning of the Reporting Period. As at 30 June 2025, the Group's net current assets were approximately RMB40,244.8 million, representing an increase of approximately RMB3,828.3 million from the beginning of the Reporting Period. Debt ratio (total liabilities to total assets) was 66.5%, representing an increase of approximately 1.4 percentage points from the beginning of the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2025, the Group's cash and bank balances amounted to approximately RMB18,898.6 million, representing an increase of approximately RMB606.5 million from the beginning of the Reporting Period. During the Reporting Period, the Group generally financed its operations with internally generated resources, short-term financing bonds, perpetual bonds, corporate bonds, medium-term notes, private bonds and banking facilities provided by its principal bankers in the PRC. As at 30 June 2025, the Group's interest-bearing bank borrowings amounted to approximately RMB98,098.7 million (as at 31 December 2024: RMB89,065.4 million) which bore fixed interest rates and were all denominated in Renminbi. Among these borrowings, approximately RMB47,628.7 million interest-bearing bank borrowings were due for repayment within one year, representing an increase of approximately RMB9,462.3 million from the beginning of the Reporting Period. Approximately RMB50,470.0 million interest-bearing bank borrowings were due for repayment after one year, representing a decrease of approximately RMB429.1 million from the beginning of the Reporting Period. The Group's interest-bearing bank borrowings were all denominated in RMB.

During the Reporting Period, the Company has paid the principals and interests of borrowings in a timely manner. The Company has sufficient capital for its operations.

According to relevant Board resolutions and resolutions of the general meeting, if it is predicted that the interest and principal of the bonds cannot be repaid on time when due or if the interest and principal of the bonds cannot be repaid at the end of the period, the Company shall at least adopt the following measures:

1. No profits shall be distributed to the shareholders;
2. Significant external investment, mergers and acquisitions, and other capital expenditure projects shall be postponed;
3. Salary and bonus of Directors and senior management shall be reduced or suspended;
4. The main responsible person in relation to the Company's bonds shall not be transferred.

As at the date of this report, the Company has strictly complied with and fulfilled the above undertakings.

MANAGEMENT DISCUSSION AND ANALYSIS

NOTIFIABLE TRANSACTIONS DURING THE REPORTING PERIOD

The Group did not conduct notifiable transactions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) during the Reporting Period.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

On 29 December 2023, the amendments to the Company Law of the People’s Republic of China (《中華人民共和國公司法》) (the “**PRC Company Law**”) was adopted, which came into effect on 1 July 2024. The amendments introduced by the new PRC Company Law to the then PRC Company Law include but not limited to reforming the corporate capital system and organisational structure, enhancement in protection for minority shareholders’ rights and interests, strengthening responsibilities for controlling shareholders, directors and senior management as well as permitting the replacement of supervisory committee with the audit and risk committee (formerly known as the “**Audit Committee**”). In order to ensure the listed companies can effectively comply with and implement the new requirements of the PRC Company Law, the CSRC issued a number of important documents on 28 March 2025, including the revised Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》) and the Rules for Shareholders’ Meetings of Listed Companies (《上市公司股東會規則》).

The current Listing Rules contain provisions in respect of the expansion and further expansion of the paperless listing regime, which require listed issuers to disseminate corporate communications by electronic means and to ensure that their articles of association enable them to hold shareholders’ general meetings, at which members can attend virtually with the use of technology and can cast votes by electronic means.

In light of the above, the Board proposed to make certain amendments to its existing Articles of Association of the Company (the “**Amendments to the Articles of Association**”), mainly including but not limited to (1) the abolishment and replacement of the Supervisory Board by the Audit and Risk Committee; (2) adjustments to the functions and powers of shareholders’ general meeting and the Board; (3) strengthening the information disclosure management; (4) enhancing protection for shareholders’ rights; (5) consequential amendments to the provisions of the Articles of Association in accordance with changes in applicable laws and regulations; and (6) other internal affairs and miscellaneous changes.

MANAGEMENT DISCUSSION AND ANALYSIS

In view of the Amendments to the Articles of Association, the Board has considered and approved the amendments to the relevant provisions of the Rules of Procedures, which are annexed to the Articles of Association (the “**Amendments to the Rules of Procedures**”).

Notwithstanding the Amendments to the Articles of Association and the Amendments to the Rules of Procedures, the contents of other chapters, articles and annexures of the Articles of Association and the Rules of Procedures shall remain unchanged. The Amendments to the Articles of Association and the Amendments to the Rules of Procedures have been approved and took effect at the 2025 first extraordinary general meeting. After the Amendments to the Articles of Association take effect, the establishment of the Supervisory Board has been abolished and the positions of supervisors of the Company has also been removed.

The special resolution in relation to the Amendments to the Articles of Association and the Amendments to the Rules of Procedures has been submitted to the 2025 first extraordinary general meeting held on Monday, 30 June 2025 for consideration and has been approved by shareholders of the Company by way of voting.

For specific contents and details of the Amendments to the Articles of Association and the Amendments to the Rules of Procedures, please refer to the announcements of the Company dated 10 June 2025 and 30 June 2025 and the circular of the Company dated 13 June 2025.

CHANGE OF AUDITOR FOR THE YEAR 2025

According to the annual general meeting for the year of 2023 of the Company on 6 June 2024, Ernst & Young Hua Ming LLP (“**Ernst & Young**”) was appointed as the independent auditor of the Company for the year ended 31 December 2024 for a term ending on the date of the annual general meeting for the year of 2024 of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to the relevant requirements of the Administrative Measures for the Appointment of Accounting Firms by State-owned Enterprises and Listed Companies (Cai Hui [2023] No.4) (《國有企業、上市公司選聘會計師事務所管理辦法》(財會[2023]4號)) issued by the Ministry of Finance, the State-owned Assets Supervision and Administration Commission of the State Council and the China Securities Regulatory Commission of the People's Republic of China, as Ernst & Young has been providing audit services to the Company for consecutive years, and for the purpose of ensuring the independence and objectivity of the audit work of the Company, as well as considering collectively factors such as the business development and the audit work requirements of the Company, the Company has conducted tender and bidding procedures, and Deloitte Touche Tohmatsu Certified Public Accountants LLP (“**Deloitte**”) has become the successful bidder. Deloitte is, therefore, proposed to be engaged as the auditor of the Company for financial reporting and internal audit for the year 2025 (the “**Change of Auditor**”). According to the resolutions made by the Board on 13 January 2025, based on the recommendations of the Audit and Risk Committee (formerly known as the “**Audit Committee**”) of the Company, Deloitte is proposed to be appointed as the auditor of the Company for financial reporting and internal audit for the year 2025. The proposed appointment was subject to submission to the general meeting of the Company for the consideration and approval by the shareholders of the Company. The Board and the Audit and Risk Committee have reviewed the qualifications, competence and experience of Deloitte, and are of the view that it has met the regulatory requirements in terms of its qualifications, professional competence, independence and integrity.

The resolution in relation to the Change of Auditor has been passed at the annual general meeting for the year of 2024 held on 23 May 2025. Deloitte Touche Tohmatsu Certified Public Accountants LLP has been appointed as the auditor of the Company for the financial report and internal control of the Company for the year ending 31 December 2025 for a term ending on the date of the annual general meeting of the Company for the year of 2025. Ernst & Young Hua Ming LLP ceased to serve as the independent auditor of the Company with effect from 23 May 2025 upon the conclusion of the annual general meeting for the year 2024.

For details of the above Change of Auditor, please refer to the announcements of the Company dated 14 January 2025 and 23 May 2025 and the circular of the Company in relation to the matters to be resolved at the annual general meeting dated 28 March 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

COMMITMENTS

Unit: RMB

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Asset acquisition or construction contracts entered into but not completed	228,810,460.29	617,694,269.02
Property development contracts entered into and being executed or will be executed	4,205,215,063.72	3,304,521,419.90
	4,434,025,524.01	3,922,215,688.92

CONTINGENCIES

Unit: RMB

		As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Provision of guarantee on mortgage to third parties	Note 1	3,185,750,841.82	5,389,952,018.45
Provision of guarantee on loans and others to third parties	Note 2	660,000,000.00	700,000,000.00
Provision of guarantee on loans and others to related parties	Note 3	280,000,000.00	738,918,425.70
		4,125,750,841.82	6,828,870,444.15

Note 1: Certain customers of the Group have purchased the commodity housing developed by the Group by way of bank mortgage (secured loans). According to the bank requirement in respect of the secured loans of the individual purchase of housing, the Group has provided guarantees to secure the periodical and joint obligation of such secured loans granted by banks for home buyers. These guarantees will be released upon obtaining building ownership certificates and completion of formalities of mortgage by the home buyers. The management is of the opinion that in the event of default in payments, the net realizable value of the relevant properties is sufficient to cover the outstanding mortgage principals together with the accrued interests and penalties, and therefore no provision for the guarantees has been made in the financial statements.

Note 2: As at 30 June 2025, Jidong Development Group Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on the borrowings of RMB660,000,000.00 for Tangshan Culture & Tourism Investment Group Co., Ltd. (唐山市文化旅遊投資集團有限公司). The guarantee will expire in May 2029.

MANAGEMENT DISCUSSION AND ANALYSIS

Note 3: The Company provided a secured guarantee for the bank loan projects of Nanjing Huayu Real Estate Development Co., Ltd. (南京鉅隅房地產開發有限公司), an associate of the Group, amounting to RMB210,000,000.00. The guarantee will expire on 23 September 2029. Tangshan Jidong Cement Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on five borrowings of RMB15,000,000.00, RMB10,000,000.00, RMB15,000,000.00, RMB20,000,000.00 and RMB10,000,000.00, respectively, for Anshan Jidong Cement Co., Ltd., which will expire on 14 October 2025, 14 November 2025, 16 December 2025, 14 May 2026 and 15 June 2026, respectively.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group does not have plans for material investments and capital assets.

PLEDGE OF ASSETS

As at 30 June 2025, the Group's cash and bank balances, certain inventories, bill receivables, receivables financing, fixed assets, investment properties, equity interest, land use rights and restricted cash arising from pre-sales of properties totaling approximately RMB34,486.2 million (as at 31 December 2024: RMB30,996.9 million) were pledged to secure the short-term and long-term loans of the Group, which accounted for approximately 12.7% of the total assets of the Group (as at 31 December 2024: 11.7%).

EMPLOYEES

As at 30 June 2025, the Group had 43,481 employees in total (as at 31 December 2024: 43,825). During the Reporting Period, the aggregate remuneration of the Group's employees (including Directors' remuneration) amounted to approximately RMB3,856.9 million (for the six months ended 30 June 2024: RMB3,775.9 million), representing an increase of approximately 2.1%. The Group provides its employees in the PRC with retirement insurance, medical insurance, unemployment insurance, maternity insurance and industrial injury insurance as well as a housing provident fund pursuant to PRC laws and regulations. The Group pays salaries to its employees based on a combination of factors such as their positions, lengths of service and work performance, and reviews these salaries and benefits on a regular basis.

RISK MANAGEMENT

The Group has established and maintained sufficient risk management procedures to identify and control various types of risk within the organisation and the external environment with active management participation and effective internal control procedures, which is in the best interest of the Group and its shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

FOREIGN EXCHANGE RISK MANAGEMENT

The Group mainly operates its business in the PRC. During the Reporting Period, sales proceeds and procurement expenses of the Group were mainly denominated in RMB. Most of the Group's financial instruments such as accounts and bills receivable, cash and bank balances are denominated in the same currency or a currency that is pegged to the functional currency of the operations to which the transactions are related. Accordingly, it is believed that the Group has minimal foreign exchange risks. The Group has not used any forward contract or currency borrowing to hedge its interest rate risks. Fluctuations of the exchange rates of foreign currencies did not constitute any material challenges to the Group or have any significant effects on its operations or working capital during the Reporting Period. However, the management will continue to monitor foreign exchange risks and adopt prudent measures as appropriate.

TREASURY POLICIES

The Group adopts conservative treasury policies and controls tightly its cash and risk management. The Group's cash and bank balances are held mainly in RMB. Surplus cash is generally placed in short term deposits denominated in RMB.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

During the Reporting Period, the Group had not conducted any substantial acquisition or disposal of subsidiaries, associates or joint ventures that were required to be disclosed.

SIGNIFICANT INVESTMENTS

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5 per cent or more of the Company's total assets as at 30 June 2025) during the Reporting Period.

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

As at the date of this report, the Group did not have any significant event after balance sheet date required to be disclosed.

GEARING RATIO

Gearing ratio equals total liabilities divided by the total assets of the Group as at the same date. The gearing ratio as at 30 June 2025 is approximately 66.5%.

OTHER INFORMATION

LOAN ARRANGEMENTS GRANTED TO ENTITIES

During the Reporting Period, the Group did not grant any loan to any entity which is subject to disclosure requirements under Rule 13.13 of the Listing Rules.

PLEDGE OF SHARES BY CONTROLLING SHAREHOLDERS

During the Reporting Period, there was no pledge of Shares by the controlling shareholders of the Company.

BREACH OF LOAN AGREEMENTS

During the Reporting Period, there was no breach of the loan agreements by the Company in which the loan involved would have a significant impact on the business operations of the Company.

FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

During the Reporting Period, there was no financial assistance or guarantee to affiliated companies by the Company which is subject to disclosure under Rule 13.22 of the Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES

As at 30 June 2025, the total issued share capital of the Company was 10,677,771,134 shares, of which 8,339,006,264 were A Shares and 2,338,764,870 were H Shares. To the best knowledge of the directors of the Company (the "**Directors**"), the records of interest (being 5% or more of the Company's issued share capital) as registered in the register of interests kept by the Company under section 336 of the Securities and Futures Ordinance (the "**SFO**") were as follows:

OTHER INFORMATION

Long positions:

Type of shareholding	Name of shareholder	Capacity and nature of interest	Number of shares held	Percentage of such shareholding in the same type of issued share capital (%)	Percentage of total issued share capital (%)
A Shares	Beijing State-owned Capital Operation and Management Company Limited (北京國有資本運營管理有限公司) (Notes 1, 3)	Direct beneficial owner	4,835,228,438	57.983	45.283
	Beijing Jingguofa Equity Investment Fund (Limited Partnership) 北京京國發股權投資基金 (有限合夥) (Note 2)	Interest of corporation controlled by substantial shareholder	43,115,900	0.517	0.404
	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality (Note 1)	Held by controlled corporation	4,878,344,338	58.500	45.687

Note 1: Beijing State-owned Capital Operation and Management Company Limited is a collectively-owned enterprise established under the laws of the PRC with registered capital fully paid up by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality.

Note 2: Beijing State-owned Capital Operation and Management Company Limited is interested in 43,115,900 A Shares of the Company through its 77.59% direct equity interest in Beijing Jingguorui State-owned Assets Reform and Development Fund (Limited Partnership)* (北京京國瑞國企改革發展基金(有限合夥)) and 93.32% indirect equity interest in Beijing Jingguofa Equity Investment Fund (Limited Partnership) (北京京國發股權投資基金(有限合夥)), which is directly held by Jingguorui State-owned Assets Reform and Development Fund (Limited Partnership) (北京京國瑞國企改革發展基金(有限合夥)).

Note 3: Beijing State-owned Capital Operation and Management Company Limited intended to increase its shareholding of A Shares of the Company through centralized bidding trading within 12 months from 22 August 2024. For details of the shareholding increase plan of Beijing State-owned Capital Operation and Management Company Limited, please refer to the Company's overseas regulatory announcement regarding the "Announcement on the Controlling Shareholders' Plan to Increase its Shareholding in the Company" dated 21 August 2024.

OTHER INFORMATION

On 23 August 2024, Beijing State-owned Capital Operation and Management Company Limited initially increased its shareholding by 6,682,600 A Shares of the Company that are not subject to lock-up restriction by means of centralized bidding through the Shanghai Stock Exchange, with an amount of RMB8,525,554 (excluding transaction fees). For details of the shareholding increase of Beijing State-owned Capital Operation and Management Company Limited, please refer to the Company's overseas regulatory announcement regarding the "Announcement on the Progress of the Controlling Shareholder's Plan to Increase its Shareholding and the Initial Increase in Shareholding in the Company" dated 23 August 2024.

As at 30 June 2025 and the date of this report, Beijing State-owned Capital Operation and Management Company Limited has completed the shareholding increase plan, and increased its shareholding by 37,870,866 A Shares of the Company in aggregate with an amount of RMB50,000,145.12 (excluding transaction fees). For details of the shareholding increase of Beijing State-owned Capital Operation and Management Company Limited, please refer to the Company's overseas regulatory announcement regarding the "Announcement on Results of the Increase of Shareholding by the Controlling Shareholder" dated 21 August 2025.

Save as disclosed above, as at 30 June 2025, so far as was known to the Directors, there were no other parties who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, none of the Directors or chief executive officer of the Company had an interest or short position in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered in the register of interests maintained by the Company, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the model code for securities transactions by the Directors and relevant employees on terms no less exacting than the required standards set out in the Model Code. Relevant employees who are likely to be in possession of inside information in relation to the purchase and sale of the securities of the Company are also required to comply with the Model Code.

OTHER INFORMATION

As at 30 June 2025, the Directors were not aware of any issues of the Directors, then supervisors and relevant employees not in compliance with the Model Code during the six months ended 30 June 2025. Specific enquiry has been made to all Directors and then supervisors, who have confirmed that they had complied with the Model Code during the Reporting Period.

TRANSACTIONS IN RESPECT OF THE GROUP'S OWN SECURITIES

During the Reporting Period, the Group had neither issued nor granted any convertible securities, options, warrants or other similar rights. As at 30 June 2025, the Group had no redeemable securities.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Group did not sell, repurchase or redeem any of the securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company during the six months ended 30 June 2025. During the six months ended 30 June 2025, the Company did not have any treasury shares.

CORPORATE GOVERNANCE CODE

Good corporate governance is conducive to enhancing overall performance and accountability and is essential in modern corporate governance. The Board continuously observes the principles of good corporate governance in the interests of Shareholders and devotes considerable effort identifying and formalizing the best practice. During the Reporting Period, the Company had reviewed its corporate governance documents, the Board is of the view that the Company had fully complied with the code provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules.

ABOLISHMENT OF THE SUPERVISORY BOARD

With effect from the conclusion of the 2025 first extraordinary general meeting (i.e. 23 May 2025), the establishment of the Supervisory Board was abolished and its original duties would be performed by the Audit and Risk Committee, and the positions of each of the supervisors of the Company, namely, Wang Guijiang, Fan Qinghai, Gao Junhua, Gao Jinliang, Qiu Peng and Yu Yuehua, were removed accordingly.

OTHER INFORMATION

BOARD COMPOSITION

The Board received a resignation letter from the independent non-executive Director, Mr. Yu Fei, on 4 March 2025. Mr. Yu Fei resigned as an independent non-executive Director of the Company, and a member of each of the Audit and Risk Committee (formerly known as the “**Audit Committee**”), the Remuneration and Nomination Committee and the Strategic Committee due to his work re-designation. The above change took effect from 4 March 2025. For details of the resignation of Mr. Yu Fei, Please refer to the announcement of the Company dated 4 March 2025.

The Board received a resignation letter from the executive director of the Company, Mr. Jiang Changlu, on 12 August 2025. Mr. Jiang Changlu tendered his resignation as an executive Director of the Company and a member of the Remuneration and Nomination Committee because he has reached the age of retirement. The above change took effect from 12 August 2025. For details of the resignation of Mr. Jiang Changlu, please refer to the announcement of the Company dated 12 August 2025.

The balance of power and authorities is ensured by the operation of the Board and the senior management, which comprise experienced and high caliber individuals. As of the date of this report, the Board comprises three executive Directors, two non-executive Directors and three independent non-executive Directors. It has a strong independence element in its composition.

AUDIT AND RISK COMMITTEE

The Company has established the Audit and Risk Committee pursuant to the provisions of the Listing Rules, aimed at reviewing and supervising the Group’s financial reporting procedures. The Audit and Risk Committee is composed of two non-executive Directors and three independent non-executive Directors. At the meeting convened on 27 August 2025, the Audit and Risk Committee had reviewed and considered the Group’s unaudited interim consolidated financial statements and the internal audit report for the six months ended 30 June 2025, reviewed the accounting principles and practices adopted by the Group, considered the Group’s financial statements for the Reporting Period and recommended their adoption by the Board.

As at the date of this report, members of the Audit and Risk Committee are Mr. Gu Tiemin (non-executive Director), Ms. Hao Liwei (non-executive Director), Mr. Liu Taigang (independent non-executive Director), Mr. Hong Yongmiao (independent non-executive Director) and Mr. Tam Kin Fong (independent non-executive Director). Mr. Tam Kin Fong is the chairman of the Audit and Risk Committee.

OTHER INFORMATION

CHANGE IN THE DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INFORMATION PURSUANT TO RULE 13.51B OF THE LISTING RULES

The change in the Director's, supervisor's and chief executive's information as required to be disclosed pursuant to Rule 13.51(B)(1) of the Listing Rules is set out below:

The Board received a resignation letter from the independent non-executive Director, Mr. Yu Fei, on 4 March 2025. Mr. Yu Fei resigned as an independent non-executive director of the Company, and a member of each of the Audit Committee, the Remuneration and Nomination Committee and the Strategic Committee due to his work re-designation. The above change took effect from 4 March 2025. For details of the resignation of Mr. Yu Fei, Please refer to the announcement of the Company dated 4 March 2025.

The Board received a resignation letter from the executive Director of the Company, Mr. Jiang Changlu, on 12 August 2025. Mr. Jiang Changlu tendered his resignation as an executive Director of the Company and a member of the Remuneration and Nomination Committee because he has reached the age of retirement. The above change took effect from 12 August 2025. For details of the resignation of Mr. Jiang Changlu, please refer to the announcement of the Company dated 12 August 2025.

With effect from the conclusion of the 2025 first extraordinary general meeting (i.e. 23 May 2025), the establishment of the Supervisory Board was abolished and the original duties would be performed by the Audit and Risk Committee, and the positions of each of the supervisors of the Company, namely, Wang Guijiang, Fan Qinghai, Gao Junhua, Gao Jinliang, Qiu Peng and Yu Yuehua, was removed accordingly.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend in respect of the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil).

OTHER INFORMATION

INVESTOR RELATIONS MANAGEMENT

The Group strongly believes that investor relations are an integral part of maintaining good corporate governance of a listed company. During the Reporting Period, the Group has been actively maintaining contact with investors and keeping them abreast of the industry updates, corporate information and business development in a timely manner, so as to establish a platform for fair, open and transparent information disclosure. The Board Secretary, Zhang Jianfeng, is responsible for the investor relations of the Group with the full support from the Board and the senior management. During the six months ended 30 June 2025, the Group actively participated in various investor relations activities and provided real-time information to investors through its company website.

1. Investor Forums and Conferences

During the Reporting Period, the Group endeavors to continue to actively participate in roadshows organized by sizable and major investment banks in major international financial markets in Hong Kong and overseas after the publication of the results announcement for 2024. The roadshows were proved to be an excellent opportunity and platform to convey a clear message to the investors about the Group's latest operational and financial performances and business prospect for the investors' deeper and clearer understanding of the Group. Meanwhile, the Group also held investors' online briefing on the results and telephone presentations during the Reporting Period, and actively organized one-on-one and group meetings with fund managers and analysts in various regions. During the Reporting Period, the Group has met with various analysts, fund managers and financial commentators and maintained close communications with institutional investors, providing them with up-to-date information about the Group. During the Reporting Period, the Company conducted more than 10 non-trading roadshows in Beijing, Shanghai, Shenzhen and Hong Kong, cumulatively received more than 201 analysts and investors, and responded to 55 inquiries from small and medium-sized investors on the SSE e-Interactive.

2. Ongoing Two-way Communications with Shareholders, Investors and Analysts

The Group has adopted an active and progressive approach to provide the shareholders and investors of the Group with the opportunity to communicate with the senior management of the Group through one-on-one and group meetings to share with them the financial performance, business updates and future prospects of the Group. The Company adhered to the guidance of investor needs, carried out high-quality information disclosure and investor relations management, actively reshaped and promoted the Company's investment value to the capital market, rationally guided market expectations, and enhanced investor confidence.

OTHER INFORMATION

3. Results and Profit Alert Announcements

The Group had prepared detailed result reports upon release of interim and annual results accompanied by a profit alert announcement where required under Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO. Investors' online briefing on the results and telephone presentations were also held to provide updates in relation to the market environment, financial performance, operating strategies and future prospects to the public in an accurate and effective manner, so as to maintain the Group's transparent investor relations strategy and strengthen the communications with the public.

4. Maintaining Interactive Communications with Media

The Group endeavors to maintain a close relationship with the overseas and local media, and disseminate the Group's updates to the public through various channels, including but not limited to organizing press conferences for interim and annual results announcements, issuing regular press releases, releasing information on social medias, and arranging news media interviews with the management of the Group, thus increasing the Group's publicity and further strengthening its corporate image and position.

5. Timely Dissemination of Latest Corporate Updates

Company website is considered to be one of the quickest means to communicate with investors. Information was disseminated through the Company's website (www.bbmj.com.cn/listco) as the platform to communicate with the public. The Group regularly updates the website contents, disseminates the latest corporate updates and developments and discloses financial information of the Group so as to enable the public to obtain such information in a timely manner. In addition, the Group also swiftly responds to different enquiries made by the shareholders, investors, analysts and media by means of email, facsimile and telephone, and publishes announcements, press releases and other latest updates on the development of the Group, so as to strengthen the effectiveness of information dissemination.

OTHER INFORMATION

6. Action Plan for Improving Quality, Increasing Efficiency and Paying More Attention to Returns and Formulation of Market Value Management System

In June 2024, the Company formulated the action plan for “improving quality, increasing efficiency and paying more attention to returns”, which stated that driven by focusing on strengthening the main business, improving the quality and efficiency of operations and empowerment through technological innovation, the Company shall create new quality productivity, shape new competitive advantages and gain the initiative in development. At the same time, the Company also attached great importance to the reasonable returns to shareholders, and was committed to creating a sustained and stable return on investment for shareholders with good operation performance and sharing the results of operation and development with shareholders. Since the H shares of the Company were listed in Hong Kong in 2009, the Company has insisted on cash dividends every year and formulated the Shareholders Return Plan in the Next Three Years (2024-2026), which fully demonstrates the confidence and determination of the Company to safeguard the long-term interests of shareholders.

In addition, the Company formulated market value management system in March 2025, with a view to enhance its market value management and further regulate its market value management behaviors, safeguard the legitimate rights and interests of the Company, the investors and other stakeholders. The main purpose of market value management is to promote the improvement of business performance and development quality through integrity and honesty, standardized operation, focusing on main business, and prudent operation, as well as cultivating and utilizing new productive forces. On this basis, the Company continuously strengthened investment relations management, improved the quality and transparency of information disclosure, and actively took measures to boost investors' confidence when necessary, so as to ensure that the Company's investment value reasonably reflects its quality.

OTHER INFORMATION

At the same time, the Company was in strict compliance with the laws and regulations including the Company Law of the People's Republic of China, the Securities Law and the Code of Corporate Governance for Listed Companies (《上市公司治理準則》), as well as the relevant requirements of regulatory authorities and the stock exchanges on corporate governance, constantly improved its corporate governance structure, and continuously promoted its standardized and procedural management through establishing and perfecting the internal control system to improve the corporate governance level.

The Company maintained regular communication with controlling shareholders, de facto controller, directors and senior management, periodically organized directors, supervisors and senior management to participate in special trainings on standardized operation and investor protection held by regulatory authorities such as the Shanghai Stock Exchange and the CSRC Beijing Bureau, and invited professional institutions to interpret the amendments to the Articles of Association, the market value management and the impact of the “New Nine Guidelines” policy, so as to effectively enhance the concept of the rule of law and compliance awareness. The Company improved the dynamic supervision mechanism, implemented strict management of connected transactions involving “key minorities” and other matters and carried out normalized supervision.

In conclusion, various contents of the action plan for “improving quality, increasing efficiency and paying more attention to returns” formulated by the Company in 2024 has been implemented as planned. The Company will continue to fulfill its responsibilities and obligations as a listed company, actively deliver the Company's value and maintain the good market image of the Company.

OTHER INFORMATION

INVESTOR INFORMATION

1. Share Particulars

H Shares

Listing date	29 July 2009
Stock Exchange	Hong Kong Stock Exchange
Board lot	1,000 shares
Number of issued H Shares	2,338,764,870 shares (as at 30 June 2025 and 27 August 2025)
Stock code	02009.HK

A Shares

Listing date	1 March 2011
Stock Exchange	Shanghai Stock Exchange
Board lot	100 shares
Number of issued A Shares	8,339,006,264 shares (as at 30 June 2025 and 27 August 2025)
Stock code	601992.SH

2. Financial Calendar

2024 annual results announcement	published on 28 March 2025
2025 first quarterly results announcement	published on 29 April 2025
2025 interim results announcement	published on 27 August 2025
2024 Annual General Meeting	held on 23 May 2025
Closure of register of H shares members to determine the eligibility of shareholders to attend the 2024 Annual General Meeting	20 May 2025 to 23 May 2025
Financial year end	31 December

3. Dividends

2024 final dividends	RMB0.05 per share (inclusive of applicable tax) (or equivalent to HK\$0.0544 per H share)
Closure of register of H shares members to determine the entitlement of shareholders to the 2024 final dividends	2 June 2025 to 9 June 2025
Payment of 2024 final dividends of H shares	9 July 2025

OTHER INFORMATION

For any queries, please contact:

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Review Report on Interim Financial Statements

Deloitte.

德勤

Deloitte Touche Tohmatsu
Certified Public Accountants LLP
30/F Bund Center
222 Yan An Road East
Shanghai 200002, PRC

De Shi Bao (Yue) Zi (25) No. R00045

To the shareholders of BBMG Corporation,

We have reviewed the interim financial statements of BBMG Corporation (hereinafter referred to as “**BBMG**”), which comprise the consolidated and the Company’s balance sheets as at 30 June 2025, and the consolidated and the Company’s income statements, the consolidated and the Company’s statement of cash flows, the consolidated and the Company’s statement of changes in shareholders’ equity for the six months ended 30 June 2025 and relevant notes to the interim financial statements. The management of BBMG is responsible for the preparation of the financial statements, while we are responsible for the presentation of a review report on the interim financial statements based on our review.

We conducted our review in accordance with China’s Auditing Standards for the Certified Public Accountants No. 2101 – Review of Financial Statements. The standard requires our planning of and performing the audit to obtain limited assurance about whether the interim financial statements as a whole are free from material misstatement. The review is principally based on the enquiries with the related staff of the Company and on the analysis procedures on the financial data only, therefore the extent of assurance provided by which fall below that obtained from audit. As a result of the non-performance of audit, we do not provide audit opinion.

Based on our review, we have not been aware of any convincing events that the abovementioned interim financial statements had failed to be prepared in accordance with the Accounting Standards for Business Enterprises or failed to present fairly the consolidated and the Company’s financial position as at 30 June 2025, the consolidated and the Company’s operating results and the consolidated and the Company’s cash flows for the six months ended 30 June 2025 in all material aspects.

Deloitte Touche Tohmatsu Certified Public Accountants LLP

Chinese Certified Public Accountant: Xu Bin

Chinese Certified Public Accountant: Niu Shuang

Shanghai, the PRC

27 August 2025

Unaudited Interim Consolidated Balance Sheet

As at 30 June 2025

RMB

Items	Note V	30 June 2025	31 December 2024
Current Assets			
Cash and bank balances	1	18,898,560,111.33	18,292,078,276.08
Financial assets held for trading	2	1,735,863,767.09	1,172,593,404.61
Bills receivable	3	925,034,091.85	807,322,521.79
Accounts receivable	4	12,168,598,014.95	10,587,441,407.24
Receivables financing	5	965,953,833.74	885,835,186.93
Prepayments	6	3,461,130,359.30	3,106,818,812.94
Other receivables	7	6,214,449,970.38	5,419,560,183.17
Inventories	8	85,824,544,765.31	83,656,491,773.69
Contract assets	9	439,348,685.46	489,245,361.82
Non-current assets due within one year	10	1,790,111,236.03	766,358,369.93
Other current assets	11	8,861,331,426.50	8,011,719,626.52
Total current assets		141,284,926,261.94	133,195,464,924.72
Non-current assets			
Debt investments	12	443,512,830.64	858,770,664.33
Long-term receivables	13	1,812,793,881.94	2,089,895,870.55
Long-term equity investment	14	9,585,781,530.93	9,358,406,745.44
Investment in other equity instruments	15	621,408,438.14	654,486,823.56
Other non-current financial assets	16	551,150,391.45	489,561,240.56
Investment properties	17	46,142,303,875.35	45,050,117,856.24
Fixed assets	18	44,370,007,130.64	45,233,562,353.34
Construction in progress	19	2,214,469,876.60	2,003,383,911.57
Right-of-use assets	20	867,837,552.98	946,709,363.05
Intangible assets	21	17,014,379,597.71	16,271,662,332.20
Goodwill	22	2,802,658,506.57	2,644,369,314.19
Long-term deferred expenditures	23	2,075,607,135.99	1,974,373,975.35
Deferred income tax asse	24	2,053,582,419.15	2,917,647,914.59
Other non-current assets	25	295,435,148.42	307,307,411.42
Total non-current assets		130,850,928,316.51	130,800,255,776.39
Total assets		272,135,854,578.45	263,995,720,701.11

Unaudited Interim Consolidated Balance Sheet (Continued)

As at 30 June 2025

Unit: RMB

Items	Note V	30 June 2025	31 December 2024
Current liabilities			
Short-term loans	27	30,116,171,797.69	28,335,162,449.14
Bills payable	28	4,848,148,855.83	3,055,166,040.97
Accounts payable	29	19,307,362,069.13	20,944,153,978.57
Receipts in advance	30	303,171,968.01	326,427,424.85
Contract liabilities	31	7,517,207,982.70	5,988,832,582.80
Wages payable	32	227,653,864.61	297,399,921.72
Tax payable	33	1,157,668,208.73	1,204,735,864.89
Other payables	34	7,316,153,734.75	6,660,906,438.99
Non-current liabilities due within one year	35	21,611,782,257.85	20,823,307,618.07
Short-term financing bonds payable	38	5,048,592,876.71	6,026,458,630.14
Other current liabilities	36	3,586,212,175.31	3,116,401,307.48
Total current liabilities		101,040,125,791.32	96,778,952,257.62
Non-current liabilities			
Long-term loans	37	50,469,989,339.75	50,899,057,721.01
Bonds payable	38	18,339,178,698.90	14,913,432,646.31
Lease liabilities	39	443,016,870.08	458,491,118.63
Long-term payables	40	438,476,500.34	259,601,004.90
Long-term wages payable	41	392,978,930.18	389,947,884.18
Accrued liabilities	42	667,174,242.33	689,202,184.41
Deferred income	43	753,456,125.06	798,598,254.47
Deferred income tax liabilities	24	6,874,153,447.26	6,691,116,499.36
Other non-current liabilities	44	1,657,000,000.00	-
Total non-current liabilities		80,035,424,153.90	75,099,447,313.27
Total liabilities		181,075,549,945.22	171,878,399,570.89

Unaudited Interim Consolidated Balance Sheet (Continued)

As at 30 June 2025

Unit: RMB

Items	Note V	30 June 2025	31 December 2024
Equity attributable to shareholders			
Share capital	45	10,677,771,134.00	10,677,771,134.00
Other equity instruments	46	31,756,322,824.11	30,457,376,000.00
Including: Perpetual bonds		31,756,322,824.11	30,457,376,000.00
Capital reserve	47	5,033,063,982.55	5,038,256,982.55
Other comprehensive income	48	751,490,686.89	672,456,324.65
Specific reserve	49	81,010,908.30	79,233,220.09
Surplus reserve	50	3,032,786,180.00	3,032,786,180.00
General risk reserve	51	497,216,299.67	497,216,299.67
Retained earnings	52	20,692,630,934.72	23,262,404,290.69
Total equity attributable to the shareholders of the parent company		72,522,292,950.24	73,717,500,431.65
Minority interests		18,538,011,682.99	18,399,820,698.57
Total equity attributable to shareholders		91,060,304,633.23	92,117,321,130.22
Total liabilities and equity attributable to shareholders		272,135,854,578.45	263,995,720,701.11

The financial statements have been signed by:

Officer-in-charge of
the Company:

Jiang Yingwu

Chief accountant:

Zheng Baojin

Head of the
accounting
department:

Zhang Qicheng

The accompanying notes form an integral part of these financial statements

Unaudited Interim Consolidated Income Statement

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

Items	Note V	January to June 2025	January to June 2024
Operating revenue	53	45,565,715,081.09	45,562,407,331.79
Less: Operating costs	53	40,610,242,298.51	40,982,650,674.45
Tax and surcharges	54	853,262,364.92	570,745,602.12
Selling expenses	55	1,136,308,505.74	1,115,344,204.47
Administrative expenses	56	3,423,568,609.45	3,379,050,662.91
Research and development expenses	57	356,665,451.80	301,293,426.83
Finance costs	58	1,457,741,352.50	1,584,491,885.65
Including: Interest expenses	58	1,526,470,301.26	1,658,038,451.20
Interest income	58	91,289,093.43	85,847,026.05
Add: Other gains	59	310,744,508.35	210,176,136.00
Investment gains	60	248,097,867.50	189,787,857.94
Including: Gains from investment in associates and joint ventures	60	(91,260,867.36)	135,608,148.50
Derecognition gains on financial assets measured at amortized cost	60	23,173,416.70	4,819,320.31
Gains from changes in fair value	61	184,847,367.81	210,055,644.08
Credit impairment losses	62	(51,007,026.01)	(57,781,032.14)
Asset impairment losses	63	(62,517,152.00)	(330,627,705.69)
Gains on disposal of assets	64	204,982,947.95	999,789,339.88
Operating profit		(1,436,924,988.23)	(1,149,768,884.57)
Add: Non-operating revenue	65	159,521,552.82	99,731,470.96
Less: Non-operating expenses	66	52,971,654.08	20,416,312.00
Total profit		(1,330,375,089.49)	(1,070,453,725.61)
Less: Income tax expenses	68	578,489,080.97	679,089,039.98
Net profit		(1,908,864,170.46)	(1,749,542,765.59)
Classified by continuing operations			
Net profit from continuing operations		(1,908,864,170.46)	(1,749,542,765.59)
Classified by attribution of ownership			
Net profit attributable to the shareholders of the parent company		(1,495,582,382.78)	(806,672,814.70)
Minority interests		(413,281,787.68)	(942,869,950.89)
Net other comprehensive income after tax	48	74,542,153.73	(126,289,897.07)

Unaudited Interim Consolidated Income Statement (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

Items	Note V	January to June 2025	January to June 2024
Net other comprehensive income after tax attributable to shareholders of the parent company		65,767,370.40	(69,824,999.95)
Other comprehensive income not allowed to be reclassified into profit or loss		(15,206,925.04)	(73,672,543.25)
Changes arising from re-measurement of defined benefit plans		(1,721,648.54)	(5,914,655.80)
Changes in fair value of investment in other equity instruments		(13,485,276.50)	(67,757,887.45)
Other comprehensive income to be reclassified into profit or loss		80,974,295.44	3,847,543.30
Other comprehensive income that may be reclassified into profit or loss under equity method		8,268,973.26	450,544.04
Exchange differences on foreign currency translation		(10,634,378.73)	3,396,999.26
The difference between the fair value and the carrying value of self-occupied properties or the inventories on the date when it changed to the investment properties measured with the fair value model		83,339,700.91	-
Net other comprehensive income after tax attributable to minority interests	48	8,774,783.33	(56,464,897.12)
Total comprehensive income		(1,834,322,016.73)	(1,875,832,662.66)
Total comprehensive income attributable to the shareholders of the parent company		(1,429,815,012.38)	(876,497,814.65)
Total comprehensive income attributable to minority interests		(404,507,004.35)	(999,334,848.01)
Basic and diluted earnings per share			
After deducting other equity instrument indicators	69	(0.19)	(0.12)
Before deducting other equity instrument indicators		(0.14)	(0.08)

The financial statements have been signed by:

Officer-in-charge of
the Company:

Jiang Yingwu

Chief accountant:

Zheng Baojin

Head of the
accounting
department:

Zhang Qicheng

The accompanying notes form an integral part of these financial statements

Unaudited Interim Consolidated Statement of Cash Flows

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

Items	Note V	January to June 2025	January to June 2024
I. Cash flows from operating activities:			
Cash received from sale of goods or rendering of services		47,812,587,397.05	40,677,715,104.89
Refunds of taxes		113,796,933.72	167,476,013.66
Net decrease in deposits placed with the Central Bank		103,684,663.38	-
Cash received from other operating activities	70	871,662,118.55	4,721,649,090.50
Subtotal of cash inflows from operating activities		48,901,731,112.70	45,566,840,209.05
Cash paid for goods and services		40,715,533,239.12	34,618,001,296.13
Cash paid to and on behalf of employees		3,948,058,858.43	3,872,583,890.92
Cash paid for all types of taxes		2,685,671,003.85	2,980,809,485.41
Net increase in deposits placed with the Central Bank		-	12,041,379.22
Cash paid for other operating activities	70	3,090,288,898.61	8,253,540,428.71
Subtotal of cash outflows from operating activities		50,439,552,000.01	49,736,976,480.39
Net cash flows used in operating activities	71	(1,537,820,887.31)	(4,170,136,271.34)
II. Cash flows from investing activities:			
Cash received from redemption of investments	70	768,793,466.70	145,280,516.04
Cash received from return on investments		75,757,724.73	219,861,268.29
Increase in net cash for acquisition of subsidiaries and other operating units	71	-	49,006,044.84
Net cash received from disposal of subsidiaries and other operating units		666,059,721.22	-
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		589,075,385.50	636,102,694.62
Cash received from other investing activities	70	328,304,068.44	207,541,687.13
Subtotal of cash inflows from investing activities		2,427,990,366.59	1,257,792,210.92
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		969,586,125.44	1,241,603,487.25
Cash paid for investments	70	1,831,989,071.70	1,493,138,943.76
Decrease in net cash received from disposal of subsidiaries and other operating units		-	9,961,669.64
Net cash paid for acquisition of subsidiaries and other operating units	71	1,657,695,096.63	-
Cash paid for other investing activities	70	620,913,998.09	395,000,000.00
Subtotal of cash outflows from investing activities		5,080,184,291.86	3,139,704,100.65
Net cash flows used in investing activities		(2,652,193,925.27)	(1,881,911,889.73)

Unaudited Interim Consolidated Statement of Cash Flows (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

Items	Note V	January to June 2025	January to June 2024
III. Cash flows from financing activities:			
Cash received from investment absorption		509,600,000.00	600,980,000.00
<i>Including: Cash received by subsidiaries from minority interests</i>		509,600,000.00	600,980,000.00
Cash received from issuance of bonds		2,978,000,000.00	5,298,000,000.00
Cash received from issuance of perpetual bonds		6,793,753,824.11	1,496,250,000.00
Cash received from borrowings		32,005,009,670.59	28,414,394,388.89
Cash received from other financing activities	70	1,902,322,471.97	467,466,679.18
Subtotal of cash inflows from financing activities		44,188,685,966.67	36,277,091,068.07
Cash paid for repayment of debts		23,225,081,357.02	19,005,200,226.65
Cash paid for distribution of dividends or profits or for interest expenses		1,897,485,087.56	2,485,113,224.89
<i>Including: Dividends and profits paid by subsidiaries to minority interests</i>		211,241,333.86	11,114,092.20
Cash paid for repayment of bonds		7,793,471,262.75	10,216,001,000.00
Cash paid for repayment of perpetual bonds		5,500,000,000.00	-
Cash paid for other financing activities	70	310,637,801.17	403,425,318.00
Subtotal of cash outflows from financing activities		38,726,675,508.50	32,109,739,769.54
Net cash flows from financing activities		5,462,010,458.17	4,167,351,298.53
IV. Effect of changes in exchange rate on cash and cash equivalents		(8,372,464.35)	(6,939,229.45)
V. Net increase/(decrease) in cash and cash equivalents	71	1,263,623,181.24	(1,891,636,091.99)
Add: Balance of cash and cash equivalents at the beginning of the period	71	14,870,850,675.58	13,779,108,469.50
VI. Balance of cash and cash equivalents at the end of the Period	71	16,134,473,856.82	11,887,472,377.51

The financial statements have been signed by:

Officer-in-charge of
the Company:

Jiang Yingwu

Chief accountant:

Zheng Baojin

Head of the
accounting
department:

Zhang Qicheng

The accompanying notes form an integral part of these financial statements

Unaudited Interim Consolidated Statement of Changes in Shareholders' Equity

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

January to June 2025

Items	Equity attributable to the owners of the parent company								Minority interests	Total shareholders' equity	
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings			Subtotal
I. Balance at the end of last year	10,677,771,134.00	30,457,376,000.00	5,038,256,982.55	672,456,324.65	79,233,220.09	3,032,786,180.00	497,216,299.67	23,262,404,290.69	73,717,500,431.65	18,399,820,698.57	92,117,321,130.22
II. Movements during the period ("+" indicating decrease)											
(1) Total comprehensive income	-	-	-	65,767,370.40	-	-	-	(1,495,582,382.78)	(1,429,815,012.38)	(404,507,004.35)	(1,834,322,016.73)
(2) Capital contribution and reduction from owners											
1. Capital increase by minority shareholders	-	-	-	-	-	-	-	-	-	509,600,000.00	509,600,000.00
2. Capital reduction by minority shareholders	-	-	-	-	-	-	-	-	-	(19,800,000.00)	(19,800,000.00)
3. Business combinations not under common control	-	-	-	-	-	-	-	-	-	261,790,105.51	261,790,105.51
4. Amounts of share-based payments recognised in owner' s equity	-	-	-	-	-	-	-	-	-	710,213.18	710,213.18
(3) Others - principal of perpetual bonds											
1. Issuance of perpetual bonds	-	6,793,753,824.11	-	-	-	-	-	-	6,793,753,824.11	-	6,793,753,824.11
2. Redemption of perpetual bonds	-	(5,494,807,000.00)	(5,193,000.00)	-	-	-	-	-	(5,500,000,000.00)	-	(5,500,000,000.00)
(4) Profit distribution											
1. Dividend to shareholders	-	-	-	-	-	-	-	(533,888,556.70)	(533,888,556.70)	(211,241,333.86)	(745,129,890.56)
2. Interest on perpetual bonds	-	-	-	-	-	-	-	(527,035,424.65)	(527,035,424.65)	-	(527,035,424.65)
(5) Internal carry-forward of owners' equity											
1. Carry-forward of other comprehensive income for retained earnings	-	-	-	13,266,991.84	-	-	-	(13,266,991.84)	-	-	-
(6) Specific reserve											
1. Appropriated during the period	-	-	-	-	82,194,806.77	-	-	-	82,194,806.77	88,884,006.71	171,078,813.48
2. Used during the period	-	-	-	-	(80,417,118.56)	-	-	-	(80,417,118.56)	(87,245,002.77)	(167,662,121.33)
III. Balance at the end of the period	10,677,771,134.00	31,756,322,824.11	5,033,063,982.55	751,490,686.89	81,010,908.30	3,032,786,180.00	497,216,299.67	20,692,630,934.72	72,522,292,950.24	18,538,011,682.99	91,060,304,633.23

Unaudited Interim Consolidated Statement of Changes in Shareholders' Equity (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

January to June 2024

	Total Equity attributable to the owners of the parent company										
				Other						Minority	Total shareholders'
Items	Share capital	Other equity instruments	Capital reserve	comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings	Subtotal	interests	equity
I. Balance at the end of last year	10,677,771,134.00	27,468,376,000.00	5,461,112,758.98	632,362,250.06	68,415,551.23	2,935,800,236.68	496,135,862.64	25,267,051,623.61	73,007,025,417.20	21,357,345,399.66	94,364,370,816.86
II. Movements during the period											
("+" indicating decrease)											
(1) Total comprehensive income	-	-	-	(69,824,999.95)	-	-	-	(806,672,814.70)	(876,497,814.65)	(999,334,848.01)	(1,875,832,662.66)
(2) Capital contribution and reduction from owners											
1. Equity transactions that do not affect control	-	-	(11,594,253.60)	-	-	-	-	-	(11,594,253.60)	(71,149,311.78)	(82,743,565.38)
2. Capital contributed by minority shareholders of non-wholly owned subsidiary	-	-	-	-	-	-	-	-	-	600,980,000.00	600,980,000.00
3. Business combinations not under common control	-	-	-	-	-	-	-	-	-	23,270,806.14	23,270,806.14
4. Issuance of perpetual bonds	-	1,496,250,000.00	-	-	-	-	-	-	1,496,250,000.00	-	1,496,250,000.00
(3) Profit distribution											
1. Dividend to shareholders	-	-	-	-	-	-	-	(266,944,278.35)	(266,944,278.35)	(15,259,803.28)	(282,204,081.63)
2. Interest on perpetual bonds	-	-	-	-	-	-	-	(526,101,336.11)	(526,101,336.11)	-	(526,101,336.11)
(4) Specific reserve											
1. Appropriated during the period	-	-	-	-	81,666,201.03	-	-	-	81,666,201.03	81,671,967.02	163,338,168.05
2. Used during the period	-	-	-	-	(76,034,244.02)	-	-	-	(76,034,244.02)	(80,671,071.27)	(156,705,315.29)
III. Balance at the end of the period	10,677,771,134.00	28,964,626,000.00	5,449,518,505.38	562,537,250.11	74,047,508.24	2,935,800,236.68	496,135,862.64	23,667,333,194.45	72,827,769,691.50	20,896,853,138.48	93,724,622,829.98

The accompanying notes form an integral part of these financial statements

Unaudited Interim Balance Sheet of the Company

As at 30 June 2025

Unit: RMB

Items	Note XIV	30 June 2025	31 December 2024
Current assets			
Cash and bank balances		12,302,555,527.47	7,131,795,918.29
Accounts receivable		18,082,509.92	12,970,404.38
Other receivables	1	65,333,245,196.68	66,685,995,264.52
Other current assets	2	730,253,209.82	728,088,929.83
Total current assets		78,384,136,443.89	74,558,850,517.02
Non-current assets			
Long-term equity investments	3	66,525,558,686.97	66,117,688,596.92
Investment in other equity instruments		200,000.00	200,000.00
Other non-current financial assets		551,150,391.45	489,561,240.56
Investment properties	4	14,187,218,048.42	14,047,090,149.39
Fixed assets		698,744,926.76	729,051,441.75
Right-of-use assets		2,789,796.85	3,387,611.77
Intangible assets		293,594,654.72	306,391,942.86
Long-term deferred expenditures		5,395,710.58	6,226,321.42
Deferred income tax assets		16,199,463.42	119,652,060.43
Other non-current assets		489,761,536.68	487,023,579.87
Total non-current assets		82,770,613,215.85	82,306,272,944.97
Total assets		161,154,749,659.74	156,865,123,461.99

Unaudited Interim Balance Sheet of the Company (Continued)

As at 30 June 2025

Unit: RMB

Items	Note XIV	30 June 2025	31 December 2024
Current liabilities			
Short-term loans		23,458,195,174.67	21,789,889,327.02
Accounts payable		33,187,258.26	21,010,826.91
Receipts in advance		107,027,071.52	106,267,807.76
Wages payable		1,709,117.34	17,784,356.06
Tax payable		36,904,226.42	38,661,975.26
Other payables		2,589,155,836.44	2,358,573,876.37
Short-term financing bonds payable		5,048,592,876.71	6,026,458,630.14
Non-current liabilities due within one year		9,909,873,807.48	11,278,170,723.13
Total current liabilities		41,184,645,368.84	41,636,817,522.65
Non-current liabilities			
Long-term loans		35,541,743,198.79	35,013,600,000.00
Bonds payable		13,096,155,051.86	9,878,068,704.25
Lease liabilities		1,457,528.77	2,010,422.80
Long-term wages payable		160,788,995.46	162,495,406.46
Deferred income tax liabilities		2,775,563,899.45	2,740,531,924.69
Total non-current liabilities		51,575,708,674.33	47,796,706,458.20
Total liabilities		92,760,354,043.17	89,433,523,980.85
Equity attributable to shareholders			
Share capital		10,677,771,134.00	10,677,771,134.00
Other equity instruments		31,956,322,824.11	30,457,376,000.00
Including: Perpetual bonds		31,956,322,824.11	30,457,376,000.00
Capital reserve		6,669,661,902.82	6,674,854,902.82
Other comprehensive income		308,811,304.62	308,844,794.62
Surplus reserve		3,032,786,180.00	3,032,786,180.00
Retained earnings		15,749,042,271.02	16,279,966,469.70
Total equity attributable to shareholders		68,394,395,616.57	67,431,599,481.14
Total liabilities and equity attributable to shareholders		161,154,749,659.74	156,865,123,461.99

The financial statements have been signed by:

Officer-in-charge of
the Company:

Jiang Yingwu

Chief accountant:

Zheng Baojin

Head of the
accounting
department:
Zhang Qicheng

The accompanying notes form an integral part of these financial statements

Unaudited Interim Income Statement of the Company

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

Items	Note XIV	January to June 2025	January to June 2024
Operating revenue	5	433,485,551.34	444,640,709.24
Less: Operating costs	5	53,436,459.59	46,249,306.08
Tax and surcharges		61,531,962.80	64,046,047.75
Selling expenses		11,319,089.57	12,067,878.89
Administrative expenses		98,844,284.06	87,434,669.55
Research and development expenses		32,962,900.49	38,825,663.53
Finance costs		155,489,648.35	201,412,163.82
Including: Interest expenses		1,131,410,763.95	1,131,979,265.59
Interest income		979,561,768.15	938,168,017.94
Add: Other gains		220,278.75	331,614.03
Investment gains	6	525,203,841.73	588,067,972.42
Including: Gains from investment in associates and joint ventures		(24,769,987.40)	70,722,616.97
Gains from changes in fair value		109,244,979.86	221,804,671.37
Losses on disposal of assets		-	(6,625.45)
Operating profit		654,570,306.82	804,802,611.99
Add: Non-operating revenue		13,945,421.62	7,521,452.54
Less: Non-operating expenses		31,374.00	324,355.79
Total profit		668,484,354.44	811,999,708.74
Less: Income tax expenses		138,484,571.77	55,225,332.90
Net profit		529,999,782.67	756,774,375.84
Including: Net profit from continuing operations		529,999,782.67	756,774,375.84
Net other comprehensive income after tax		(33,490.00)	(4,268,669.00)
Other comprehensive income not allowed to be reclassified into profit or loss		(33,490.00)	(4,268,669.00)
Changes arising from re-measurement of defined benefit plans		(33,490.00)	(4,268,669.00)
Total comprehensive income		529,966,292.67	752,505,706.84

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Chief accountant:

Zheng Baojin

Head of the
accounting
department:

Zhang Qicheng

The accompanying notes form an integral part of these financial statements

Unaudited Interim Statement of Cash Flows of the Company

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

Items	Note XIV	January to June 2025	January to June 2024
I. Cash flows from operating activities:			
Cash received from sale of goods or rendering of services		466,586,632.50	504,746,999.19
Cash received from other operating activities		22,318,367,280.11	9,901,341,950.28
Subtotal of cash inflows from operating activities		22,784,953,912.61	10,406,088,949.47
Cash paid for goods and services		55,483,268.31	36,904,920.70
Cash paid to and on behalf of employees		59,130,883.94	52,920,494.97
Cash paid for all types of taxes		86,253,182.29	87,500,758.22
Cash paid for other operating activities		20,839,309,801.83	7,499,282,064.04
Subtotal of cash outflows from operating activities		21,040,177,136.37	7,676,608,237.93
Net cash flows from operating activities		1,744,776,776.24	2,729,480,711.54
II. Cash flows from investing activities:			
Cash received from redemption of investments		-	2,352,684.13
Cash received from return on investments		176,896,083.01	8,352,571.32
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		48,696,848.00	145,262.50
Net cash received from disposal of subsidiaries and other operating units		666,059,721.22	-
Subtotal of cash inflows from investing activities		891,652,652.23	10,850,517.95
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		6,672,204.39	22,485,965.47
Cash paid for investments		228,128,913.06	1,383,925,743.76
Subtotal of cash outflows from investing activities		234,801,117.45	1,406,411,709.23
Net cash flows generated from/(used in) investing activities		656,851,534.78	(1,395,561,191.28)

Unaudited Interim Statement of Cash Flows of the Company (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

Items	Note XIV	January to June 2025	January to June 2024
III. Cash flows from financing activities:			
Cash received from issuance of bonds		2,000,000,000.00	3,500,000,000.00
Cash received from borrowings		22,461,000,000.00	16,518,827,000.00
Cash received from issuance of perpetual bonds		6,993,358,824.11	1,496,250,000.00
Subtotal of cash inflows from financing activities		31,454,358,824.11	21,515,077,000.00
Cash paid for repayment of debts		15,006,050,000.00	10,343,750,000.00
Cash paid for repayment of perpetual bonds		5,500,000,000.00	-
Cash paid for distribution of dividends or profits or for interest expenses		1,878,197,409.89	1,884,336,991.26
Cash paid for repayment of bonds		6,301,000,000.00	10,001,000,000.00
Subtotal of cash outflows from financing activities		28,685,247,409.89	22,229,086,991.26
Net cash flows generated from/(used in) financing activities		2,769,111,414.22	(714,009,991.26)
IV. Effect of changes in exchange rate on cash and cash equivalents		19,883.94	78,244.26
V. Net increase in cash and cash equivalents		5,170,759,609.18	619,987,773.26
Add: Balance of cash and cash equivalents at the beginning of the period		7,131,795,918.29	6,243,464,203.43
VI. Balance of cash and cash equivalents at the end of the Period		12,302,555,527.47	6,863,451,976.69

The financial statements have been signed by:

Officer-in-charge of
the Company:

Jiang Yingwu

Chief accountant:

Zheng Baojin

Head of the
accounting
department:

Zhang Qicheng

The accompanying notes form an integral part of these financial statements

Unaudited Interim Statement of Changes in Shareholders' Equity of the Company

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

Items	January to June 2025						
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	Retained earnings	Total shareholders' equity
I. Balance at the beginning of the period	10,677,771,134.00	30,457,376,000.00	6,674,854,902.82	308,844,794.62	3,032,786,180.00	16,279,966,469.70	67,431,599,481.14
II. Movements during the period							
(1) Total comprehensive income	-	-	-	(33,490.00)	-	529,999,782.67	529,966,292.67
(2) Principal of perpetual bonds							
1. Issuance of perpetual bonds	-	6,993,753,824.11	-	-	-	-	6,993,753,824.11
2. Redemption of perpetual bonds	-	(5,494,807,000.00)	(5,193,000.00)	-	-	-	(5,500,000,000.00)
(3) Profit distribution							
1. Dividend to shareholders	-	-	-	-	-	(533,888,556.70)	(533,888,556.70)
2. Interest on perpetual bonds	-	-	-	-	-	(527,035,424.65)	(527,035,424.65)
III. Balance at the end of the period	10,677,771,134.00	31,956,322,824.11	6,669,661,902.82	308,811,304.62	3,032,786,180.00	15,749,042,271.02	68,394,395,616.57

Unaudited Interim Statement of Changes in Shareholders' Equity of the Company (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

January to June 2024							
Items	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	Retained earnings	Total shareholders' equity
I. Balance at the beginning of the period	10,677,771,134.00	27,468,376,000.00	6,674,854,902.82	312,759,374.62	2,935,800,236.68	16,758,511,849.62	64,828,073,497.74
II. Movements during the period							
(1) Total comprehensive income	-	-	-	(4,268,669.00)	-	756,774,375.84	752,505,706.84
(2) Principal of perpetual bonds	-	1,496,250,000.00	-	-	-	-	1,496,250,000.00
(3) Profit distribution							
1. Dividend to shareholders	-	-	-	-	-	(266,944,278.35)	(266,944,278.35)
2. Interest on perpetual bonds	-	-	-	-	-	(526,101,336.11)	(526,101,336.11)
III. Balance at the end of the period	10,677,771,134.00	28,964,626,000.00	6,674,854,902.82	308,490,705.62	2,935,800,236.68	16,722,240,611.00	66,283,783,590.12

The accompanying notes form an integral part of these financial statements

Notes to Unaudited Interim Financial Statements

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

I. BASIC INFORMATION OF THE COMPANY

1. Company profile

BBMG Corporation (hereinafter referred to as the “Company” or “BBMG Group”) is a joint stock company with limited liability incorporated in Beijing, the People’s Republic of China and was established on 22 December 2005. The Renminbi-denominated ordinary shares (A shares) and H shares of the Company are listed on the Shanghai Stock Exchange (“Shanghai Stock Exchange”) and The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”), respectively. The Company’s headquarters is located at No. 36, North Third Ring East Road, Dongcheng District, Beijing.

The principal business activities of the Company and its subsidiaries (collectively, the “Group”) include: manufacture and sale of cement and building materials, construction and decoration, trade and logistics, tourism services, real estate development, property investment and management.

The Company’s parent company and ultimate controlling party are Beijing State-owned Capital Operation and Management Company Limited (北京國有資本運營管理有限公司) (hereinafter referred to as “BSCOMC”) and the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality, respectively.

These financial statements were approved for disclosure by a resolution of the board of directors of the Company on 27 August 2025.

II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People’s Republic of China and relevant regulations. In addition, relevant financial information is disclosed in the financial statements according to the Regulations on Information Disclosure and Compilation of Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reporting and is prepared after taking into consideration the disclosure requirements as stipulated in the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in the preparation.

2. Going concern

The financial statements are prepared on a going concern basis.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The specific accounting policies and accounting estimates have been prepared by the Group based on actual production and operation characteristics, as mainly embodied in the impairment of accounts receivable, inventory valuation methods, provision for decline in value of inventories, the depreciation of fixed assets, revenue recognition, the recognition and allocation of development costs on properties under construction, etc.

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and present fairly and fully the consolidated and the Company's financial position as at 30 June 2025 and the consolidated and the Company's operating results, cash flows and changes in shareholders' equity for the six months ended 30 June 2025.

2. Accounting period

The accounting year for the Group is from 1 January to 31 December of each calendar year. The reporting period for the financial statements is from 1 January to 30 June 2025.

3. Functional currency

The Company's reporting and presentation currency is Renminbi ("RMB"). Unless otherwise stated, the unit of the currency is RMB yuan.

The subsidiaries, joint ventures and associates of the Group may determine their own functional currencies based on the specific economic environments in their place of business. In the preparation of financial statements, their functional currencies shall be translated into RMB.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

4. Methods for determining materiality standards and selection criteria

Items	Materiality standard
Material account receivables which were subject to individual provision for bad debts	The amount of an individual provision accounts for more than 1% of the total provision for bad debt of various accounts receivable, and the amount exceeds RMB40 million
Material construction in progress	The budget for an individual project exceeds RMB100 million
Material joint ventures or associates	The carrying value of long-term equity investments in an individual investee entity accounts for more than 5% of the Group's net asset, and the amount exceeds RMB3 billion
Material subsidiaries	The net assets of subsidiaries account for more than 5% of the Group's net assets, or the net profit of subsidiaries accounts for more than 10% of the consolidated net profit of the Group
Material non-wholly owned subsidiaries	The net assets of subsidiaries account for more than 5% of the Group's net assets, or the minority equity of an individual subsidiary accounts for more than 1% of the Group's net assets, and the amount exceeds RMB4 billion

5. Business combinations

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

A business combination 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. Assets and liabilities (including the goodwill arising from acquisition of the party being acquired by the ultimate controlling party) that are obtained by the acquirer in a business combination under common control shall be subject to relevant accounting treatment on the basis of their carrying amounts in the financial statements of the ultimate controlling party at the combination date. 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 shares issued as consideration) shall be adjusted against share premium under capital reserve and the balance of capital reserve transferred in under the old accounting system. If the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Business combinations (Continued)

A business combination not under common control is a business combination in which the combining entities are not ultimately controlled by the same party or parties both before and after the combination. The acquiree's identifiable assets, liabilities and contingent liabilities acquired in a business combination not under common control are measured at their fair values on the acquisition date. Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets acquired, the difference shall be recognised as goodwill, which is subsequently measured at cost less any accumulated impairment losses. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets acquired, reassessment of the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and measurement of the cost of combination is conducted. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets acquired, the difference is recognised in profit or loss for the current period.

6. Consolidated financial statements

The consolidation scope of consolidated financial statements is determined on the basis of control, including the financial statements of the Company and all of its subsidiaries. An investor can control an investee only when it possesses the following three elements: the investor has power over the investee; has exposure, or rights, to variable returns from its involvement with the investee; has the ability to affect those returns through its power over the investee.

If a subsidiary adopts the accounting policies or accounting periods different from those adopted by the Company, an adjustment is made to the financial statements of the subsidiary according to the accounting policies or accounting periods adopted by the Company when the consolidated financial statements are prepared. All assets, liabilities, interests, income, fees and cash flows resulting from intra-group transactions are eliminated on consolidation in full.

Where the amount of losses for the current period attributed 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 allocated against minority interests.

For subsidiaries acquired through a business combination not under common control, the operating results and cash flows of the acquiree are included in the consolidated financial statements from the date on which the Group obtains control and will continue to be consolidated until the date that such control ceases. In preparing consolidated financial statements, adjustments shall be made to the subsidiaries' financial statements based on the fair values of the identifiable assets, liabilities and contingent liabilities at the acquisition date.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Consolidated financial statements (Continued)

For subsidiaries acquired through a business combination under common control, the operating results and cash flows of the acquiree are included in the consolidated financial statements from the beginning of the combination period. In preparing consolidated financial statements, adjustments shall be made to related items of prior year's financial statements, as if the reporting entities after the combination had existed from the date when the combining entities first came under control of the ultimate controlling party.

The Group reassesses whether or not it controls an investee if facts or circumstances indicate that there are changes to one or more elements of control.

A change in minority interests, without a loss of control, is accounted for as an equity transaction.

7. Cash and cash equivalents

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

8. Foreign currency transactions and translation of financial statements prepared in foreign currencies

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

Foreign currency transactions are recorded, on initial recognition, in their functional currencies by translating the foreign currency amounts at the spot exchange rates at the transaction dates. At the balance sheet date, foreign currency monetary items are translated using the spot exchange rates at the balance sheet date. All the resulting exchange differences are taken to profit or loss, except for those relating to foreign currency borrowings specifically for acquisition and construction of assets qualified for capitalisation, which are capitalised in accordance with the principle of capitalisation of borrowing costs. Non-monetary foreign currency items measured at historical cost shall still be translated at the exchange rates used at the initial recognition, while the amounts denominated in the functional currencies do not change. Non-monetary foreign currency items measured at fair value are translated at the spot exchange rates prevailing on the date on which the fair values are determined. The resulting exchange differences are recognised in profit or loss or as other comprehensive income for the current period, depending on the nature of the non-monetary item.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

8. Foreign currency transactions and translation of financial statements prepared in foreign currencies (Continued)

For foreign operations, the Group translates their functional currency amounts into Renminbi in preparing the financial statements as follows: asset and liability items in the balance sheet are translated using the spot exchange rates at the balance sheet date, and equity items other than “retained earnings” are translated using the spot exchange rates on the transaction dates; revenue and expense items in the income statement are translated using the weighted average exchange rate for the period during which the transactions occur (unless it is not appropriate to use such exchange rate to translate as a result of the exchange rate changes, such items will be translated using the spot exchange rate at the transaction date). The resulting exchange differences are recognised as other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is transferred to profit or loss in the period during which the disposal occurs. If the disposal only involves a portion of a particular foreign operation, the calculations will be made on a pro-rata basis.

Foreign currency cash flows and the cash flows of foreign subsidiaries are translated using the average exchange rate for the period during which the cash flows occur (Unless it is not appropriate to use such exchange rate to translate as a result of the exchange rate changes, such items will be translated at the spot exchange rate prevailing on the date when the cash flows incurred). The effect of exchange rate changes on cash is separately presented as an adjustment item in the statement of cash flows.

9. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(1) *Recognition and derecognition of 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.

The Group derecognises financial asset (or part of a financial asset, or part of a group of similar financial assets) when the following conditions are met, that is, the financial assets recognised previously are written off from a balance sheet:

- (1) the rights to receive cash flows from the asset have expired;
- (2) the Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(1) *Recognition and derecognition of financial instruments (Continued)*

If the underlying obligation of a financial liability has been discharged or cancelled or has expired, the financial liability is derecognised. If an existing financial liability is replaced by the same creditor with a new financial liability that has substantially different terms, or if the terms of an existing financial liability are substantially revised, such replacement or revision is accounted for as the derecognition of the original liability and the recognition of a new liability, and the resulting difference is recognised in profit or loss for the current period.

Regular way purchases or sales of financial assets are recognised and derecognised on the trade date. Regular way purchases or sales of financial assets refers to purchasing or selling financial assets according to contract terms that require delivery of financial assets within the time frame established by regulation or convention in the marketplace. The trade date refers to the date on which the Group commits to buying or selling financial assets.

(2) *Classification and measurement of financial assets*

The financial assets of the Group are classified in the initial recognition based on the business model of the Group's financial asset management and the characteristics of the financial assets' contractual cash flows: financial assets carried at amortised cost, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss.

Financial assets are measured at fair value on initial recognition. However, if the accounts receivable or bills receivable arising from sales of goods or provision of services do not include significant financing components or does not consider financing components not exceeding one year, they shall be initially recognised at the transaction price.

In the case of financial assets at fair value through profit or loss, relevant transaction costs are directly charged to profit and loss for the current period; transaction costs relating to financial assets of other categories are included in the amounts initially recognised.

The subsequent measurement of financial assets depends on their classification as follows:

Debt instrument investment measured at amortised cost

Financial assets are classified as financial assets measured at amortised cost if the financial assets meet the following conditions: the objective of the Group's business model for managing the financial assets is to collect contractual cash flows; the contractual terms of the financial assets requires that the cash flows giving rise on specified dates represent payments of principal and interest on the principal amount outstanding. Interest income on such financial assets is recognised using the effective interest rate method. Gains or losses arising from their derecognition, modification, or impairment are recognised in the profit or loss for the current period.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(2) *Classification and measurement of financial assets (Continued)*

Debt instruments investment at fair value through other comprehensive income

Financial assets are classified as financial assets at fair value through other comprehensive income if the financial assets meet the following conditions: the financial assets are held within a business model whose the objective is achieved by collect contractual cash flows and selling; the contractual terms of the financial assets requires that the cash flows giving rise on specified dates represent payments of principal and interest on the principal amount outstanding. For such financial assets, the effective interest method is used for recognizing interest income. Changes in fair value are included in other comprehensive income except for interest income, impairment loss, and exchange differences which are be recognised as profit or loss for the current period. On derecognition of financial assets, gains and losses accumulated in other comprehensive income are reclassified to profit or loss for the current period.

Equity instruments investment at fair value through other comprehensive income

The Group irrevocably elects to designate its certain equity instrument investments not held for trading as financial assets at fair value through other comprehensive income, and only recognise dividends (except for dividend income clearly recovered as part of the investment cost) in profit or loss for the current period. Subsequent changes in fair values are included in other comprehensive income, and no provision for impairment is required. On derecognition of financial assets, gains and losses previously accumulated in other comprehensive income are reclassified to retained earnings.

Financial assets at fair value through profit or loss

Except for the above-mentioned financial assets at amortised cost and financial assets at fair value through other comprehensive income, the Group has classified the remaining financial assets as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value, except for hedge accounting, where all changes in fair value are recognised in profit or loss for the current period.

(3) *Classification and measurement of financial liabilities*

The Group's financial liabilities are, on initial recognition, classified into financial liabilities at amortised costs. For financial liabilities at amortised costs, relevant transaction costs are included in the initial amounts recognized.

The subsequent measurement of financial liabilities depends on its classification as follows:

Financial liabilities at amortised costs

Such kinds of financial liabilities are subsequently measured at amortised cost by using the effective interest rate method.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(4) *Impairment of financial instruments*

Determination and accounting treatment of expected credit losses

On the basis of expected credit losses, the Group performs the impairment treatment on financial assets measured at amortised cost, debt instruments investments at fair value through other comprehensive income, lease receivables, contract assets, and financial guarantee contract and recognizes the loss provision.

For amount receivables and contract assets excluding the major financing portion, the Group uses a simplified measurement method to measure loss provision based on the amount of expected credit losses equivalent to the entire duration of the life.

For lease receivables, amount receivables and contractual assets including the major financing portion, the Group uses a simplified measurement method to measure loss provision based on the amount of expected credit losses equivalent to the entire duration of the life.

In addition to the financial assets mentioned above that use the simplified measurement method, the Group assesses whether its credit risk has increased significantly since the initial recognition on each balance sheet date. If the credit risk has not increased significantly since the initial recognition, it is at the first stage, and the Group measures the loss provision based on the amount of expected credit loss equivalent to the next 12 months and calculates interest income based on book balance and effective interest rate; if the credit risk has increased significantly since the initial recognition but credit loss has not occurred, it is at the second stage, and the Group measures loss provision based on the amount of expected credit losses equivalent to the entire duration of the life and calculates interest income based on book balance and effective interest rate; if credit loss has occurred since initial recognition, it is at the third stage, and the Group measures loss provision based on the amount of expected credit losses equivalent to the entire duration of the life and calculates interest income based on amortized cost and effective interest rate. For financial instruments that only have low credit risk at the balance sheet date, the Group assumes that their credit risks have not increased significantly since initial recognition. The Group assesses expected credit loss of financial instruments individually and in group. After considering the credit risk characteristics of difference customers, the Group assesses the expected credit loss of financial assets measured at amortized cost based on common risk characteristics and age combinations. The Group calculates the overdue aging based on the contractual payment date. In addition to the aforementioned group evaluation of expected credit losses on financial instruments, the Group individually assesses its expected credit losses.

Please refer to Note VIII. 1 for the Group's criteria for determining significant increase in credit risk, definition of financial assets that have been credit-impaired, etc.

The Group's method for measuring expected credit loss on finance instruments reflects the following factors: unbiased probability weighted average determined by evaluating a series of possible results, time value of money and reasonable and reliable information on past events, current situation and future economic forecast that are available on the balance sheet date without unnecessary extra costs or efforts.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(4) *Impairment of financial instruments (Continued)*

Classification of and bases for determining provision for impairment according to credit risk characteristic groups

The Group considers the credit risk characteristics of different customers and estimates the expected credit loss of financial instruments by aging group based on common risk characteristics.

Calculation of aging for the purpose of recognizing credit risk characteristic groups based on aging

The Group determines the aging of an overdue amount according to the date of payment agreed in the contract.

Criteria for making individual provision for the purpose of individual impairment provision for bad debts

If the credit risk characteristics of a counterparty are significantly different from other counterparties in the group, loss provision in respect of the amount receivable from such counterparty shall be individually made.

Write-off of provision for impairment

When the Group no longer reasonably expects to be able to fully or partially recover the contractual cash flows of financial assets, the Group directly writes down the carrying amount of the financial assets.

(5) *Offset of financial instruments*

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet to the extent that there is a currently enforceable legal right to offset the recognised amounts and that there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(6) *Derivative financial instruments*

The Group uses derivative financial instruments, such as commodity forward contracts, to hedge exchange rate risk, commodity price risk and interest rate risk, respectively. Derivative financial instruments are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at their fair values. Derivative financial instruments with a positive fair value are recognised as an asset, and that with a negative fair value is recognised as a liability.

Other than hedge accounting, gains or losses arising from changes in the fair value of derivatives are directly recognised in profit or loss for the current period.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(7) *Convertible bonds*

Upon issuance, the Group determines in accordance with the terms of the convertible bonds whether such bonds consist of both equity and liability components. For convertible bonds that carry both equity and liability components, liability and equity are separately dealt with upon initial recognition. During the segregation, the fair value of the liability is first determined and adopted as the initial recognition. Then the initial recognition of the equity component is determined by deducting the initial liability recognition from the overall issue price of the convertible bonds. Transaction costs are apportioned between liability and equity according to their respective fair values. The liability component is presented as liability and subsequently measured on an amortised cost basis, until it is cancelled, converted or redeemed. The equity component is presented as equity and no subsequent measurement is applicable. The issuance of convertible bonds contain both a liability component and an embedded derivative, that is the conversion option of convertible bonds exhibits characteristics of an embedded derivative, it is separated from the convertible bonds and accounted for as a derivative financial instrument. It should be initially measured at fair value. Any excess of proceeds over the amount initially recognized as derivative component is recognised as the liability instrument. Transaction costs are apportioned between the liability and derivative components of the convertible bonds based on the allocation of proceeds to the liability and derivative components when the instruments are initially recognised. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in the profit or loss.

(8) *Transfers of financial assets*

If the Group transfers substantially all the risks and rewards of ownership of the financial asset, the Group derecognises the financial asset; if the Group retains substantially all the risks and rewards of ownership of the financial asset, the Group does not derecognise the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it accounts for the transactions as follows: if the Group has not retained control, it derecognises the financial asset and recognises any resulting assets or liabilities; if the Group has retained control, it continues to recognise the financial asset to the extent of its continuing involvement in the transferred financial asset and recognises an associated liability.

Continuing involvement that takes the form of a financial guarantee over the transferred financial asset is recognised at the lower of the carrying amount of the financial asset and the amount of financial guarantee. The amount of financial guarantee refers to the maximum amount of consideration that the Group could be required to repay.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Inventories

Inventories include raw materials, work in progress, finished goods, turnover materials, development costs, developed products, and contract performance costs.

Inventories are initially carried at cost. Except for properties under development and completed properties held for sale, cost of inventories comprises all costs of purchase, costs of conversion and other costs. The cost of inventories also includes gains or losses arising from purchase meeting the criteria of cash flow hedging transferred from other comprehensive income. The actual cost of inventories transferred out is determined by using the weighted average method. Turnover materials include low value consumables and packing materials. Low value consumables and packing materials are amortised by using the immediate write-off method.

Costs of properties under development and completed properties held for sale consist of land acquisition cost, construction cost, interests capitalised and other direct and indirect development expenses. Cost of properties under development is transferred to cost of completed properties held for sale upon completion of development. Within the construction cost, public ancillary facilities represent government- approved public ancillary projects, i.e. roads. The relevant costs are recognised under the properties under development, and are accounted for and allotted by cost object and cost item. Land use rights for development purpose are classified as part of properties under development.

The Group adopts a perpetual inventory system.

At the balance sheet date, inventories are stated at the lower of cost and net realisable value. If the cost of inventories is higher than the net realisable value, a provision for decline in value of inventories is recognised in profit or loss for the current period.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to completion and the estimated expenses and the related taxes necessary to make the sale. The provision for decline in value is made on an individual basis, provided that for inventories with large quantity and lower unit cost, the provision for decline in value is made on a category basis. For inventories related to a series of products manufactured and sold in the same area, and of which the final use or purpose is identical or similar, and if it is difficult to measure them by separating them from other items, the provision for decline in value of inventories are made on a combination basis.

Contract performance costs classified as current assets are shown under inventories.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates.

A long-term equity investment is initially measured at its initial investment cost on acquisition. For a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the carrying amount of the absorbing party's share of the owner's equity of the party being absorbed on the consolidated financial statements of the ultimate controller. The difference between the initial investment cost and the carrying amount of the consideration paid for the combination shall be adjusted against capital reserve (where the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings). The initial investment cost of the long-term equity investment is the cost of acquisition for a business combination not under common control (for a business combination not under common control achieved in stages, the initial investment cost is measured at the carrying amount of the equity investments in the acquiree before the acquisition date plus the additional investment cost incurred on the acquisition date). For a long-term equity investment acquired other than through a business combination, the initial investment cost is determined as follows: if acquired by paying cash, the initial investment cost is the actual purchase price paid and those costs, taxes and other necessary expenditures directly attributable to the acquisition of the long-term equity investment; if acquired by the issue of equity securities, the initial investment cost is the fair value of the securities issued.

For a long-term equity investment where the Company can exercise control over the investee, the long-term equity investment is accounted for using the cost method in the Company's separate financial statements. Control refers to having the power over the investee, the entitlement to variable returns through the participation in the relevant activities of the investee, and the ability to affect the amount of returns by using its power over the investee.

Under the cost method, the long-term equity investment is measured at its initial investment cost. If investment is increased or withdrawn, the cost of long-term equity investment shall be adjusted. Cash dividends or profit distributions declared by the investee are recognised as investment income for the current period.

The equity method is adopted when the Group holds joint control, or exercises significant influence on the investee. Joint control is the relevant agreed sharing of control over an arrangement, and relevant activities of such arrangement shall be decided upon the unanimous consent of the parties sharing control. Significant influence is the power to participate in decision making of the financial and operating policies of the investee, but without the power to control or jointly control with other parties the formulation of those policies.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the investing enterprise's interest in the fair values of the investee's identifiable net assets at the acquisition date, long-term equity investment is measured at the initial investment cost. Where the initial investment cost is less than the investing enterprise's interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference is charged to profit or loss for the current period, and the cost of the long-term equity investment is adjusted accordingly.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Long-term equity investments (Continued)

Under the equity method, the Group recognises, upon acquisition of the long-term equity investment, its share of the net profits or losses and other comprehensive income made by the investee as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. The Group recognises its share of the investee's net profits or losses after making appropriate adjustments to the investee's net profits or losses, except for those from dispensing or selling businesses constituted by assets, based on the fair value of the investee's identifiable assets at the acquisition date, using the Group's accounting policies and periods, and eliminating the portion of the profits or losses arising from internal transactions with its associates and joint ventures, attributable to the investing party according to its entitled ratio (but impairment losses for assets arising from internal transactions shall be recognised in full). The carrying amount of the investment is reduced based on the Group's share of any profit distributions or cash dividends declared by the investee. The Group's share of net losses of the investee is recognised to the extent the carrying amount of the investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero, except that the Group has incurred obligations to assume additional losses. The Group adjusts the carrying amount of the long-term equity investment for any changes in shareholders' equity of the investee (other than net profit or loss, other comprehensive income and profit distributions) and includes the corresponding adjustments in the shareholders' equity.

12. Investment properties

Investment properties are held to earn rentals or for capital appreciation or both.

An investment property is measured initially at cost. Subsequent costs incurred for an investment property are included in its cost only when the economic benefits associated with the asset will probably flow in and the cost can be measured reliably. Otherwise, subsequent costs are recognised in profit or loss for the period during which they are incurred.

The Group uses the fair value model for subsequent measurement of its investment properties. Fair value changes are included in "Gains from changes in fair value" in the income statement. Reasons for the adoption of the fair value model as the accounting policy for subsequent measurement by the Group are as follows:

- (1) the investment properties are located in places where the property markets are active. The Group's current investment properties, most of which are commercial properties at developed commercial districts, are primarily located at urban core districts of Beijing, Tianjin, Shanghai, Hefei and Chengdu where the property markets are relatively active. The Group is able to obtain market price and other related information of properties of the same category or similar nature. It is practicable for the Group to adopt the fair value model for subsequent measurement of the investment properties.
- (2) the Group is able to obtain market price and other related information of properties of the same category or similar nature from the property markets, by which the Group makes a reasonable estimation of the fair value of its investment properties.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Investment properties (Continued)

The Group has engaged a valuer with relevant qualifications to make valuation on the fair value of the investment properties of the Group using the income method and market method. The result of such valuation is used as the fair value of the investment properties of the Group.

Key assumptions and major uncertain factors adopted by the Group for the estimation of the fair value of the investment properties of the Group mainly include: assuming the investment properties are traded in the open market and will continue to be used for their existing purposes; there will be no significant changes in the macro-economic policies of the PRC and the social and economic environment, tax policies, credit interest rates and foreign exchange rates in the places where the investment properties are located; and there is no other force majeure and unforeseeable factor that may have a material impact on the Group's operation.

13. Fixed assets

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 expenditures incurred for a fixed asset that meet the recognition criteria shall be included in its cost, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures shall be recognised in profit or loss for the period or the related asset costs in accordance with beneficiary when incurred.

Fixed assets are initially measured at cost and the effect of any expected costs of abandoning the assets is considered. The cost of a purchased fixed asset comprises the purchase price, relevant taxes and any directly attributable costs for bringing the asset to working condition for its intended use.

Except for those fixed assets formed by using production safety fees accrued, depreciation of fixed assets is calculated using the straight-line method. The useful lives, estimated net residual values and annual depreciation rates of fixed assets are as follows:

	Useful life	Estimated net residual value %	Annual depreciation rate %
Buildings	20-40 years	3.00-5.00	2.38-4.85
Machinery and equipment	5-20 years	3.00-5.00	4.75-19.40
Transportation equipment	5-10 years	3.00-5.00	9.50-19.40
Office and other equipment	5-6 years	3.00-5.00	15.83-19.40

Different depreciation rates are applied where the components of fixed assets have different useful lives or provide the entity with economic benefits in different patterns.

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least once at the end of each financial year, and makes adjustments if necessary.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Fixed assets (Continued)

The Group adjusted the depreciable life of certain machinery and equipment from 15 years to 5-20 years since 1 January 2025. For details of the effect of the change in the accounting estimates, please refer to Note III. 34.

14. Construction in progress

The cost of construction in progress is determined according to the actual costs incurred for the construction, including all necessary construction costs incurred during the construction period, borrowing costs that shall be capitalised before the construction gets ready for its intended use and other relevant expenses.

Construction in progress is transferred to fixed assets when the asset is ready for its intended use. The criteria are as follows:

Criteria of transfer to fixed assets	
Buildings	Completion of acceptance
Machinery equipment	Completion of installation, debugging and acceptance
Transportation equipment	Completion of acceptance
Office and other equipment	Completion of acceptance

15. Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised. The amounts of other borrowing costs incurred are recognised in profit or loss for the period in which they are incurred.

Capitalisation of borrowing costs commences when expenditure for the asset is being incurred, borrowing costs are being incurred and 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 in profit or loss for the period during which they are incurred.

During the capitalisation period, the amount of interest to be capitalised for each accounting period shall be determined as follows: where funds are borrowed for a specific purpose, the amount of interest to be capitalised is the actual interest expense incurred on that borrowing for the period less any temporary bank interest earned from depositing the borrowed funds or any investment income; where funds are borrowed for a general purpose, the amount of interest to be capitalised on such borrowings is determined by multiplying a weighted average interest rate of the funds borrowed for a general purpose by the weighted average of the excess amounts of accumulated expenditure on the asset over and above the amounts of specific-purpose borrowings.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Borrowing costs (Continued)

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is interrupted by activities other than those necessary to prepare the asset for its intended use or sale, when the interruption is for a continuous period of more than three months. Borrowing costs incurred during these periods are recognised in profit or loss for the period during which they are incurred until the acquisition, construction or production is resumed.

16. Intangible assets

(1) *Useful lives of intangible assets*

The intangible assets of the Group consist of land use rights, mining rights, trademarks, software use rights, data resources, etc.

The remaining intangible assets are amortized using the straight-line method or at volume of mining over their useful lives, which are as follows:

	Useful life	Determination basis
Land use rights	20-50 years	Term of land use rights
Software use rights	3-10 years	Validity period of registration
Mining rights	Amortized at volume of mining	Permitted mining volume in mining rights certificate
Data resources	5 years	Expected benefit period

Intangible assets with indefinite use life (mainly trademarks) shall not be amortised and shall be tested for impairment at least every year, irrespective of whether there is any indication that the asset may be impaired; the useful life is reassessed in each accounting period. If there is evidence indicating that the useful life of that intangible asset becomes finite, it shall be accounted for by applying the accounting policy for intangible assets with a finite useful life.

(2) *R&D expenditure*

The Group classifies expenditure for 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, for which, 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.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Impairment of asset

Impairment of assets other than inventories, contract assets and assets relating to contract assets, investment properties measured under the fair value model, deferred income tax, and financial assets are determined by the following methods:

The Group assesses at the balance sheet date whether there is any indication that an asset may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset and performs test for impairment. Goodwill arising from a business combination and intangible assets with indefinite useful life are tested for impairment at least once at the end of each year, irrespective of whether there is any indication that the asset may be impaired.

The recoverable amount of an asset 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. 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. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

When the recoverable amount of an asset or an asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount. The reduction in carrying amount is treated as impairment loss and recognised in profit or loss for the current period. A provision for impairment loss of the asset is recognised accordingly.

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

The carrying amount of an asset group or a set of asset groups including goodwill shall be compared to its recoverable amount, if the recoverable amount of the asset group or set of asset groups is lower than its carrying 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 by 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 asset impairment loss is recognised, it cannot be reversed in subsequent accounting periods.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Long-term deferred expenditures

Long-term deferred expenditures represent expenditures incurred but should be recognised as expenses over more than one year in the current year and subsequent periods, including costs of leasehold improvements, renovation expenses and stripping cost of mines. Long-term deferred expenditures are amortized evenly over the benefit period.

19. Employee benefits

Employee benefits are all forms of considerations or compensations given by the Group 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.

(1) Short-term benefits

In the accounting period in which services are rendered by employees, the actual amount of short-term benefits incurred is recognised as liabilities and charged to profit or loss for the current period or cost of underlying assets.

(2) Post-employment benefits (the defined contribution plan)

The employees of the Group participate in the pension insurance and unemployment insurance scheme administered by the local government and also enterprise annuity, and the corresponding expenses are included in the costs of underlying assets when incurred or recognised in profit or loss for the current period.

The Group contributes on a monthly basis to these schemes or annuity based on certain percentages of the salaries of the employees. The Group's employer contributions vest fully with the employees when contributed into the scheme or annuity and there are no forfeited contributions that may be used by the Group.

(3) Post-employment benefits (the defined benefit plan)

The Group operates various defined benefit pension plans, which includes providing certain eligible retirees of the Company and its subsidiaries with supplementary allowance benefits. No capital has been injected into the plan. The benefits cost under the defined benefit plan is calculated using the projected accumulative benefit unit method.

The items to be remeasured as a result of the defined benefit pension plan, which include actuarial gains or losses, movements arising from assets cap (net of amounts included in net interest of liabilities in the defined benefit plan) and return on plan assets (net of amounts included in net interest of liabilities in the defined benefit plan), are all immediately recognised in the balance sheet, and are included in shareholders' equity through other comprehensive income during the period in which they are incurred. They will not be reversed to profit or loss in subsequent periods.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Employee benefits (Continued)

(3) *Post-employment benefits (the defined benefit plan) (Continued)*

The past service costs are recognised as expenses for the current period when the defined benefit plan is modified or when the Group recognises relevant restructuring costs or termination benefits, whichever occurs earlier.

Net interest is calculated by multiplying net liabilities or net assets of the defined benefit plan by the discount rate. The Group recognises changes in net liabilities of the defined benefit plan under administrative expense and finance expenses in the income statement. Service cost includes current service cost, past service cost and gains or losses on settlement; net interest includes interest income on plan assets, interest expenses on plan obligations and interest arising from assets cap.

(4) *Termination benefits*

Where the Group provides termination benefits to employees, the employee benefits liabilities arising from termination benefits are recognised and accounted for in profit or loss for the current period at the earlier of the following dates: when the Group cannot unilaterally withdraw the offer of these termination benefits as a result of termination of employment plan or downsizing proposal, and when the Group recognises restructuring costs involving the payment of termination benefits.

20. Estimated liabilities

Except for contingent consideration and contingent liability assumed in a business combination not under common control, if an obligation related to a contingency is a present obligation of the Group; it is probable that an outflow of economic benefits from the Group will be required to settle the obligation and the amount of the obligation can be measured reliably, the Group recognizes it as an estimated liability.

Estimated liabilities are initially measured at the best estimate of the expenditure required to settle the related present obligation, with comprehensive consideration of factors such as the risks, uncertainty and time value of money relating to a contingency. The carrying amount of estimated liabilities is reviewed at each balance sheet date and is adjusted appropriately to reflect the current best estimate.

21. Share-based payments

Share-based payments are categorised into equity-settled share-based payments and cash-settled share-based payments. The employee equity incentive scheme implemented by the Group is accounted for as the equity-settled share-based payment.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Share-based payments (Continued)

The equity-settled share-based payments granted to employees for exchange of the services rendered by employees are measured at the fair value of the equity instrument at the grant date. The amount of the fair value in the vesting period is determined based on the best estimate of the quantity of exercisable equity instruments, and included in related costs or expenses using straight-line method/When the grant is vested immediately, the amount of the fair value is included in the related costs or expenses on the grant date, with capital reserve increased accordingly.

At each balance sheet date within the vesting period, the Group revises the quantity of expected exercisable equity instruments on the basis of best estimate made based on the latest subsequent information such as the latest update on the change in the number of employees with vesting rights. The effect of the above estimate is included in related costs or expenses for the period, with a corresponding adjustment to capital reserve.

22. Other equity instruments

Perpetual bonds issued by the Group are classified as equity instrument if there is no expiration date or if the Group has the right to extend for unlimited number of times, to defer the payment of the coupon interest on the perpetual bonds, or has no contractual obligation to pay cash or other financial assets after the expiration thereof.

For financial instruments classified as equity instruments (such as perpetual bonds), its issue, repurchase, sale or cancellation are treated by the Group as changes in equity, with related transaction costs deducted from equity. The Group's distribution to holders of equity instruments is treated as a distribution of profits.

23. Revenue from contracts with customers

When the Group has fulfilled its performance obligations of the contract, the revenue is recognized when the customers take control of the relevant goods or services. Taking control of the relevant goods or services means being able to dominate the use of the goods or the provision of the services and obtain almost all of the economic benefits from them.

(1) Sales contracts of goods

Sales contracts between the Group and its customers usually contain only the performance obligation to transfer goods, with specific commitments varying depending on agreements with customers. Since customers can benefit separately from the above goods or services or together with other readily available resources, and there are no significant integration, significant modifications, customization, or high correlation between the above goods or services, the Group treats them as distinct goods, each constituting a separate performance obligation.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Revenue from contracts with customers (Continued)

(1) Sales contracts of goods (Continued)

For the existence of significant financing components in the contract, the Group determines the transaction price based on the amount payable immediately by cash upon the receipt of control of goods by the customer, and uses the discount rate which discounts the nominal amount of the contract consideration to the discounted price of the goods to amortise the difference between the determined transaction price and the consideration amount of the contract commitment using the effective interest method during the contract period. Where it is expected that the intervals between the customer's control over the goods and the payment by the customer will not exceed one year, the Group does not consider the significant financing components in the contract.

The Group fulfills its performance obligations by delivering goods such as cement and clinker, concrete, furniture, refractory materials, etc., to customers. Based on a comprehensive consideration of the following factors: receipt of the current payment rights of goods, transfer of major risks and rewards in relation to the ownership of goods, transfer of the legal ownership of goods, transfer of physical assets of goods and receipt of such goods by the customers, the Group recognises revenue when control of goods has been transferred to the buyer.

Revenue from the sales of completed properties is recognised when all the risks and rewards of property ownership have been transferred to the buyer, i.e., when the properties has been completed and delivered to the buyer pursuant to the sale agreement for existing property and the collection of the consideration determined under the purchase and sales contract can be assured reasonably. According to the pre-sale contract, the instalments of sold properties and proceeds from pre-sale collected prior to the revenue recognition will be presented in the contractual liabilities under the balance sheet.

The Group provides quality assurance for the goods sold or the assets constructed pursuant to contractual agreement and laws and regulations. The Group performs accounting treatments in accordance with Note III. 20 with a view to providing guarantee to the customers that the goods sold meet the established quality standards. In addition to providing guarantee to the customers that the goods sold meet the established quality standards, providing the customers with a separate quality assurance for goods sold beyond the statutory warranty period or scope is regarded as a separate performance obligation by the Group. Based on the relative proportion of the individual selling prices of providing quality assurance for goods and services, part of the transaction price is allocated to quality assurance of services and revenue is recognized when the customers take control of the services.

After receiving commodities held for trading or taking control over other assets from third parties, the Group transfers them to customers. Considering the legal form of the contract and relevant facts and circumstances (such as the main responsibilities for transferring goods to customers, inventory risks before or after transferring goods, and the authority to independently determine the price of traded goods), the Group believes that it can control the use of goods and derive almost all economic benefits before transferring them to customers. As the main responsible person, the Group has control over the goods. Therefore, revenue is recognized according to the total amount received or receivable when the goods are delivered to the customer and acceptance is completed.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Revenue from contracts with customers (Continued)

(2) *Contracts for provision of services*

The Group determines the transaction price as the amount of consideration expected to be received from customers in exchange for transferring services, based on contract terms and past business practices. The consideration payable by the Group to customers is not for obtaining other distinct goods or services from customers. Therefore, the consideration payable to a customer shall be deducted against the transaction price and against current revenue upon the recognition of revenue or the payment of (or the commitment to pay) the consideration to the customer (whichever is later).

The Group fulfills its performance obligations by providing customers with services such as solid waste treatment, decoration and renovation, property management, and hotel operation. As the customers will receive and consume economic benefits arising from the fulfillment of performance obligations as stipulated in the contracts by the Group. The Group considers such revenue as performance obligations fulfilled during a specific period and recognises the revenue based on the progress of performance, unless the progress of performance cannot be reasonably determined. The Group determined the progress of performance in relation to the provision of services using input method or output method. Where progress of performance cannot be reasonably determined, the Group determined its revenue based on the incurred amount of costs to the extent that they are expected to be compensated, until the progress of performance is able to be determined reasonably.

Construction Contracts

The Group's construction contracts with customers typically involve commitments to various goods and services such as construction design, equipment procurement, and construction installation. Since the Group needs to integrate the above goods or services into a combined output as agreed in the contract and transfer it to customers, the Group treats it as a single performance obligation.

The Group provides quality assurance for the assets constructed pursuant to contractual agreement and laws and regulations. The Group performs accounting treatments in accordance with Note III. 20 with a view to providing guarantee to the customers that the assets constructed meet the established quality standards. In addition to providing guarantee to the customers that the assets constructed meet the established quality standards, providing the customers with a separate quality assurance for the assets constructed is regarded as a separate performance obligation by the Group. In assessing whether quality assurance is provided as a separate service other than providing guarantee to the customers that the assets constructed meet the established quality standards, the Group considers factors such as whether the quality assurance is a statutory requirement, the term of quality assurance and nature of the Group's commitment to perform its obligations. Based on the relative proportion of the individual selling prices of providing quality assurance for goods and services, part of the transaction price is allocated to quality assurance of services and revenue is recognized when the customers take control of the services.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Revenue from contracts with customers (Continued)

(2) *Contracts for provision of services (Continued)*

Construction Contracts (Continued)

The Group determines the transaction price as the consideration expected to be received from customers in exchange for transferring goods, based on contract terms and past business practices. For certain business contracts between the Group and its customers, the amount of settlement is calculated in the manner as agreed in the contract upon completion of the projects, which results in a variable consideration. The Group determines the best estimate amount of the variable consideration based on the expected value or the most likely amount, but the transaction price including the variable consideration does not exceed the amount that the accumulated and recognized revenue is likely not to be significantly reversed when the relevant uncertainty is eliminated. The amount is re-measured at each balance sheet date.

The Group fulfills its performance obligations by providing customers with civil construction, installation, and maintenance services. As the customers are able to control the assets under construction during the performance process of the Group, the Group considers such revenue as performance obligations fulfilled during a specific period and recognises the revenue based on the progress of performance, unless the progress of performance cannot be reasonably determined. The Group determined the progress of performance in relation to the provision of services using input method. Where progress of performance cannot be reasonably determined, the Group determined its revenue based on the incurred amount of costs to the extent that they are expected to be compensated, until the progress of performance is able to be determined reasonably.

24. Contract assets and contract liabilities

The Group presented contract assets or contract liabilities on the balance sheet based on the correlation between the performance of obligations and customer payments. The Group offsets contract assets against contract liabilities under the same contract and presents the net amount.

(1) *Contract assets*

The right to consideration in exchange for goods or services that the Group has transferred to customers when that right is conditioned on something other than the passage of time is recognised as contract assets before the actual payment of the contract consideration by customers or such consideration or such consideration becomes due and payable. After such right to receive consideration subsequently becomes unconditional, it shall be transferred to receivables.

Details of the Group's determination method and accounting treatment for expected credit losses of contract assets are set forth in Note III. 9.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Contract assets and contract liabilities (Continued)

(2) Contract liabilities

The obligation to transfer goods or services to customers for consideration received or the unconditional right to receive consideration is recognised as contract liabilities before the goods or services are transfer to the customers.

25. Assets related to contractual cost

The Group's assets related to contractual costs include costs incurred to secure a contract and costs incurred in performing a contract, which are presented in inventory, other current assets and other non-current assets, respectively, based on their liquidity.

The Group recognises as the additional costs incurred to secure a contract as an asset if it expects to recover the costs, unless the amortization period of the asset is less than one year.

If the costs incurred in performing a contract are not within the scope of inventories, fixed assets, intangible assets or other relevant standards, the Group recognises the costs incurred in performing a contract as an asset if those costs meet all of the following criteria:

- (1) the costs relate directly to an existing contract or to an anticipated contract, including direct labour, direct materials, production overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only by the reason of the contract;
- (2) costs generate resources of the corporate that will be used in satisfying performance obligations in the future;
- (3) the costs are expected to be recovered.

Assets related to contract costs are amortised on a basis that is consistent with the recognition of the revenue to which the assets relate and recognised in profit or loss for the current period.

The Group makes impairment provisions and recognises an impairment loss on asset to the extent that the carrying amount of an asset related to contract costs exceeds:

- (1) the remaining amount of consideration that the corporation expects to receive in exchange for the goods or services to which the assets relate; less
- (2) the estimated costs to be incurred for the exchange of the related goods or services.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Government grants

Government grants are recognised when all attaching conditions can be complied with and the grant can be received. 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 transfer of a non-monetary asset, it is measured at fair value; if fair value cannot be reliably determined, it is measured at a nominal amount.

Government grants shall be recognised as government grants related to assets where long-term assets are built or otherwise developed in accordance with the requirements of government documents. If there are no specific requirements of government documents, judgment shall be exercised based on the basic conditions required for the grants. Government grants shall be recognised as government grants related to assets where the building or otherwise development of long-term assets is considered as the basic condition; otherwise, they shall be recognised as government grants related to income.

A government grant related to income is accounted for as follows: if the grant is a compensation for related cost expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss or offset against relevant costs over the periods in which the related costs expenses for losses are recognised; and if the grant is a compensation for related cost expenses or losses already incurred, it is immediately recognized in profit or loss or offset against relevant cost for the current period.

A government grant related to an asset shall be recognised as deferred income, and recognised in profit or loss in instalments over the useful life of the related asset in a reasonable and systematic way, provided that a government grant measured at a nominal amount is recognised immediately in profit or loss for the current period. If the related assets are disposed of, transferred, scrapped and damaged before the end of the useful life, the relevant remaining deferred income unallocated shall be transferred to the profit or loss for the period when the assets are disposed of.

27. Deferred income tax

Deferred income tax is recognised under the balance sheet liability method based on the temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the tax bases and carrying amounts in respect of items not recognized as assets and liabilities, but the tax bases being determinable under tax law.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Deferred income tax (Continued)

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- (1) where the 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 and, at the time of the transaction, affects neither accounting profit nor taxable profit or deductible tax loss, and the initial recognition of an asset and liability did not result in equal taxable temporary differences and deductible temporary differences;
- (2) in respect of 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 and it is probable that the temporary differences will not be reversed in the foreseeable future.

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

- (1) where the deductible temporary difference arises from a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or deductible tax loss, and the initial recognition of an asset and liability did not result in equal taxable temporary differences and deductible temporary differences;
- (2) in respect of the deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the deductible temporary differences can be utilised in the future.

At the balance sheet date, the Group measured the deferred income tax assets and liabilities at the tax rates that are estimated to apply to the period when the asset is recovered or the liability is settled according to the requirements of tax laws. The measurement of deferred income tax assets and deferred income 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 income 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 income tax assets to be utilised. Unrecognised deferred income tax assets are reassessed at the balance sheet date and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recovered.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Deferred income tax (Continued)

When the following conditions are satisfied, deferred income tax assets and deferred income tax liabilities are shown as net amounts after set-off: there is a legally enforceable right to settle current income tax assets and current income tax liabilities on a net basis; deferred income tax assets and deferred income tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, but the involved taxable entities intended to settle the current income tax assets and current income tax liabilities on a net basis or to simultaneously acquire assets and repay debts during each future period in which significant amounts of deferred income tax assets and deferred income tax liabilities are expected to be reversed.

28. Leases

On the contract start date, the Group assesses whether the contract is a lease or contains a lease. If one of the parties to the contract transfers the right to control the use of one or more identified assets for a certain period of time in exchange for consideration, the contract is a lease or contains a lease.

(1) *As a lessee*

Except for short-term leases and low-value asset leases, the Group recognises the right-of-use assets and lease liabilities for the lease.

On the commencement date of the lease term, the Group recognises its right to use the lease assets over the lease term as the right-of-use asset, which is initially carried at cost. The cost of the right-of-use asset includes: the initial measurement amount of the lease liability; the amount of the lease payment on or before the commencement date of the lease term, deducting the relevant amount of the lease incentives already enjoyed; the initial direct expenses incurred by the lessee; and the cost expected to be incurred by lessee for dismantling and removing the lease assets, restoring the site where the lease assets are located or restoring the lease assets to the state agreed upon under the lease terms. When the Group re-measures the lease liabilities due to the change in lease payment amount, it shall adjust the carrying amounts of the right-of-use assets accordingly. The Group subsequently depreciated the right-of-use assets using the straight-line method. If it is reasonable to determine that the ownership of the lease assets can be obtained at the expiration of the lease term, the Group will provide for depreciation during the remaining useful life of the lease assets. If it is not reasonable to determine that the ownership of the lease assets can be obtained at the expiration of the lease term, the Group will provide for depreciation during the shorter of the lease term and the remaining useful life of the lease assets.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Leases (Continued)

(1) *As a lessee (Continued)*

On the commencement date of the lease term, the Group recognises the present value of the outstanding lease payments as lease liabilities, except for short-term leases and low-value asset leases. The lease payments include fixed payments and in-substance fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option and payments for exercising the option to terminate a lease, if the Group is reasonably certain to exercise that option or the lease term reflects the Group exercising the option to terminate. The variable lease payments that are not included in the measurement of the lease liabilities are recognised in profit or loss when incurred, unless otherwise stipulated to be recognised in related asset costs. When the substantially fixed payment amount changes, the expected amount payable of the guarantee residual value changes, the index or ratio used to determine the lease payment amount changes, or the assessment results or actual exercise of the purchase option, renewal option or termination option change, the Group re-measures the lease liabilities based on the present value of the changed lease payments.

The Group recognises leases with lease terms of not more than 12 months as at the commencement date of the lease term and without the purchase option as short-term leases; and recognises leases with relatively low value when the single lease asset is a new asset as low-value asset lease. The Group does not recognise the right-of-use assets and lease liabilities for short-term leases and low-value asset leases. During each period of the lease term, the related asset costs or current profit and loss are included by using the straight-line method.

(2) *As a lessor*

Leases that transfer substantially all of the risks and rewards associated with the ownership of the lease assets on the lease start date are finance leases, and all other leases are operating leases. When the Group is a sublessor, it will classify the sublease based on the right-of-use assets arising from in original lease.

Rental income under an operating lease is recognized through profit or loss using the straight-line method for each period of the lease term. Variable lease payments not included in the measurement of the net investment in the lease are recognized in profit or loss as incurred. The initial direct expenses are capitalised and amortised over the lease term on the same basis as rental income is recognized, recognized in profit or loss in the current period.

As at the commencement date of the lease term, the Group shall recognize finance lease payment receivable for finance lease and derecognize finance lease assets. The finance lease payment receivable shall be accounted for at net lease investment in its initial measurement by the Group. Net lease investment represents the sum of unguaranteed residual value and the present value of lease payment receivable outstanding as at the commencement date of the lease term discounted at the implicit rate in the lease, including initial direct expenses.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Leases (Continued)

(2) As a lessor (Continued)

The Group shall recognise interest income over each lease term based on constant periodic rate of return. The variable lease payments not included in the measurement of net investment in the lease obtained by the Group shall be recognised in profit or loss when it occurs.

29. Hedge accounting

In respect of the methods of hedge accounting, the Group's hedging is classified as:

- (1) fair value hedge, that is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognized firm commitment (other than foreign exchange risk);
- (2) cash flow hedge, that is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or the exchange rate risk contained in an unrecognised definitive commitment.

At the inception of a hedge relationship, the Group officially designates the hedge relationship and prepares formal written documentation of the hedge relationship, risk management objectives and hedge strategies. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess the hedging instrument's effectiveness. Hedge effectiveness is the extent to which the changes in fair value or cash flows of the hedging instruments offset changes in the fair value or cash flow of hedged items caused by the hedged risk. Such hedges are expected to be highly effective and are assessed on an ongoing basis to ensure that such hedges are highly effective during the accounting period with designated hedging relationships.

If the hedging instrument expires or is sold, contract terminated or exercised (but the rollover or replacement of part of a hedging instrument under the hedging strategy is not treated as an expiration or a contract termination), or due to a change in the risk management objective, the hedging relationship no longer meets the risk management objective, or when the hedging no longer meets other conditions of the hedge accounting method, the Group terminates the use of hedge accounting.

Where the hedging relationship no longer meets the hedging effectiveness requirements due to the hedging ratio, but the risk management objectives for the designated hedging relationship have not changed, the Group rebalances the hedging relationship.

Hedges which meet the criteria for hedge accounting are accounted for as follows:

Notes to Unaudited Interim Financial Statements (Continued)

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Hedge accounting (Continued)

(1) Fair value hedge

The gains or losses arising from the hedging instrument are recognised in profit or loss. The gain or loss of the hedged item arising from risk exposure is recognised in profit or loss, and the carrying amount of the hedged item that is not measured at fair value is adjusted accordingly.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with the corresponding gain or loss recognised in profit or loss.

(2) Cash flow hedging

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income, while the ineffective portion is recognised in profit or loss.

If the expected transaction being hedged is subsequently recognized as non-financial assets or non-financial liabilities, or when the expected transaction of non-financial assets or non-financial liabilities forms the definitive commitment under applicable fair value hedge, the amount of cash flow hedging reserves originally recognized in other comprehensive income shall be transferred out and included in the initial recognized amount of that asset or liability item. For the remaining cash flow hedge, during the same period in which the expected cash flow being hedged affects profit or loss, if an expected sale occurs, the cash flow hedging reserves recognized in other comprehensive income shall be transferred out and included in profit or loss for the current period.

30. Production safety cost

Production safety cost appropriated pursuant to regulations is recognised in the cost of the relevant products or in profit or loss for the current period, and also in the specific reserve. The use of production safety cost is accounted for separately according to whether a fixed asset is formed; the cost incurred through expenditure will be reduced from the specific reserve; the cost incurred for a fixed asset shall be pooled and recognised as a fixed asset when it reaches the working condition for its intended use, meanwhile, an equivalent amount shall be deducted from the specific reserve and recognised as accumulated depreciation.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 inputs -quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date; Level 2 inputs -the observable inputs, either directly or indirectly, of the relevant assets or liabilities other than Level 1 inputs; Level 3 inputs -unobservable inputs of the relevant assets or liabilities.

At each balance sheet date, for assets and liabilities that are recognised in the financial statements that are measured at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the fair value hierarchy by reassessment.

32. Securitisation

The Group will securitize some of its accounts receivable, transferring assets to the accounts receivable assets-backed special scheme. The scheme will issue senior and subordinated asset-backed securities to investors. After paying related taxes and fees, the special scheme will be firstly used to repay the principal and expected earnings of the senior asset-backed securities, with any remaining funds of the special scheme as the income from subordinated asset-backed securities attributable to the subordinated asset-backed securities' investors.

33. Significant accounting judgments and estimates

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

(1) Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – the Group as lessor

The Group has entered into lease contracts on its investment property portfolio. The Group has determined, based on evaluation of the terms and conditions of the arrangements, that it retains almost all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Significant accounting judgments and estimates (Continued)

(1) Judgments (Continued)

Classification between investment properties and inventories

The properties constructed by the Group may be held for sale, earning rental income and/or capital appreciation. The properties are designated as inventories or investment properties according to the intention of holding at the early development stage. During the course of construction, the properties which are intended for sale after their completion are accounted for as inventories – properties under development included in current assets, whereas, the properties which are intended to be held to earn rental income and/or for capital appreciation are accounted for as investment properties under construction included in non-current assets. Upon completion, the properties held for sale are transferred to inventories' completed properties held for sale, while the properties held to earn rentals and/or for capital appreciation are transferred to completed investment properties.

Consolidation Scope – the Group holds half or less of the voting rights of the investee

The Group considers that it controls Tangshan Jidong Equipment & Engineering Co., Ltd. (hereinafter referred to as "Jidong Equipment") even though it owns less than half of the voting rights. This is because the Group is the single largest shareholder of Jidong Equipment, indirectly holding 30% of the shares with voting rights. Other shares of Jidong Equipment are widely held by many other shareholders. Since the date of acquisition, no other shareholders have collectively exercised their voting rights or have more votes than the Group.

Classification between investment properties and fixed assets

The Group determines whether a property held qualifies as an investment property, and has developed relevant criteria for making the judgment. Properties held to earn rental income or for capital appreciation or both (including buildings under construction or development which are supposed to be used for rental earning) are classified as investment properties. Therefore, the Group considers whether a property generates cash flows largely independently of other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation while the remaining portion is held for use in the production or supply of goods or services or for administrative purposes. The Group accounts for the portion that is held to earn rentals or for capital appreciation separately if such portion can be sold or leased out separately. Otherwise, the property is classified as an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. The Group's judgment is made on an individual basis when determining whether ancillary services are so significant that a property does not qualify as an investment property.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Significant accounting judgments and estimates (Continued)

(1) Judgments (Continued)

Other equity instruments – perpetual bonds

As described in Note V. 46, as of 30 June 2025, the perpetual bond balance in other equity instruments of the Group amounted to RMB31.8 billion. Pursuant to the relevant prospectuses, perpetual bonds investment contracts and other documents, upon comprehensive consideration by the management of the Group that the perpetual bonds have no maturity dates or the Group has the right to extend for unlimited number of times upon the maturity thereof, and has the right to deferred the payment of coupon interests on the perpetual bonds, and that the Group has no contractual obligations to pay cash or other financial assets nor to exchange financial assets or financial liabilities under potential adverse condition with the holders of the perpetual bonds, the Group classifies the perpetual bonds as equity instruments, and the subsequent declared distribution will be treated as distribution to the holders of the equity.

Business model

The classification of financial assets at initial recognition is dependent on the Group's business model for managing the assets. Factors considered by the Group in judging the business model include enterprise valuation, the method of reporting the results of financial assets to key management members, risks affecting the results of financial assets and the method for managing such risks, as well as the form of remuneration received by the management personnel of the businesses concerned. In assessing whether the business model is aimed at receiving contract cash flow, the Group is required to analyse and exercise judgment in respect of the reasons, timing, frequency and values of any disposals prior to maturity.

Characteristics of contract cash flow

The classification of financial assets at initial recognition is dependent on the characteristics of the contract cash flow of such type of financial assets. Judgment is required to determine whether the contract cash flow represents interest payment in relation to principal amounts based on outstanding principal amounts only, including judgment of whether it is significantly different from the benchmark cash flow when assessing modifications to the time value of currencies, and judgment of whether the fair value of early repayment features is minimal where the financial assets include such early repayment features.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Significant accounting judgments and estimates (Continued)

(2) *Uncertainty of estimation*

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods are discussed below.

Impairment of financial instruments

The Group uses expected credit losses model to conduct assessment on the impairment of financial instruments. The application of expected credit losses model requires significant judgment and estimation and takes into account all reasonable and reliable information, including forward-looking information. When making such judgment and estimation, the Group predicts the expected changes in credit risk of the obligor based on its historical data of repayment together with factors such as economic policy, macroeconomic indicators and industry risk. Differences in estimates may have an impact on the provision for Impairment. A provision for impairment may not be equal to the actual amount of impairment losses in the future.

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 expected future cash flows from an asset group or set of asset groups to which the goodwill is allocated. Estimating the present value of the expected future cash flows requires the Group to make an estimation of the expected future cash flows from an asset group or set of asset groups and also choose a suitable discount rate in order to calculate the present value of those future cash flows.

Impairment of non-current assets other than financial assets (other than goodwill)

The Group assesses whether there is any indication of impairment for all non-current assets other than financial assets at the balance sheet date. Intangible assets with indefinite useful lives are tested for impairment annually and at other times when such indication exists. Other non-current assets other than financial assets are tested for impairment when there is indication that the carrying amounts may not be recoverable. Where the carrying amount of an asset or asset group is higher than its recoverable amount (i.e. the higher of its fair value less costs to sell and the present value of the future cash flows expected to be derived from it), it is indicated that such asset or asset group is impaired. The fair value less costs to sell is determined with reference to the price in sales agreement or observable market price in arm's length transaction, adjusted for incremental costs that would be directly attributable to the disposal of the asset or asset group. Estimating the present value of the expected future cash flows requires the management to make an estimation of the expected future cash flows from an asset or asset group and also choose a suitable discount rate in order to calculate the present value of those future cash flows.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Significant accounting judgments and estimates (Continued)

(2) *Uncertainty of estimation (Continued)*

Fair value of non-listed equity investment

The Group determines the fair value of non-listed equity investment using the market approach. This requires the Group to ascertain comparable listed companies, select market multiples and make estimates on liquidity discounts, thereby giving rise to uncertainties.

Deferred income tax assets

Deferred income tax assets are recognised for all unused deductible tax losses to the extent that it is probable that taxable profit will be available against which the deductible tax losses can be utilised. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Land appreciation tax

The Group is subject to land appreciation tax ("LAT"). The provision for land appreciation tax is based on the management's best estimates according to their understanding of the requirements set forth in the relevant tax laws and regulations. The actual land appreciation tax liabilities are subject to the determination by the tax authorities upon the settlement of land appreciation tax. The Group has not finalised the assessment for its land appreciation tax calculations and payments with the tax authorities for certain property development projects. The final outcome could be different from the amounts that were initially recorded, and any differences will have impact on the land appreciation tax expense and the related provision in the period in which the differences are realised.

Fair value of investment properties

The fair value of investment properties are revalued at the balance sheet date by an independent professional valuer. Such valuations are based on certain assumptions, which are subject to uncertainty and might differ from the actual results. In making the relevant estimation, information from current market rentals for similar properties and amount of open market transactions are considered and assumptions that are mainly based on market conditions existing at the balance sheet date are adopted.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

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III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Significant accounting judgments and estimates (Continued)

(2) *Uncertainty of estimation (Continued)*

Recognition and allocation of development costs on properties under construction

Development costs of properties are recorded as inventory during the construction stage and will be transferred to the income statement upon the recognition of the sale of the properties. Before the final settlement of the development cost and other costs relating to the development of the properties, the management of the Group is required to make estimation on these costs according to the budgeted cost and the progress of development. When developing properties, the Group typically divides the development projects into phases. Costs directly related to the development of a phase are recorded as the costs of such phase. Costs that are common to different phases are allocated to individual phases based on saleable area. Where the final settlement of costs and the related cost allocation are different from the initial estimates, any increase or decrease in the development costs and other costs would affect the profit or loss in current and future years.

Provision for decline in value of inventory

The Group's inventory is measured at the lower of the costs and net realisable value. Net realizable value of inventory is the estimated selling price of inventory less the estimated costs upon completion of production, the estimated selling expenses and the related taxes and surcharges necessary to make the sale. Management's calculation of the net realisable value of inventory involves the estimation on the estimated selling price, the estimated costs upon completion, the estimated selling expenses and the related taxes and surcharges necessary to make the sale. Any changes in such estimates will affect the carrying amount of the inventory and profit or loss of the year of the future change.

Measurement of defined benefit obligations

Supplementary subsidies and benefits paid to certain retired and early retired employees are recognized as a liability. The amounts of those benefit expenses and liabilities are determined using actuarial valuations conducted by an independent professional actuary who conducts annual assessment of the actuarial position of the Group's retirement plans. The actuarial valuation involves making assumptions on discount rates, pension benefit inflation rates, and other factors. Due to their long term nature, such estimates are subject to uncertainties.

Useful lives and residual values of fixed assets

Fixed assets are depreciated over their estimated useful lives by taking into account of their residual values. The Group regularly reviews the estimated useful lives and residual values of relevant assets to determine the total amount of depreciation which will be included in each reporting period. Useful lives and residual values of assets are determined on the basis of the previous experience from assets of the same category and the expected change of technology. If the past estimates change significantly, the depreciation costs shall be adjusted during future periods.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Significant accounting judgments and estimates (Continued)

(2) *Uncertainty of estimation (Continued)*

Lessee's incremental borrowing rate

For a lease with uncertain interest rate, the Group adopts the lessee's incremental borrowing rate as the discount rate to calculate the present value of the lease payment. When determining the incremental borrowing rate, the observable interest rate is used as reference basis according to the economic environment in which it operates. Based on this, the interest rate as reference is adjusted to get applicable incremental borrowing rate, according to its own situation, the underlying asset situation, lease term, the amount of the lease liability and other specific conditions leasing business.

34. Change in major accounting policies and accounting estimates

Change in Significant Accounting Estimates

Details and reasons for change in accounting estimates	Commencement date	Name of the statement item materially affected	Amount affected (RMB)
On 29 March 2025, the Board of the Company approved the change in the depreciation life of machinery and equipment. The Group conducted a detailed assessment on the use of machinery and equipment assets. At the same time, with reference to the situation of companies in the same industry and in order to more fairly and truly reflect the condition of assets and operating results of the Group and make the depreciation life of fixed assets closer to the actual useful life and the depreciation period more reasonable, upon consideration and approval of the Board of the Company, the Group adjusted the depreciable life of certain machinery and equipment from 15 years to 5-20 years since 1 January 2025.	1 January 2025	Fixed assets and operating costs	263,454,739.47

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

IV. TAXATION

1. Major categories of taxes and respective tax rates

	Taxable basis	Tax rate
Value-added tax (VAT)	1. The difference between the sales amount and the output tax calculated at the applicable tax rate after deducting the input tax amount deductible	13%, 9%, 6%, 5%, 3%
	2. Based on the sales revenue at a simplified tax rate	
City maintenance and construction tax	Actual VAT paid	7%, 5%, 1%
Educational surcharge	Actual VAT paid	3%
Property tax	1. Based on the original value of the property less 10%-30% of that value	1.2%, 12%
	2. Based on the rental income	
Land appreciation tax	Based on the appreciation of land value	At four-level excess progressive tax rates ranging from 30% to 60%
Resource tax	1. Sales revenue	Applicable tax rate
	2. On a quantity basis	Applicable tax rate
Corporate income tax	Taxable income	25%, 20%, 16.5%, 15%
Individual income tax	Based on salaries and other personal incomes paid to employees	Applicable tax rate
Land use tax	Based on land areas actually occupied for production and operation	Applicable tax amount

2. Tax Concessions

Corporate income tax

- a. Certain subsidiaries of the Group are certified as high-tech enterprises by relevant governmental authorities and enjoy a preferential corporate income tax rate of 15% for high-tech enterprises pursuant to the implementation rules of the Law on Enterprise Income Tax of the People's Republic of China and the Notice of the State Administration of Taxation of the PRC regarding Income Tax Preferences for High-tech Enterprises (《國家稅務總局關於高新技術企業所得稅優惠有關問題的通知》). According to the Announcement on Further Implementing the Preferential Income Tax Policies for Small and Micro Enterprises, from 1 January 2022 to 31 December 2024, the portion of annual taxable income of a small low-profit enterprise which exceeds RMB1 million but does not exceed RMB3 million shall be calculated at a reduced rate of 25% as taxable income amount and shall be subject to EIT at 20% tax rate. According to the Announcement on the Preferential Income Tax Policies for Small and Micro Enterprises and Self-Employed Individuals, the portion of annual taxable income of a small low-profit enterprise not exceeding RMB3 million shall be calculated at a reduced rate of 25% as taxable income amount and shall be subject to EIT at 20% tax rate, which shall be extended until 31 December 2027. Certain subsidiaries of the Group enjoyed the above-mentioned preferential corporate income tax policy.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

IV. TAXATION (CONTINUED)

2. Tax Concessions (Continued)

Corporate income tax (Continued)

- b. Pursuant to the Notice on the Issues concerning the Taxation Policies for Deepening the Implementation of the Develop-the-West Strategy (《關於深入實施西部大開發戰略有關稅收政策問題的通知》) (Cai Shui [2011] No. 58), Announcement [2012] No.12 of the State Administration of Taxation on the Corporate Income Tax in relation to Deepening the Implementation of the Western Development Strategy (《關於深入實施西部大開發戰略有關企業所得稅問題的公告》) and Announcement 2020 No. 23 of the Ministry of Finance, the State Taxation Administration, and the National Development and Reform Commission of Announcement on Renewing Income Tax Policy for Western Development (《關於延續西部大開發企業所得稅政策的公告》), certain subsidiaries of the Company located in Western China meeting the criteria were subject to corporate income tax at rate of 15% after obtaining the approval from the competent tax authorities.

Value-added tax (VAT)

Certain subsidiaries of the Group enjoy the following VAT preferences:

- a. In accordance with the relevant policies of the “Announcement on Improving the Value-added Tax Policy for Comprehensive Utilization of Resources” (關於完善資源綜合利用增值稅政策的公告) (Cai Shui (2021) No. 40) which took effect from 1 March 2022, if a subsidiary of BBMG which is engaged in cement production, adopts rotary kiln process for cement production, the proportion of waste residue (excluding limestone waste residue) in raw materials of cements with grade 42.5 and above is not lower than 20% and that in raw materials of other cements and cement clinkers is not lower than 40%, it may enjoy 70% VAT refund upon collection. According to the relevant policies of the “Announcement on Improving the Value-added Tax Policy for Comprehensive Utilization of Resources” (關於完善資源綜合利用增值稅政策的公告) (Cai Shui (2021) No. 40), if a subsidiary of the Group with pollutant and waste disposal capacity, is engaged in labor services such as waste disposal and sludge treatment and disposal, it may enjoy 70% VAT refund upon collection.
- b. In accordance with the relevant policies of the “Announcement on Improving the Value-added Tax Policy for Comprehensive Utilization of Resources” (關於完善資源綜合利用增值稅政策的公告) (Cai Shui (2021) No. 40) which took effect from 1 March 2022, a minor portion of products of BBMG Mortar Co., Ltd., Tianjin Jinyu Treasure Bright Mortar Co., Ltd. and Tangshan Dunshi Dry Powder Building Materials Co., Ltd., being the subsidiaries of the Group, meet the requirement of Comprehensive Utilization of Resources, enjoying 70% VAT refund upon collection.
- c. In accordance with the requirements of the Notice concerning the Value-added Tax Policy for Novel Wall Materials (《關於新型牆體材料增值稅政策的通知》) (Cai Shui [2015] No. 73), Tangshan Jinyu Aerated Concrete Co., Ltd., being a subsidiary of the Group, enjoy 50% VAT refund upon collection preferential policy in respect of their eligible novel wall materials.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

IV. TAXATION (CONTINUED)

2. Tax Concessions (Continued)

Value-added tax (VAT) (Continued)

- d. In accordance with the requirements of the Notice of the Ministry of Finance and the State Administration of Taxation on Value-added Tax Policies for Software Products (《財政部國家稅務總局關於軟件產品增值稅政策的通知》) (Cai Shui [2011] No. 100), Tangshan Dunshi Information and Technology Co., Ltd. enjoys the preferential VAT policy of refund upon collection in respect of the actual tax burden exceeding 3% for the software it sells.
- e. In accordance with the overall requirements of the “Encouraging Measures for Further Supporting Industrial Agglomeration and Innovative Development in Tianjin Dongjiang Free Trade Port Zone” (Revised) (Jin Dong Jiang Fa [2021] No. 24), if the quarterly VAT of BBMG Tianjian Smart Logistics Co., Ltd., a subsidiary of the Group, reaches RMB15 million (inclusive), the company will receive financial support based on 90% of its actual economic contribution to the Dongjiang Free Trade Port Zone with respect to VAT, city maintenance and construction tax, stamp duty and corporate income tax from 2023 to 2025.

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

Unit: RMB

Items	30 June 2025	31 December 2024
Bank deposits	17,460,773,814.28	16,804,617,275.51
Statutory deposit reserve placement with central bank by finance company	1,063,549,152.95	1,167,233,816.33
Cash on hand	254,822.26	232,400.43
Other cash and bank balances	373,982,321.84	319,994,783.81
Total	18,898,560,111.33	18,292,078,276.08
<i>Including: Total amount of funds deposited overseas</i>	<i>204,381,178.40</i>	<i>155,792,904.68</i>

2. Financial assets held for trading

Unit: RMB

Items	30 June 2025	31 December 2024
Financial assets at fair value through profit or loss		
Debt instruments investment	1,715,573,167.09	1,152,935,304.61
Equity instrument investment	20,290,600.00	19,658,100.00
Total	1,735,863,767.09	1,172,593,404.61

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Bills receivable

(1) Classification of bills receivable

Unit: RMB

Items	30 June 2025	31 December 2024
Bank acceptance bills	161,356,782.39	113,666,910.13
Commercial acceptance bills	783,732,875.79	713,601,985.78
Less: Provision for bad debts of bills receivable	20,055,566.33	19,946,374.12
Total	925,034,091.85	807,322,521.79

(2) Pledged bills receivable

Details of pledged bills receivable are set out in Note V. 26.

(3) Bills receivable endorsed or discounted but not yet due at the balance sheet date

Unit: RMB

Items	30 June 2025		31 December 2024	
	Derecognised	Not derecognised	Derecognised	Not derecognised
Commercial acceptance bills	-	217,623,948.93	-	226,577,905.13
Bank acceptance bills	-	75,358,255.05	-	90,876,462.23
Total	-	292,982,203.98	-	317,454,367.36

(4) The movements in provision for bad debts of bills receivable

Unit: RMB

Items	January to June 2025	2024
Balance at the beginning of the period/year	19,946,374.12	27,123,603.53
Provision for the period/year	2,625,597.27	4,461,815.00
Reversal for the period/year	(2,516,405.06)	(10,960,393.95)
Other changes	-	(678,650.46)
Balance at the end of the period/year	20,055,566.33	19,946,374.12

See Note VIII. 4 for transfer of bills receivable.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable

The credit period of accounts receivable is generally 1 to 6 months, and accounts receivable are non-interest bearing. The aging of accounts receivable is calculated from the date of delivery of goods or provision of services to the customer and the date when the invoice is issued. An aging analysis of accounts receivable is as follows:

(1) Disclosure by aging

Unit: RMB

Items	30 June 2025	31 December 2024
Within 1 year	10,035,197,838.98	8,804,588,458.98
1 to 2 years	1,880,835,165.97	1,659,776,776.26
2 to 3 years	852,595,534.22	742,826,971.80
3 to 4 years	351,150,757.13	365,777,835.68
4 to 5 years	228,252,242.94	181,094,486.94
Over 5 years	1,539,736,604.84	1,500,012,573.94
Subtotal	14,887,768,144.08	13,254,077,103.60
Less: Provision for bad debts of accounts receivable	2,719,170,129.13	2,666,635,696.36
Total	12,168,598,014.95	10,587,441,407.24

(2) Disclosure by provision method for bad debt

Unit: RMB

Items	30 June 2025				
	Balance of carrying amount		Provision for bad debts		Carrying value
	Amount	Proportion (%)	Amount	Proportion of provision (%)	
Individual provision for bad debts	2,286,470,036.25	15.36	731,159,828.46	31.98	1,555,310,207.79
Provision for bad debts by credit risk characteristics group	12,601,298,107.83	84.64	1,988,010,300.67	15.78	10,613,287,807.16
Total	14,887,768,144.08	100.00	2,719,170,129.13	18.26	12,168,598,014.95

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(2) Disclosure by provision method for bad debt (Continued)

Unit: RMB

Items	31 December 2024				
	Balance of carrying amount	Proportion		Provision for bad debts	Carrying value
	Amount	(%)	Amount	Proportion of provision (%)	
Individual provision for bad debts	2,341,851,968.83	17.67	719,354,024.30	30.72	1,622,497,944.53
Provision for bad debts by credit risk characteristics group	10,912,225,134.77	82.33	1,947,281,672.06	17.84	8,964,943,462.71
Total	13,254,077,103.60	100.00	2,666,635,696.36	20.12	10,587,441,407.24

Provision for bad debts on individual basis

Unit: RMB

Items	30 June 2025		
	Balance of carrying amount	Provision for bad debts	Reasons for provision
Unit 1	95,793,205.69	20,081,584.22	Partial uncollectible
Unit 2	67,170,448.13	67,170,448.13	All uncollectible
Unit 3	62,461,027.70	62,461,027.70	All uncollectible
Unit 4	56,559,690.36	56,559,690.36	All uncollectible
Unit 5	40,165,481.70	40,165,481.70	All uncollectible
Other units	1,964,320,182.67	484,721,596.35	Partial uncollectible
Total	2,286,470,036.25	731,159,828.46	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(2) Disclosure by provision method for bad debt (Continued)

Unit: RMB

Items	31 December 2024		Reasons for provision
	Balance of carrying amount	Provision for bad debts	
Unit 1	95,793,205.69	20,081,584.22	Partial uncollectible
Unit 2	67,170,448.13	67,170,448.13	All uncollectible
Unit 3	62,461,027.70	62,461,027.70	All uncollectible
Unit 4	56,559,690.36	56,559,690.36	All uncollectible
Unit 6	45,935,163.55	459,351.64	Partial uncollectible
Unit 7	40,165,481.70	40,165,481.70	All uncollectible
Other units	1,973,766,951.70	472,456,440.55	Partial uncollectible
Total	2,341,851,968.83	719,354,024.30	

As at 30 June 2025, accounts receivable which are subject to provision for bad debts by group were as follows:

Unit: RMB

Item	Balance of carrying amount	Provision for impairment	Proportion of provision (%)
Credit risk group	12,601,298,107.83	1,988,010,300.67	15.78

As at 31 December 2024, accounts receivable which are subject to provision for bad debts by group were as follows:

Unit: RMB

Item	Balance of carrying amount	Provision for impairment	Proportion of provision (%)
Credit risk group	10,912,225,134.77	1,947,281,672.06	17.84

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(3) Provision for bad debts

Unit: RMB

Items	January to June 2025	2024
Balance at the beginning of the period/year	2,666,635,696.36	2,859,818,742.38
Provision for the period/year	68,488,203.95	141,867,196.01
Business combinations not under common control	899,750.87	26,130,224.02
Reversal for the period/year	(16,853,522.05)	(322,438,335.02)
Write-off for the period/year	-	(1,226,624.82)
Transfer out upon disposal of subsidiaries	-	(37,515,506.21)
Balance at the end of the period/year	2,719,170,129.13	2,666,635,696.36

Among them, the amounts for the recovery or reversal of bad debt provisions for the period

Unit: RMB

Items	Amount recovered or reversed	Reason for reversal	Method of recovery	Basis of determining original provision ratio of bad debt and its rationality
Unit 8	2,100,000.00	Payment recovery	Bank deposits	Individual provision
Other units	14,753,522.05	Payment recovery and debt settlement through property	Bank deposits and debt settlement through property	Collective provision/Individual provision
Total	16,853,522.05			

(4) Top five accounts receivable, contract assets and long-term receivables by debt

Unit: RMB

Items	Closing balance of accounts receivable	Closing balance of contract asset	Closing balance of long-term receivables	Subtotal	Percentage of the total closing balance of accounts receivable, long-term receivables and contract assets (%)	Closing balance of bad debt provision for accounts receivable, long-term receivables and impairment provision for contract assets
First	1,431,729,322.00	-	-	1,431,729,322.00	8.33	8,315,590.73
Second	285,680,558.49	-	20,404,999.65	306,085,558.14	1.78	32,774,769.56
Third	269,144,646.89	6,305,337.56	37,962,324.03	313,412,308.48	1.83	30,050,273.91
Fourth	252,664,392.16	18,966,067.72	6,431,924.10	278,062,383.98	1.62	30,487,693.96
Fifth	158,778,517.80	2,333,270.42	11,986,126.22	173,097,914.44	1.01	57,915,445.46
Total	2,397,997,437.34	27,604,675.70	76,785,374.00	2,502,387,487.04	14.57	159,543,773.62

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Receivables financing

(1) Classification of receivables financing

Unit: RMB

Item	30 June 2025	31 December 2024
Bank acceptance bills	965,953,833.74	885,835,186.93

Due to the needs of daily fund management, the subsidiaries of the Group endorsed or discounted bank acceptance bills. The Group therefore classified bank acceptance bills for which the accepting bank's credit rating meets specified criteria as financial assets at fair value through other comprehensive income.

(2) Receivables financing pledged at the end of the period

Unit: RMB

Item	Amounts pledged at the end of the period
Bank acceptance bills	13,000,000.00

(3) Receivables financing endorsed or discounted at the end of the period and not yet due at the balance sheet date

Unit: RMB

Item	Derecognised at the end of the period	Not derecognised at the end of the period
Bank acceptance bills	5,241,921,921.63	-

As at 30 June 2025, the Group endorsed the undue notes receivable to its suppliers or discounted to banks to settle trade payables of the same amounts and derecognised these notes receivable and payables to suppliers in their entirety as the Group's management considered that the risks and rewards of ownership of these undue bills have been substantially transferred. The Group's continuous involvement in these derecognised undue notes receivable is limited to when the issuance banks of these undue notes are unable to settle the amounts due to the holders of these notes. As at 30 June 2025, the maximum exposure to loss from its continuous involvement represents the amounts of undue notes receivable of RMB5,241,921,921.63 (31 December 2024: RMB6,406,717,625.70), which the Group endorsed to its suppliers or discounted to banks.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepayments

(1) Prepayments by aging

Unit: RMB

Items	30 June 2025		31 December 2024	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	3,350,154,517.78	95.96	2,984,701,202.67	95.26
1 to 2 years	88,424,203.18	2.53	83,144,574.31	2.65
2 to 3 years	24,708,777.06	0.71	37,009,480.11	1.18
Over 3 years	27,827,277.33	0.80	28,611,654.22	0.91
Subtotal	3,491,114,775.35	100.00	3,133,466,911.31	100.00
Less: Provision for bad debts of prepayment	29,984,416.05		26,648,098.37	
Total	3,461,130,359.30		3,106,818,812.94	

(2) Top five prepayments by supplier based on closing balance

Unit: RMB

Item	Percentage to the total closing balance of prepayments (%)	
	Closing balance	
Total	944,499,132.97	27.05

(3) Changes in impairment losses on prepayments

Unit: RMB

Items	January to June 2025	2024
Balance at the beginning of the period/year	26,648,098.37	28,215,086.35
Provision for the period/year	3,599,628.52	1,744,374.61
Reversal for the period/year	(263,310.84)	(309.69)
Transfer out upon disposal of subsidiaries	-	(2,213,969.01)
Other transfer out	-	(1,097,083.89)
Balance at the end of the period/year	29,984,416.05	26,648,098.37

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables

Unit: RMB

Items	30 June 2025	31 December 2024
Interests receivable	45,650,786.17	39,648,566.62
Dividends receivable	108,556,829.60	2,296,643.43
Other receivables	6,060,242,354.61	5,377,614,973.12
Total	6,214,449,970.38	5,419,560,183.17

(1) Interests receivable

Unit: RMB

Item	30 June 2025	31 December 2024
Special loans for projects	45,650,786.17	39,648,566.62

(2) Disclosure by aging

Unit: RMB

Items	30 June 2025	31 December 2024
Within 1 year	3,332,792,293.33	2,643,146,897.56
1 to 2 years	1,018,730,540.13	1,099,640,270.13
2 to 3 years	205,423,796.17	311,878,137.53
3 to 4 years	302,828,211.68	513,322,495.18
4 to 5 years	506,851,369.95	446,525,842.64
Over 5 years	3,758,144,555.49	3,316,266,909.15
Subtotal	9,124,770,766.75	8,330,780,552.19
Less: Provision for bad debts of other receivables	2,910,320,796.37	2,911,220,369.02
Total	6,214,449,970.38	5,419,560,183.17

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(3) Classification by nature

Items	Unit: RMB	
	30 June 2025	31 December 2024
Interests receivable	45,650,786.17	39,648,566.62
Interests of borrowings due from associates and joint ventures	45,650,786.17	39,648,566.62
Dividends receivable	108,556,829.60	2,296,643.43
Other receivables	8,970,563,150.98	8,288,835,342.14
Deposits and reserve funds	1,517,166,644.64	1,295,104,543.12
Current account with other entities	3,179,961,725.78	2,802,573,274.80
Disbursements previously made	1,135,017,223.69	1,155,279,524.72
Investment receivable	189,473,633.99	190,799,529.98
Government grants receivable	50,599,691.21	29,497,764.97
Amount due from associates	626,957,987.54	657,618,370.53
Amount due from joint ventures	10,487,865.00	3,158,464.00
Other current account	2,260,898,379.13	2,154,803,870.02
Subtotal	9,124,770,766.75	8,330,780,552.19
Less: Provision for bad debts of other receivables	2,910,320,796.37	2,911,220,369.02
Total	6,214,449,970.38	5,419,560,183.17

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(4) Provision for bad debts

30 June 2025

					Unit: RMB
Items	Balance of carrying amount		Provision for bad debts		Carrying value
			Proportion		
	Amount	Proportion (%)	Amount	of provision (%)	
Individual provision for bad debts	7,622,653,038.24	84.97	2,256,310,908.56	29.60	5,366,342,129.68
Provision for bad debts by credit risk characteristics group	1,347,910,112.74	15.03	654,009,887.81	48.52	693,900,224.93
Total	8,970,563,150.98	100.00	2,910,320,796.37	32.44	6,060,242,354.61

31 December 2024

Unit: RMB

	Balance of carrying amount		Provision for bad debts		Carrying value
		Proportion		Proportion of	
Items	Amount	(%)	Amount	provision (%)	
Individual provision for bad debts	7,267,416,209.34	87.68	2,231,326,630.56	30.70	5,036,089,578.78
Provision for bad debts by credit risk characteristics group	1,021,419,132.80	12.32	679,893,738.46	66.56	341,525,394.34
Total	8,288,835,342.14	100.00	2,911,220,369.02	35.12	5,377,614,973.12

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(4) Provision for bad debts (Continued)

Other receivables which were subject to individual provision for bad debts were as follows:

Unit: RMB

Items	30 June 2025				31 December 2024	
	Balance of carrying amount	Provision for bad debts	Proportion of provision (%)	Reasons for provision	Balance of carrying amount	Provision for bad debts
Unit 9	560,888,098.50	5,582,738.81	1.00	Probably partial uncollectible	558,273,880.84	5,582,738.81
Unit 10	488,749,811.30	16,845,141.34	3.45	Probably partial uncollectible	480,294,431.41	16,835,095.93
Unit 11	440,735,133.00	4,416,649.57	1.00	Probably partial uncollectible	440,355,531.95	4,416,649.57
Unit 12	333,397,846.99	-	-	Expected to be wholly collectible	333,397,846.99	-
Unit 13	168,292,708.36	168,292,708.36	100.00	Expected to be wholly uncollectible	168,259,145.16	168,259,145.16
Other customers	5,630,589,440.09	2,061,173,670.48	36.61	Probably partial uncollectible	5,286,835,372.99	2,036,233,001.09
Total	7,622,653,038.24	2,256,310,908.56			7,267,416,209.34	2,231,326,630.56

As at 30 June 2025, other receivables which are subject to provision for bad debts by group were as follows:

Unit: RMB

Item	Balance of carrying amount	Provision for bad debts	Proportion of provision (%)
Credit risk group	1,347,910,112.74	654,009,887.81	48.52

As at 31 December 2024, other receivables which are subject to provision for bad debts by group were as follows:

Unit: RMB

Item	Balance of carrying amount	Provision for bad debts	Proportion of provision (%)
Credit risk group	1,021,419,132.80	679,893,738.46	66.56

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(4) Provision for bad debts (Continued)

The movements in provision for bad debts of other receivables based on 12-month expected credit loss and lifetime expected credit loss are as follows:

January to June 2025

Unit: RMB

Items	Stage one Expected credit loss for the next 12 months	Stage two Lifetime expected credit loss (Non credit-impaired)	Stage three Lifetime expected credit loss (Credit- impaired)	Total
Opening balance	3,225,167.45	852,684,157.28	2,055,311,044.29	2,911,220,369.02
Stage transfer of opening balance during the period	(1,200,292.51)	(80,791,330.52)	81,991,623.03	-
Provision for the period	1,533,531.27	40,348,555.57	52,355.98	41,934,442.82
Reversal for the period	(232,066.19)	(748,495.03)	(43,654,509.74)	(44,635,070.96)
Transfer in from acquired subsidiaries	-	1,801,055.49	-	1,801,055.49
Closing balance	3,326,340.02	813,293,942.79	2,093,700,513.56	2,910,320,796.37

2024

Unit: RMB

Items	Stage one Expected credit loss for the next 12 months	Stage two Lifetime expected credit loss (Non credit- impaired)	Stage three Lifetime expected credit loss (Credit- impaired)	Total
Balance for the year	3,378,110.40	491,832,304.86	2,448,530,769.96	2,943,741,185.22
Stage transfer of opening balance during the year	(2,245,847.30)	323,429,332.53	(321,183,485.23)	-
Provision for the year	2,093,009.95	35,601,662.84	3,773,153.58	41,467,826.37
Reversal for the year	(105.60)	(2,340,992.82)	(65,881,522.13)	(68,222,620.55)
Transfer out upon disposal of subsidiaries	-	-	(2,917,199.58)	(2,917,199.58)
Other changes	-	4,161,849.87	(7,010,672.31)	(2,848,822.44)
Closing balance	3,225,167.45	852,684,157.28	2,055,311,044.29	2,911,220,369.02

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(4) Provision for bad debts (Continued)

The movements in provision for bad debts of other receivables are as follows:

Unit: RMB

Items	Balance at the beginning of the period/year	Provision for the period/year	Recovery or reversal for the period/year	Write-off for the period/year	Transfer out upon disposal of subsidiaries	Other changes	Balance at the end of the period/year
January to June 2025	2,911,220,369.02	41,934,442.82	(44,635,070.96)	-	-	1,801,055.49	2,910,320,796.37
2024	2,943,741,185.22	41,467,826.37	(68,222,620.55)	-	(2,917,199.58)	(2,848,822.44)	2,911,220,369.02

(5) Top five closing balance of other receivables by debt

Unit: RMB

Items	Closing balance	Proportion in total balance of other receivables (%)	Nature	Aging	Closing balance of provision for bad debts
First	560,888,098.50	6.25	Disbursements previously made	Within 1 year, 3-5 years	5,582,738.81
Second	488,749,811.30	5.45	Current account with other entities	0-5 years	16,845,141.34
Third	440,735,133.00	4.91	Current account with other entities	0-5 years	4,416,649.57
Fourth	333,397,846.99	3.72	Current account with other entities	Within 1 year	-
Fifth	314,000,000.00	3.50	Current account with other entities	Within 1 year	-
Total	2,137,770,889.79				26,844,529.72

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

- (6) *As set out in Note IV. 2 Tax, certain companies of the Group enjoy the policy of immediate refund of VAT levied. As at the balance sheet date, the value-added tax receivable refund have been verified by various tax bureaus, and the management expects that the amounts will be fully recovered within the next year.*

30 June 2025

Unit: RMB

Item	Grant item	Amount	Aging	Expected time of receipt
Local tax authorities	Refunds of VAT	50,599,691.21	Within 1 year	Within 1 year

31 December 2024

Unit: RMB

Item	Grant item	Amount	Aging	Expected time of receipt
Local tax authorities	Refunds of VAT	29,497,764.97	Within 1 year	Within 1 year

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

(1) Classification of inventories

Unit: RMB

Items	30 June 2025		
	Balance of carrying amount	Provision for decline in value/impairment	Carrying value
Raw materials	1,974,143,349.04	17,571,187.83	1,956,572,161.21
Items in production	1,047,774,081.01	9,971,696.53	1,037,802,384.48
Finished goods	7,139,406,213.62	200,446,743.70	6,938,959,469.92
Development costs	38,214,616,544.42	1,191,093,626.45	37,023,522,917.97
Products under development	40,046,544,399.82	1,444,332,393.81	38,602,212,006.01
Contract performance cost	265,475,825.72	-	265,475,825.72
Total	88,687,960,413.63	2,863,415,648.32	85,824,544,765.31

Unit: RMB

Items	31 December 2024		
	Balance of carrying amount	Provision for decline in value/impairment	Carrying value
Raw materials	1,878,436,464.30	28,970,532.05	1,849,465,932.25
Items in production	1,212,871,366.33	13,082,549.01	1,199,788,817.32
Finished goods	6,787,583,902.29	262,294,211.76	6,525,289,690.53
Turnover materials	4,686,320.29	-	4,686,320.29
Development costs	40,973,522,020.72	1,465,928,637.01	39,507,593,383.71
Products under development	35,831,860,195.70	1,341,372,653.75	34,490,487,541.95
Contract performance cost	80,496,575.36	1,316,487.72	79,180,087.64
Total	86,769,456,844.99	3,112,965,071.30	83,656,491,773.69

The amortization amount recognized for contract performance costs during the period is RMB1,119,149,103.57. The carrying value at the end of the period is presented in inventory based on liquidity.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(2) Provision for decline in value of inventories and impairment of contract performance cost

30 June 2025

Unit: RMB

Items	Balance at the beginning	Provision for the period	Decrease during the period			Balance at the end of the period
			Reversal	Write-off	Other	
Raw materials	28,970,532.05	-	(161,144.77)	(8,572,193.58)	(2,666,005.87)	17,571,187.83
Items in production	13,082,549.01	-	(1,006,809.37)	(2,104,043.11)	-	9,971,696.53
Finished goods	262,294,211.76	2,355,358.50	(1,560,637.17)	(62,255,305.84)	(386,883.55)	200,446,743.70
Development costs	1,465,928,637.01	-	-	-	(274,835,010.56)	1,191,093,626.45
Products under development	1,341,372,653.75	41,497,310.09	-	(207,292,244.79)	268,754,674.76	1,444,332,393.81
Contract performance cost	1,316,487.72	-	-	(1,316,487.72)	-	-
Total	3,112,965,071.30	43,852,668.59	(2,728,591.31)	(281,540,275.04)	(9,133,225.22)	2,863,415,648.32

31 December 2024

Unit: RMB

Items	Opening balance	Provision for the year	Decrease during the year			Closing balance
			Reversal	Write-off	Other	
Raw materials	60,875,495.89	12,132,746.40	(206,872.26)	(43,830,837.98)	-	28,970,532.05
Items in production	74,118,103.18	16,121,662.25	-	(77,157,216.42)	-	13,082,549.01
Finished goods	185,909,471.68	158,894,382.49	(1,598,275.18)	(79,364,648.45)	(1,546,718.78)	262,294,211.76
Development costs	1,260,325,393.30	295,800,509.48	-	-	(90,197,265.77)	1,465,928,637.01
Products under development	1,116,631,333.01	457,484,226.72	-	(313,163,093.03)	80,420,187.05	1,341,372,653.75
Contract performance cost	-	1,316,487.72	-	-	-	1,316,487.72
Total	2,697,859,797.06	941,750,015.06	(1,805,147.44)	(513,515,795.88)	(11,323,797.50)	3,112,965,071.30

Due to the completion of the development project, the corresponding provision for decline in value of inventory of RMB274,835,010.56 is transferred from the development costs to the products under development. The corresponding provision for decline in value of inventory of RMB6,080,335.80 is transferred out due to the transferring of inventories into investment properties.

As at 30 June 2025, the balance of development costs included the capitalised borrowing costs of RMB2,381,602,420.55 (31 December 2024: RMB2,481,923,119.68). The capitalised borrowing costs amounted to RMB379,909,253.81 in aggregate for the period from January to June 2025 (from January to June 2024: RMB640,205,838.76), and the rate of interest capitalisation was 2.79% (from January to June 2024: 3.54%). Details of pledge of inventories are set out in Note V. 26.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(3) The breakdown of costs of property development

Unit: RMB

Project name	Time of commencement	Estimated completion time of the next phase	Aggregate investment	30 June 2025	31 December 2024
Beijing – Yu • Dongxu	October 2024	December 2026	8,803,310,000.00	7,003,436,861.65	6,777,481,757.47
Tianjin – Konggang Yunzhu	March 2018	December 2025	7,516,038,353.37	4,989,341,028.02	5,471,554,695.37
Beijing – Baoshan Project	October 2025	November 2027	5,125,058,643.73	3,364,156,152.97	-
Suzhou – Zijinfeili	February 2024	May 2026	4,110,000,000.00	3,204,436,930.32	3,063,327,628.61
Chongqing – Xinduhui	November 2020	June 2029	10,000,000,000.00	3,154,729,521.81	3,100,379,384.65
Beijing – Yu • Xisong	March 2025	December 2026	4,055,860,000.00	2,910,103,860.74	2,701,706,833.34
Tangshan – Jinyu Yunzhu	May 2022	August 2025	4,444,860,000.00	2,570,098,819.42	2,448,046,714.42
Shanghai – Taopu Project	August 2024	August 2026	3,312,085,057.00	2,395,324,743.17	2,285,543,170.39
Tianjin – Branch plant 2, 3	December 2020	September 2025	1,930,000,000.00	1,717,711,820.47	1,534,565,527.34
Qingdao – Treasures Mansion	June 2019	August 2025	2,809,149,428.02	1,440,136,865.43	2,052,320,938.80
Beijing – Huaxi Yunjin	March 2025	May 2027	2,133,860,000.00	1,317,868,938.39	1,196,039,487.81
Tianjin – Jinzhong River Project	April 2019	December 2025	2,439,430,000.00	1,309,538,343.47	1,173,622,291.91
Tangshan – Mining & Metallurgical Plot A03	May 2025	May 2027	1,135,940,000.00	525,677,033.91	126,370,000.00
Tangshan – Qixin Plot C03 Project	January 2026	December 2028	1,000,000,000.00	423,934,164.80	423,934,164.80
Tangshan – Qixin Project	April 2014	July 2025	4,090,794,500.52	262,312,822.48	1,451,737,009.27
Ningbo – Jinjunfu	June 2021	October 2025	248,500,000.00	247,200,557.30	247,200,557.30
Tangshan – Jinyu Lefu	March 2010	December 2026	133,359,762.46	68,049,346.59	68,049,346.59
Others				119,465,107.03	5,385,713,875.64
Total				37,023,522,917.97	39,507,593,383.71

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(4) The breakdown of property under development

Unit: RMB

Project name	Completion date of the latest phase	Opening balance	Increase during the period	Decrease during the period	Closing balance
Beijing – Incubator Technology Park	June 2023	5,431,135,674.18	-	(1,541,289.12)	5,429,594,385.06
Beijing – Wangjing Yunshang	April 2025	-	4,359,772,436.69	(84,262,211.29)	4,275,510,225.40
Beijing – Jinlinjiayuan	December 2020	2,506,058,886.91	2,717,922.26	-	2,508,776,809.17
Tianjin – Jinchengfu/Jinchengxifu	June 2024	2,814,089,184.44	26,769,971.98	(355,788,785.38)	2,485,070,371.04
Tianjin – Treasures Mansion	June 2021	2,504,380,253.57	11,516,730.67	(227,844,315.16)	2,288,052,669.08
Chengdu – Jinchengxifu	December 2022	1,615,620,916.17	-	(128,623,373.24)	1,486,997,542.93
Ningbo – Jinjunfu	November 2023	1,491,154,304.65	434,426.37	(6,202,616.78)	1,485,386,114.24
Beijing – Shangchengjun	January 2025	985,579,004.67	469,493,884.43	(99,165,293.57)	1,355,907,595.53
Chongqing – Nanshanjun	June 2024	1,769,779,462.18	220,363,510.92	(634,769,379.08)	1,355,373,594.02
Qingdao – Treasures Mansion	January 2025	671,162,340.59	863,382,680.18	(296,796,932.17)	1,237,748,088.60
Tangshan – Jinchengfu	January 2025	-	1,422,540,213.63	(249,209,614.97)	1,173,330,598.66
Chongqing – Xinduhui	December 2023	947,912,991.79	4,079,450.44	(12,068,910.65)	939,923,531.58
Chongqing – Times Metro	December 2023	870,189,527.92	115,933.74	(279,340.39)	870,026,121.27
Tianjin – Jinyu Yunzhu	March 2025	398,395,624.76	475,728,193.65	(26,662,498.06)	847,461,320.35
Changzhou – Zhonglou Tianzhu	March 2025	559,846,389.97	597,871,385.11	(405,006,390.30)	752,711,384.78
Beijing – Linoleum Factory Project	October 2024	1,143,431,538.91	209,204,122.10	(759,558,502.74)	593,077,158.27
Tangshan – Treasures Mansion	December 2023	555,852,524.84	1,541,679.43	(10,116,327.18)	547,277,877.09
Beijing – Wangjing Star	December 2023	501,328,038.57	-	-	501,328,038.57
Hefei – Jincheng Mansions	September 2023	493,217,753.17	485,726.43	(92,922.79)	493,610,556.81
Tangshan – Jin'anhongbao	June 2022	628,620,832.43	919,740.62	(139,970,685.54)	489,569,887.51
Shanghai – Dachengjun	March 2019	476,090,666.03	111,709.81	(935,406.12)	475,266,969.72
Beijing – Kanghuiyuan	December 2024	714,696,391.79	11,220,341.25	(283,105,556.55)	442,811,176.49
Beijing – Xishanjia No.1	December 2020	439,432,102.73	-	-	439,432,102.73
Beijing – Jinyu Yunzhu	June 2024	755,957,589.05	23,028,426.85	(341,509,489.78)	437,476,526.12
Nanjing – Zijingdieyuan	May 2023	347,022,524.78	7,636,650.31	-	354,659,175.09
Ningbo – Dachengjun	September 2021	358,900,561.72	-	(22,521,876.49)	336,378,685.23
Ningbo – Dacheng Times	June 2019	345,779,640.95	-	(19,929,463.00)	325,850,177.95
Hefei – Shanhu Yunzhu	March 2025	482,638,054.00	17,614,671.71	(175,178,334.92)	325,074,390.79
Hefei – Dachengjun	March 2024	322,182,011.40	3,075,048.85	(15,348,957.58)	309,908,102.67
Beijing – Fengqi Home	November 2023	286,639,495.77	485,243.72	(6,567,157.15)	280,557,582.34
Shanghai – BBMG Bund East Bank	September 2024	316,361,535.53	-	(59,890,359.69)	256,471,175.84
Hefei – Nanqi Garden	November 2020	204,517,803.37	725,149.26	(1,082,094.31)	204,160,858.32
Tangshan – Qixin 1889#	January 2015	181,224,206.89	23,970,586.43	(1,418,762.66)	203,776,030.66

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(4) The breakdown of property under development (Continued)

Unit: RMB

Project name	Completion date of the latest phase	Opening balance	Increase during the period	Decrease during the period	Closing balance
Haikou – Yangguangjun	June 2022	190,103,402.99	383,133.55	(4,976,243.12)	185,510,293.42
Tangshan – Rongda Business Building	December 2023	176,629,278.27	-	-	176,629,278.27
Tangshan – Dachengjun	February 2022	174,712,157.11	-	(4,369,507.11)	170,342,650.00
Beijing – Jingang Jiayuan	December 2020	177,190,676.32	-	(7,771,993.50)	169,418,682.82
Hangzhou – Metro Forest	November 2020	168,798,288.41	-	(918,733.08)	167,879,555.33
Chengde – Jinyufu	December 2021	164,243,704.81	-	(6,586,518.01)	157,657,186.80
Chengdu – Dachengjun	December 2014	154,707,434.73	1,811,858.01	-	156,519,292.74
Others		2,164,904,765.58	78,108,815.78	(333,315,338.64)	1,909,698,242.72
Total		34,490,487,541.95	8,835,109,644.18	(4,723,385,180.12)	38,602,212,006.01

9. Contract assets

(1) Contract assets

Contract assets arise mainly 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 terms, 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 recognized as contract asset while progress billings in excess of revenue recognised based on performance progress is recognized as contract liabilities.

Unit: RMB

Items	30 June 2025			31 December 2024		
	Balance of carrying amount	Provision for impairment	Carrying value	Balance of carrying amount	Provision for impairment	Carrying value
Engineering construction	454,357,106.17	15,008,420.71	439,348,685.46	508,435,804.48	19,194,920.66	489,240,883.82
Others	-	-	-	4,478.00	-	4,478.00
Total	454,357,106.17	15,008,420.71	439,348,685.46	508,440,282.48	19,194,920.66	489,245,361.82

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (Continued)

(2) Disclosure by provision method for impairment of contract assets

30 June 2025

Unit: RMB

Item	Balance of carrying amount		Provision for impairment		Carrying value
	Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debts by credit risk characteristics group	454,357,106.17	100.00	15,008,420.71	3.30	439,348,685.46

31 December 2024

Unit: RMB

Item	Balance of carrying amount		Provision for impairment		Carrying value
	Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debts by credit risk characteristics group	508,440,282.48	100.00	19,194,920.66	3.78	489,245,361.82

(3) Provision for impairment of contract assets

Unit: RMB

Items	Balance at the beginning of the period/year	Provision for the period/year	Recovery or reversal for the period/year	Other decrease	Balance at the end of the period/year
January to June 2025	19,194,920.66	2,748,229.96	(6,934,729.91)	-	15,008,420.71
2024	13,003,490.98	38,235,909.27	(31,352,415.50)	(692,064.09)	19,194,920.66

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Non-current assets due within one year

Unit: RMB

Items	30 June 2025	31 December 2024
Debt investment due within one year	1,097,341,225.09	408,020,318.01
Long-term receivables due within one year	692,770,010.94	358,338,051.92
Total	1,790,111,236.03	766,358,369.93

11. Other current assets

Unit: RMB

Items	30 June 2025	31 December 2024
Input tax deductible	4,050,275,460.83	3,755,612,952.36
Prepaid land value-added tax	1,425,795,551.80	1,439,520,636.68
Prepaid other tax	690,869,377.99	601,971,531.54
Input tax certifiable	436,259,107.72	300,147,489.91
Prepaid enterprise income tax	188,202,362.27	220,322,998.94
Cost of obtaining a contract	61,912,192.40	46,741,406.46
Others	2,008,017,373.49	1,647,402,610.63
Total	8,861,331,426.50	8,011,719,626.52

12. Debt investments

Unit: RMB

Items	30 June 2025	31 December 2024
Financial bonds	413,686,764.22	814,566,552.80
Interbank negotiable certificates of deposit	789,947,001.65	293,858,400.00
Trust-based bond investments	337,220,289.86	158,366,029.54
Subtotal	1,540,854,055.73	1,266,790,982.34
Less: Debt investment due within one year	1,097,341,225.09	408,020,318.01
Total	443,512,830.64	858,770,664.33

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables

Unit: RMB

Items	30 June 2025			31 December 2024			Discount rate range
	Balance of carrying amount	Provision for bad debts	Carrying value	Balance of carrying amount	Provision for bad debts	Carrying value	
Finance lease payment	681,368,219.49	1,307,930.83	680,060,288.66	907,030,170.04	1,307,930.83	905,722,239.21	3.12%-7.46%
Loans to related parties	635,688,873.27	3,656,749.13	632,032,124.14	619,194,917.34	3,656,749.13	615,538,168.21	6.00%-11.25%
Sales of goods by instalments	364,947,913.90	11,246,444.76	353,701,469.14	273,982,074.16	9,282,664.72	264,699,409.44	5.00%
Others	147,000,000.00	-	147,000,000.00	303,936,053.69	-	303,936,053.69	
Total	1,829,005,006.66	16,211,124.72	1,812,793,881.94	2,104,143,215.23	14,247,344.68	2,089,895,870.55	

The time interval between payments from customers and committed ownership transfer of goods in certain contracts regarding the Group's concrete business was more than a year, the receivables of which was presented as long-term receivables after considering the significant financing component. The Group referred to bank loan interest rate during the same period and added a premium for certain risk as a discount rate while measuring the significant financing component. The discount rate was 5.00% for the period.

Loans to related parties mainly include: (1) the loan provided by the Group's subsidiary, BBMG Jiahua Nanjing Real Estate Co., Ltd., to its associate Nanjing Huayu Real Estate Development Co., Ltd., and the loan provided by Beijing BBMG Real Estate Development Group Co., Ltd. to its associate Beijing Yichang Real Estate Co., Ltd., both at an interest rate of 6.00%; (2) the borrowings provided by African Rhino Co., Ltd. (非洲犀牛有限公司), a subsidiary of the Group, to its joint venture Cross Point Trading 274 (Pty) Ltd (RF) and interest receivable thereof. Pursuant to the agreement between both parties, such borrowings will be recovered before March 2044.

The finance lease business of the Group calculates the discount rate based on the internal rate of return, and the discount rate ranges from 3.12% to 7.46%.

The movements in provision for bad debts of long-term receivables measured based on the lifetime expected credit loss are as follows:

Unit: RMB

Items	January to June 2025	2024
Balance at the beginning of the period/year	14,247,344.68	328,748,098.23
Provision for the period/year	2,148,344.55	1,983,860.66
Reversal for the period/year	(184,564.51)	(10,404,215.81)
Other decrease	-	(306,080,398.40)
Balance at the end of the period/year	16,211,124.72	14,247,344.68

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments

January to June 2025

Unit: RMB

Items	Opening balance	Movements during the period							Closing balance	Provision for impairment at the end of the period	Closing net value
		Increase investment	Decrease investment	Investment profits or losses recognized under the equity method	Other comprehensive income adjustments	Other changes in equity	Declaration of cash dividends or profit distributions	Provision for impairment			
Joint ventures											
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	493,368,301.33	-	-	47,513,006.01	-	937,840.16	(63,000,000.00)	-	478,819,147.50	-	478,819,147.50
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	345,293,614.28	-	-	26,681,958.06	-	84,001.02	(44,261,200.00)	-	327,798,373.36	-	327,798,373.36
Cross Point Trading 274 (Pty) Ltd (RF)	230,083,476.50	-	-	22,861,744.50	15,212,384.66	-	(3,534,416.79)	-	264,623,188.87	-	264,623,188.87
BBMG Vanke Property Development Co., Ltd	189,085,913.23	-	-	(10,330.14)	-	-	-	-	189,075,183.09	-	189,075,183.09
Anshan Jidong Cement Co., Ltd.	144,001,817.90	-	-	447,890.37	-	-	-	-	144,449,708.27	-	144,449,708.27
Tangshan Castledan Dunshi New Building Material Co., Ltd.	102,133,946.85	-	-	(8,528,771.11)	-	-	-	-	93,605,175.74	-	93,605,175.74
Dahongmen (Beijing) Construction Development Co., Ltd.	87,297,338.16	-	-	1,910,861.32	-	-	-	-	89,208,199.48	-	89,208,199.48
STAR-USG Building Materials Co., Ltd.	63,875,126.52	-	-	5,859,305.03	-	-	-	-	69,734,431.55	-	69,734,431.55
Beijing Olyuan Development and Construction Co., Ltd. (北京远源开发建设有限公司)	-	44,100,000.00	-	(3,154,192.59)	-	-	-	-	40,945,807.41	-	40,945,807.41
Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司)	19,602,660.98	-	-	(17,178.99)	-	-	-	-	19,585,481.99	-	19,585,481.99
Hebei Xiongan Zhilong Technology Co., Ltd.	15,189,228.57	-	-	(3,149,410.68)	-	-	-	-	12,039,818.29	-	12,039,818.29
Subtotal	1,689,931,024.72	44,100,000.00	-	90,414,881.78	15,212,384.66	1,021,841.18	(110,795,616.79)	-	1,729,884,515.55	-	1,729,884,515.55
Associates											
Easyhome New Retail Group Corporation Limited	2,283,820,505.23	-	-	18,962,127.81	-	-	-	-	2,302,782,633.04	-	2,302,782,633.04
Beijing Chenyu Real Estate Development Co., Ltd.	2,125,680,023.20	-	-	(64,056,349.71)	-	-	-	-	2,061,623,673.49	-	2,061,623,673.49
Beijing Jinchu Xingye Real Estate Development Co., Ltd.	714,678,706.58	-	-	(1,096,974.84)	-	-	-	-	713,581,731.74	-	713,581,731.74
Beijing Yichang Real Estate Co., Ltd. (北京世傳置業有限公司)	627,199,567.10	-	-	3,383,000.00	-	-	-	-	631,182,567.10	-	631,182,567.10
CAMC BBMG Intelligent Manufacturing Workshop Industrial Park Closed-end Infrastructure Securities Investment Fund (華夏金隅智造工場產業園封閉式基礎設施證券投資基金)	-	397,460,000.00	-	7,843,172.69	-	-	-	-	405,303,172.69	-	405,303,172.69
Nanjing Huayu Real Estate Development Co., Ltd. (南京華隅房地產開發有限公司)	496,884,166.70	-	-	(108,683,485.51)	-	-	-	-	388,200,681.19	-	388,200,681.19
Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司)	338,678,231.33	-	-	13,369,326.98	-	-	-	-	352,047,558.31	-	352,047,558.31
Beijing Innovation Industry Investment Co., Ltd.	253,982,993.36	-	-	3,636,414.66	-	-	(2,105,260.00)	-	255,514,148.02	-	255,514,148.02
Tianjin Yaopi Glass Co., Ltd.	161,533,437.26	-	-	3,528,072.57	-	-	-	-	165,061,509.83	-	165,061,509.83
Jilin Changliu Investment Co., Ltd.	116,876,689.07	-	-	(178,136.44)	-	-	-	-	116,698,552.63	-	116,698,552.63
Tangshan Conch Profiles Co., Ltd.	100,195,136.88	-	-	(576,732.41)	-	-	-	-	99,618,404.47	-	99,618,404.47
Toto Machinery (Beijing) Company Limited	152,344,457.61	-	-	(59,550,142.08)	-	-	-	-	92,794,315.53	-	92,794,315.53
Beijing Jinhaiheng Technology Innovation Investment Partnership LLP (北京金海誠創投資合夥企業(有限合夥))	85,707,631.11	-	-	2,480,686.83	-	-	-	-	88,188,317.94	-	88,188,317.94
Zehnder (China) Indoor Climate Co., Ltd.	68,437,800.98	-	-	(1,012,419.48)	-	-	-	-	67,425,381.50	-	67,425,381.50
OCV Reinforcements (Beijing) Co., Ltd.	87,102,135.17	-	-	537,173.92	-	-	(25,359,862.55)	-	62,279,446.54	-	62,279,446.54
Tianjin Shengxiang Plastic Pipes Industry Co., Ltd.	31,940,000.00	-	-	-	-	-	-	-	31,940,000.00	(31,940,000.00)	-
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	20,461,991.86	-	-	(649,400.00)	-	-	-	-	19,812,591.86	-	19,812,591.86
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	19,141,121.02	-	-	-	-	-	-	-	19,141,121.02	(19,141,121.02)	-
Beijing Sinobaide Technology Co., Ltd.	17,457,979.10	-	-	(967,496.54)	-	-	(460,000.00)	-	16,030,482.56	-	16,030,482.56
Tianjin Shubulok Cement Block Co., Ltd.	8,244,156.30	-	-	-	-	-	-	-	8,244,156.30	(8,244,156.30)	-
Hebei Jiaduo Green Building Materials Co., Ltd. (河北交文投綠色建材有限公司)	6,238,878.73	-	-	866,672.41	-	-	-	-	7,105,551.14	-	7,105,551.14
Jidong Cement Fufeng Transportation Co., Ltd.	5,894,577.07	-	-	343,458.97	-	13,416.35	(451,250.00)	-	5,800,202.39	-	5,800,202.39
Zhongfang Huanu (Tangshan) Real Estate Co., Ltd.	4,981,823.43	-	-	-	-	-	-	-	4,981,823.43	(4,981,823.43)	-
Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司)	4,714,639.02	-	-	(468,887.54)	-	-	-	-	4,245,751.48	-	4,245,751.48
Beijing Jinhaiheng Management Consulting Partnership LLP (北京金海誠管理諮詢合夥企業(有限合夥))	586,173.36	-	-	14,168.57	-	-	-	-	600,341.93	-	600,341.93
Subtotal	7,732,782,821.47	397,460,000.00	-	(181,675,749.14)	-	13,416.35	(28,376,372.55)	-	7,920,204,116.13	(64,307,100.75)	7,855,897,015.38
Total	9,422,713,846.19	441,560,000.00	-	(91,260,867.36)	15,212,384.66	1,035,287.53	(139,171,989.34)	-	9,650,088,631.68	(64,307,100.75)	9,585,781,530.93

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (Continued)

2024

Unit: RMB

Items	Opening balance	Increase investment	Decrease investment	Movements during the year				Declaration of cash dividends or profit distributions	Provision for impairment	Closing balance	Provision for impairment at the end of the year	Closing net value
				Investment profits or losses recognized under the equity method	Other comprehensive income adjustments	Other changes in equity						
Joint ventures												
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	350,822,215.87	-	-	42,570,800.63	-	10,597.78	(48,110,000.00)	-	345,293,614.28	-	345,293,614.28	-
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	481,407,391.90	-	-	61,958,652.82	-	2,256.61	(50,000,000.00)	-	493,368,301.33	-	493,368,301.33	-
Anshan Jidong Cement Co., Ltd.	154,821,824.48	-	-	(10,820,006.58)	-	-	-	-	144,001,817.90	-	144,001,817.90	-
Tangshan Caofeidian Dunshi New Building Material Co., Ltd.	114,478,652.55	-	-	(12,344,705.70)	-	-	-	-	102,133,946.85	-	102,133,946.85	-
Cross Point Trading 274 (Pty) Ltd (RF)	239,808,682.30	-	(24,683,311.67)	17,890,573.82	2,858,927.08	3,307,200.49	(9,098,595.52)	-	230,083,476.50	-	230,083,476.50	-
Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司)	-	19,600,000.00	-	2,660.98	-	-	-	-	19,602,660.98	-	19,602,660.98	-
Dahongmen (Beijing) Construction Development Co., Ltd.	86,582,234.81	-	-	715,103.35	-	-	-	-	87,297,338.16	-	87,297,338.16	-
BBMG Vanke Property Development Co., Ltd.	188,866,113.67	-	-	219,399.56	-	-	-	-	189,085,513.23	-	189,085,513.23	-
BBMG TUS Technology Incubator Co., Ltd.	5,337,587.17	-	(5,337,587.18)	-	-	-	-	-	-	-	-	-
STAR-USG Building Materials Co., Ltd.	59,211,761.01	-	-	4,663,365.51	-	-	-	-	63,875,126.52	-	63,875,126.52	-
Beijing Qiuyan Development and Construction Co., Ltd. (北京亞崑開發建設有限公司)	-	934,470.00	-	(382,769.82)	-	(551,700.18)	-	-	-	-	-	-
Hebei Xiongan Zhitong Technology Co., Ltd.	17,456,905.33	-	-	(2,287,676.36)	-	-	-	-	15,189,228.97	-	15,189,228.97	-
Subtotal	1,698,793,369.10	20,534,470.00	(30,020,898.85)	102,205,398.21	2,858,927.08	2,768,354.70	(107,208,595.52)	-	1,689,931,024.72	-	1,689,931,024.72	-
Associates												
Jilin Changliu Investment Co., Ltd.	122,896,105.13	-	-	(6,019,416.06)	-	-	-	-	116,876,689.07	-	116,876,689.07	-
Jidong Cement Fufeng Transportation Co., Ltd.	6,330,721.04	-	-	627,882.02	-	4,724.01	(1,068,750.00)	-	5,894,577.07	-	5,894,577.07	-
Liaoning Yunding Cement Group Co., Ltd.	3,183,451.20	-	(820,000.00)	(2,188,307.23)	-	(175,143.97)	-	-	-	-	-	-
Hebei Ruissuo Solid Waste Engineering Technology Research Institute Co., Ltd.	24,559,474.54	-	-	(4,097,482.68)	-	-	-	-	20,461,991.86	-	20,461,991.86	-
Nanjing Huayu Real Estate Development Co., Ltd. (南京華隅房地產開發有限公司)	463,994,483.70	-	-	32,889,683.00	-	-	-	-	496,884,166.70	-	496,884,166.70	-
Beijing Jinchu Xingye Real Estate Development Co., Ltd.	721,064,266.42	-	-	(6,385,559.94)	-	-	-	-	714,678,706.58	-	714,678,706.58	-
Nanjing Huayu Decoration Engineering Co., Ltd. (南京華隅裝飾工程有限公司)	1,030,352.90	-	-	(1,030,352.90)	-	-	-	-	-	-	-	-
Beijing Yichang Real Estate Co., Ltd. (北京世暢置業有限公司)	630,284,720.99	-	-	(3,085,153.89)	-	-	-	-	627,199,567.10	-	627,199,567.10	-
Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司)	27,423,880.77	-	-	311,254,350.56	-	-	-	-	338,678,231.33	-	338,678,231.33	-
Beijing Chenyu Real Estate Development Co., Ltd.	2,284,614,954.49	-	-	(158,934,931.29)	-	-	-	-	2,125,680,023.20	-	2,125,680,023.20	-
Beijing Sinobaide Technology Co., Ltd.	17,789,640.90	-	-	496,338.20	-	-	(828,000.00)	-	17,457,979.10	-	17,457,979.10	-
Beijing Jinhaicheng Technology Innovation Investment Partnership LLP (北京金海誠創投資合夥企業(有限合夥))	94,214,847.88	-	(5,475,447.66)	5,094,888.49	-	-	(8,126,657.60)	-	85,707,631.11	-	85,707,631.11	-
Beijing Jinhaicheng Management Consulting Partnership LLP (北京金海誠管理諮詢合夥企業(有限合夥))	586,173.36	-	-	-	-	-	-	-	586,173.36	-	586,173.36	-
Beijing Innovation Industry Investment Co., Ltd.	242,482,051.74	-	-	11,500,941.62	-	-	-	-	253,982,993.36	-	253,982,993.36	-
Toto Machinery (Beijing) Company Limited	155,462,071.65	-	-	82,385.96	-	-	(3,200,000.00)	-	152,344,457.61	-	152,344,457.61	-
Easyhome New Retail Group Corporation Limited	2,231,987,335.85	-	-	90,814,356.65	-	-	(38,981,187.27)	-	2,283,820,505.23	-	2,283,820,505.23	-
Tangshan Conch Profiles Co., Ltd.	113,101,987.41	-	-	(8,906,850.53)	-	-	(4,000,000.00)	-	100,195,136.88	-	100,195,136.88	-
Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司)	6,054,594.98	-	-	(1,339,955.96)	-	-	-	-	4,714,639.02	-	4,714,639.02	-
Zehnder (China) Indoor Climate Co., Ltd.	72,746,124.96	-	-	(4,308,323.98)	-	-	-	-	68,437,800.98	-	68,437,800.98	-
OCV Reinforcements (Beijing) Co., Ltd.	85,515,082.93	-	-	1,587,052.24	-	-	-	-	87,102,135.17	-	87,102,135.17	-
Zhongfang Huarui (Tangshan) Real Estate Co., Ltd.	4,981,823.43	-	-	-	-	-	-	-	4,981,823.43	(4,981,823.43)	-	-
Hebei Jiachou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司)	11,512,599.80	-	-	(3,207,077.64)	-	-	(2,066,643.43)	-	6,238,878.73	-	6,238,878.73	-
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	19,141,121.02	-	-	-	-	-	-	-	19,141,121.02	(19,141,121.02)	-	-
Tianjin Yaopi Glass Co., Ltd.	153,924,605.85	-	-	7,608,831.41	-	-	-	-	161,533,437.26	-	161,533,437.26	-
Tianjin Shengxiang Plastic Pipes Industry Co., Ltd.	31,940,000.00	-	-	-	-	-	-	-	31,940,000.00	(31,940,000.00)	-	-
Tianjin Shubulok Cement Block Co., Ltd.	8,244,156.30	-	-	-	-	-	-	-	8,244,156.30	(8,244,156.30)	-	-
Subtotal	7,535,066,629.24	-	(6,295,447.66)	262,453,298.15	-	(170,419.96)	(58,271,238.30)	-	7,732,782,821.47	(64,307,100.75)	7,668,475,720.72	-
Total	9,233,859,998.34	20,534,470.00	(36,316,346.51)	364,658,696.36	2,858,927.08	2,597,934.74	(165,479,833.82)	-	9,422,713,846.19	(64,307,100.75)	9,358,406,745.44	-

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (Continued)

Impairment provision for long-term equity investments:

January to June 2025

Unit: RMB

Items	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period
Tianjin Shengxiang Plastic Pipes Industry Co., Ltd.	31,940,000.00	-	-	31,940,000.00
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	19,141,121.02	-	-	19,141,121.02
Tianjin Shubulok Cement Block Co., Ltd.	8,244,156.30	-	-	8,244,156.30
Zhongfang Huarui (Tangshan) Real Estate Co., Ltd.	4,981,823.43	-	-	4,981,823.43
Total	64,307,100.75	-	-	64,307,100.75

2024

Unit: RMB

Items	Balance at the beginning of the year	Increase during the year	Decrease during the year	Balance at the end of the year
Tianjin Shengxiang Plastic Pipes Industry Co., Ltd.	31,940,000.00	-	-	31,940,000.00
Tianjin Shubulok Cement Block Co., Ltd.	8,244,156.30	-	-	8,244,156.30
Zhongfang Huarui (Tangshan) Real Estate Co., Ltd.	4,981,823.43	-	-	4,981,823.43
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	-	19,141,121.02	-	19,141,121.02
Total	45,165,979.73	19,141,121.02	-	64,307,100.75

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Investment in other equity instruments

(1) Disclosure by nature

Unit: RMB

Items	30 June 2025	31 December 2024
Investments in shares of listed companies	373,629,056.16	405,982,715.50
Other equity investments in non-listed companies	247,779,381.98	248,504,108.06
Total	621,408,438.14	654,486,823.56

(2) Investment in other equity instruments

Unit: RMB

Items	Gains included in other comprehensive income for the period	Losses included in other comprehensive income for the period	Gains accumulated in other comprehensive income	Losses accumulated in other comprehensive income	Dividend income for the period	Reason for designating as FVTOCI
Investments in shares of listed companies	5,424,118.40	(37,777,777.74)	-	(576,572,770.54)	-	The shareholding percentage is low and does not constitute significant influence, and the investment is not held for sale in the near term
Other equity investments in non- listed companies	-	(724,726.08)	5,466,161.81	(183,906.47)	6,628,782.33	The equity is classified as non-trading equity instruments. The shareholding percentage is low and does not constitute significant influence, and the investment is not held for sale in the near term
Total	5,424,118.40	(38,502,503.82)	5,466,161.81	(576,756,677.01)	6,628,782.33	

As of 30 June 2025, certain other investments in equity instruments of unlisted companies held by the Group were derecognized due to their disposal. The cumulative loss of RMB13,266,991.84 arising from this derecognition was transferred to retained earnings.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Other non-current financial assets

Unit: RMB

Item	30 June 2025	31 December 2024
Financial assets at fair value through profit or loss	551,150,391.45	489,561,240.56

17. Investment properties

Fair value model is applied to investment properties of the Group for subsequent measurement:

30 June 2025

Unit: RMB

Items	Completed buildings	Buildings in progress	Total
Opening balance	42,922,851,548.85	2,127,266,307.39	45,050,117,856.24
Acquisition for the period	-	75,344,977.38	75,344,977.38
Transfer from inventories/fixed assets/ construction in progress	2,691,349,223.76	(1,089,121,431.76)	1,602,227,792.00
Disposal or retirement	(786,560,350.03)	-	(786,560,350.03)
Others	(1,906,534.71)	-	(1,906,534.71)
Changes in fair value	203,080,134.47	-	203,080,134.47
Closing balance	45,028,814,022.34	1,113,489,853.01	46,142,303,875.35

31 December 2024

Unit: RMB

Items	Completed buildings	Buildings in progress	Total
Balance at the beginning of the year	40,685,707,043.91	2,985,547,333.76	43,671,254,377.67
Acquisition for the year	42,501,194.21	796,930,051.89	839,431,246.10
Transfer from inventories/fixed assets/construction in progress	2,826,625,917.46	(1,655,211,078.26)	1,171,414,839.20
Disposal or retirement	(150,865,820.43)	-	(150,865,820.43)
Others	(1,156,799,904.09)	-	(1,156,799,904.09)
Changes in fair value	675,683,117.79	-	675,683,117.79
Closing balance	42,922,851,548.85	2,127,266,307.39	45,050,117,856.24

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Investment properties (Continued)

The following sets out the breakdown of investment properties:

Name of investment properties	Planned or actual use	Unit: RMB	
		Fair value 30 June 2025	Fair value 31 December 2024
Beijing – Yucheng Building	Office, commercial and parking space	5,659,404,591.77	5,684,656,332.89
Beijing – Phase 2 of Global Trade Center	Office, commercial and parking space	4,594,198,983.34	4,556,785,048.94
Beijing – Phase 1 of Global Trade Center	Office, commercial and parking space	3,939,125,319.85	3,889,512,799.49
Tianjin – Shopping Mall in Circum-Bohai Sea Golden Coast	Office, commercial and parking space	2,424,960,800.00	2,421,320,000.00
Beijing – Tengda Plaza	Office, commercial and parking space	2,099,000,000.00	2,043,000,000.00
Beijing – Jin Yu Mansion	Office, commercial and parking space	1,629,000,000.00	1,628,000,000.00
Beijing – Dacheng Building	Office, commercial and parking space	1,585,600,000.00	1,576,600,000.00
Beijing – Phase 3 of Global Trade Center	Office, commercial and parking space	1,435,000,000.00	1,443,000,000.00
Beijing – Phase 1 of BBMG High-Tech Industrial Park	Office, commercial and parking space	1,117,300,622.25	1,036,447,584.36
Beijing – BBMG Jiapin Mall	Commercial and parking space	1,052,000,000.00	1,008,000,000.00
Beijing – Phase 2 of BBMG High-Tech Industrial Park	Office, commercial and parking space	825,068,696.84	841,068,696.84
Beijing – Jianda Building	Office, commercial and parking space	668,000,000.00	669,000,000.00
Beijing – Building Materials Trading Tower	Commercial and parking space	473,000,000.00	470,000,000.00
Others	Office, commercial, parking space and apartment	18,640,644,861.30	17,782,727,393.72
Total		46,142,303,875.35	45,050,117,856.24

All the above investment properties are located in the PRC and held under operating commercial leases.

The investment properties were valued by an independent valuer with professional qualifications, using future earnings method and market-based approach on an open market and existing use basis.

Details of pledge of investment properties are set out in Note V. 26.

As at 30 June 2025, the carrying amount for investment properties without completing the procedures for the title certificates amounted to RMB1,101,927,179.13 (2024: RMB791,968,513.05). The Group was in the process of handling the procedures for changing the relevant titles.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Fixed assets

(1) Fixed assets

30 June 2025

Unit: RMB

Items	Buildings	Machinery and equipment	Transportation equipment	Office and other equipment	Total
Cost					
Opening balance	40,871,060,444.74	36,378,752,153.25	386,191,821.81	1,334,276,463.83	78,970,280,883.63
Purchase	108,058,522.50	156,423,453.00	63,142,670.98	25,374,673.12	352,999,319.60
Transfer from construction in progress	169,096,991.74	428,676,004.70	1,847,921.42	19,164,270.40	618,785,188.26
Business combinations not under common control	668,058,534.28	408,781,216.04	30,521,985.53	10,427,340.69	1,117,789,076.54
Disposal or retirement	(140,838,825.35)	(301,301,037.47)	(38,497,338.27)	(7,224,972.43)	(487,862,173.52)
Transfer to investment properties	(890,275,014.70)	-	-	-	(890,275,014.70)
Closing balance	40,785,160,653.21	37,071,331,789.52	443,207,061.47	1,382,017,775.61	79,681,717,279.81
Accumulated depreciation					
Opening balance	12,595,978,470.43	19,270,595,962.57	108,327,513.75	808,167,691.57	32,783,069,638.32
Provision	749,382,585.51	1,054,562,777.41	78,936,447.88	76,005,255.50	1,958,887,066.30
Disposal or retirement	(9,191,862.52)	(232,811,672.56)	(23,170,065.49)	(5,153,585.39)	(270,327,185.96)
Transfer to investment properties	(130,433,769.88)	-	-	-	(130,433,769.88)
Closing balance	13,205,735,423.54	20,092,347,067.42	164,093,896.14	879,019,361.68	34,341,195,748.78
Provision for impairment					
Opening balance	552,361,517.56	398,895,562.96	897,439.14	1,494,372.31	953,648,891.97
Provision	18,823,387.53	3,244,431.87	-	175,437.59	22,243,256.99
Disposal or retirement	(4,273,245.58)	(1,089,336.36)	(3,835.40)	(11,331.23)	(5,377,748.57)
Closing balance	566,911,659.51	401,050,658.47	893,603.74	1,658,478.67	970,514,400.39
Carrying value					
At the end of the period	27,012,513,570.16	16,577,934,063.63	278,219,561.59	501,339,935.26	44,370,007,130.64
At the beginning of the period	27,722,720,456.75	16,709,260,627.72	276,966,868.92	524,614,399.95	45,233,562,353.34

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Fixed assets (Continued)

(1) Fixed assets (Continued)

31 December 2024

Unit: RMB

Items	Buildings	Machinery and equipment	Transportation equipment	Office and other equipment	Total
Cost					
Opening balance	37,882,345,375.29	34,678,801,349.68	497,375,105.89	1,207,507,948.90	74,266,029,779.76
Purchase	110,639,985.28	290,222,895.86	129,042,533.89	80,764,736.99	610,670,152.02
Transfer from construction in progress	786,438,868.78	1,523,394,570.58	11,950,426.87	82,507,285.79	2,404,291,152.02
Business combinations not under common control	1,398,711,248.51	320,106,296.57	4,989,641.58	5,663,399.67	1,729,470,586.33
Others	1,046,160,213.38	(9,960,933.69)	(17,116.96)	(2,456,273.99)	1,033,725,888.74
Disposal or retirement	(266,286,371.28)	(373,376,661.94)	(236,316,435.21)	(36,666,582.62)	(912,646,051.05)
Disposal of subsidiaries	(86,948,875.22)	(50,435,363.81)	(20,832,334.25)	(3,044,050.91)	(161,260,624.19)
Balance at the end of the year	40,871,060,444.74	36,378,752,153.25	386,191,821.81	1,334,276,463.83	78,970,280,883.63
Accumulated depreciation					
Balance at the beginning of the year	11,366,737,233.27	17,148,390,855.01	205,546,685.08	696,683,200.02	29,417,357,973.38
Provision	1,461,184,937.70	2,458,694,138.81	131,581,944.96	150,387,377.69	4,201,848,399.16
Others	(60,975,535.53)	(7,017,641.42)	(253,949.12)	(2,363,975.64)	(70,611,101.71)
Disposal or retirement	(138,520,368.16)	(297,072,885.01)	(209,426,601.10)	(34,099,286.56)	(679,119,140.83)
Disposal of subsidiaries	(32,447,796.85)	(32,398,504.82)	(19,120,566.07)	(2,439,623.94)	(86,406,491.68)
Balance at the end of the year	12,595,978,470.43	19,270,595,962.57	108,327,513.75	808,167,691.57	32,783,069,638.32
Provision for impairment					
Balance at the beginning of the year	420,245,759.23	338,976,852.15	7,459,974.32	1,701,805.52	768,384,391.22
Provision	143,319,457.05	86,223,297.85	161,847.84	-	229,704,602.74
Others	(443,172.71)	-	(184,359.36)	(9,778.36)	(637,310.43)
Disposal or retirement	(9,365,974.40)	(24,907,653.47)	(6,248,006.16)	(120,648.62)	(40,642,282.65)
Disposal of subsidiaries	(1,394,551.61)	(1,396,933.57)	(292,017.50)	(77,006.23)	(3,160,508.91)
Balance at the end of the year	552,361,517.56	398,895,562.96	897,439.14	1,494,372.31	953,648,891.97
Carrying value					
At the end of the year	27,722,720,456.75	16,709,260,627.72	276,966,868.92	524,614,399.95	45,233,562,353.34
At the beginning of the year	26,095,362,382.79	17,191,433,642.52	284,368,446.49	509,122,943.36	44,080,287,415.16

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Fixed assets (Continued)

(2) Fixed assets that are temporarily idle

As at 30 June 2025, the carrying amount for fixed assets that are temporarily idle of the Group amounted to RMB62,510,724.02 (31 December 2024: RMB64,674,851.74).

(3) Fixed assets leased under operating leases

As at 30 June 2025, the carrying amount for fixed assets leased under operating leases of the Group amounted to RMB49,771,603.62 (31 December 2024: RMB160,678,185.55).

(4) Fixed assets without completing the procedures for the title certificates

As at 30 June 2025, the carrying amount for fixed assets without completing the procedures for the title certificates amounted to RMB641,645,529.52 (31 December 2024: RMB1,419,726,525.64). The Group was in the process of handling the procedures for changing the relevant titles. The management was of the view that the Group had the legitimate and valid right to occupy and use or dispose of the above fixed assets and the above matters would not impose material adverse effect on the operations of the Group.

Details of pledge of fixed assets are set out in Note V. 26.

(5) Impairment tests for fixed assets

Due to indications of impairment, impairment tests were conducted on the machinery and equipment assets attributable to the green building materials segment, the assets of the large wear-resistant cast steel workshop and the assets of the mechanical processing workshop.

The recoverable amount is determined based on the net amount of fair value less disposal costs:

Unit: RMB

Items	Carrying value	Recoverable amount	Impairment amount	Determination of fair value and disposal costs	Key parameters	Determination basis for key parameters
Tianjin Stone Mine Co., Ltd. (Note 1)	1,377,877,539.83	1,894,333,166.85	-	Comparable selling price	Land acquisition and storage unit price	Comparable land acquisition and storage prices in the vicinity
Tianjin Tiancai New Industry Assets Management Co., Ltd. (Note 2)	237,565,442.07	1,016,299,800.00	-	Comparable selling price	Land acquisition and storage unit price	Comparable land acquisition and storage prices in the vicinity
Others	22,243,256.99	-	22,243,256.99			
Total	1,637,686,238.89	2,910,632,966.85	22,243,256.99			

Note 1: The carrying value of Tianjin Stone Mine Co., Ltd. includes carrying value of fixed assets of RMB13,180,761.99 and carrying value of intangible assets of RMB1,364,696,777.84.

Note 2: The carrying value of Tianjin Tiancai New Industry Assets Management Co., Ltd. includes carrying value of fixed assets of RMB1,281,022.09 and carrying value of intangible assets of RMB236,284,419.98.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Fixed assets (Continued)

(5) Impairment tests for fixed assets (Continued)

The recoverable amount is determined based on the present value of estimated future cash flows:

Unit: RMB

Items	Carrying value	Recoverable amount	Impairment amount	Term of the forecast period	Key parameters for the budget/forecast period	Key parameters for the stable period	Determination basis for key parameters during the stable period
Jinyu Thermal Processing Tangshan Co., Ltd. (Note 1)	599,052,160.08	646,657,398.81	-	5 years	Revenue growth rate, discount rate	Discount rate	Weighted average cost of assets
Tangshan Jidong Development Machinery and Equipment Manufacturing Co., Ltd. (Note 2)	791,019,908.41	913,835,964.42	-	5 years	Revenue growth rate, discount rate	Discount rate	Weighted average cost of assets
Total	1,390,072,068.49	1,560,493,363.23	-				

Note 1: The carrying value of Jinyu Thermal Processing Tangshan Co., Ltd. includes carrying value of fixed assets of RMB519,900,544.93, carrying value of construction in progress of RMB2,482,327.01, carrying value of intangible assets of RMB73,331,044.80 and long-term deferred expenditures of RMB3,338,243.34.

Note 2: The carrying value of Tangshan Jidong Development Machinery and Equipment Manufacturing Co., Ltd. includes carrying value of fixed assets of RMB728,612,313.63, carrying value of intangible assets of RMB58,264,982.95 and carrying value of construction in progress of RMB4,142,611.83.

19. Construction in progress

Unit: RMB

Items	30 June 2025	31 December 2024
Construction in progress	2,195,428,602.13	1,984,120,538.57
Construction materials	19,041,274.47	19,263,373.00
Total	2,214,469,876.60	2,003,383,911.57

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Construction in progress (Continued)

(1) Construction in progress

Unit: RMB

Items	30 June 2025			31 December 2024		
	Balance of carrying amount	Provision for impairment	Carrying value	Balance of carrying amount	Provision for impairment	Carrying value
Production base with annual output of 800,000 cubic meters of aerated concrete panels and prefabricated building components of Hunan Hangjia	165,959,099.35	-	165,959,099.35	158,331,329.83	-	158,331,329.83
Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection	152,485,749.04	-	152,485,749.04	151,400,591.09	-	151,400,591.09
New alkyl amine and modern green materials industrialization project of Energy Saving Technology (Tianjin)	145,005,559.20	-	145,005,559.20	122,059,342.92	-	122,059,342.92
Caofeidian new wind power project of Huahai Wind Power	109,604,846.47	-	109,604,846.47	109,604,846.47	-	109,604,846.47
400,000 t/a metallurgical solid waste graded resource comprehensive utilization project of Qian'an BBMG	99,009,544.99	-	99,009,544.99	2,033,103.14	-	2,033,103.14
Equipment modification and installation of Cangzhou Chemical	83,413,053.87	-	83,413,053.87	82,736,812.33	-	82,736,812.33
Inorganic refractory new materials project with annual output of 3 million square meters of Energy-Saving Materials & Technology	77,223,351.96	-	77,223,351.96	38,718,492.60	-	38,718,492.60
Daixian Company Open-pit Limestone Mine Construction Project	69,396,316.81	-	69,396,316.81	16,047,489.48	-	16,047,489.48
Float coal shed of Inner Mongolia Dunshi	58,187,118.95	-	58,187,118.95	13,807,206.41	-	13,807,206.41
Office building and plant construction project of Fujian Hangjia	55,791,561.88	-	55,791,561.88	55,562,422.12	-	55,562,422.12
Innovation project of Tiantan Furniture Building Materials Trading Tower	42,696,078.19	-	42,696,078.19	-	-	-
Research and development building of Tianjin Tiancai Construction Investment	33,436,648.68	-	33,436,648.68	33,436,648.68	-	33,436,648.68
Construction materials	22,367,209.79	3,325,935.32	19,041,274.47	22,590,846.78	3,327,473.78	19,263,373.00
Others	1,213,116,103.09	109,896,430.35	1,103,219,672.74	1,330,100,414.86	129,718,161.36	1,200,382,253.50
Total	2,327,692,242.27	113,222,365.67	2,214,469,876.60	2,136,429,546.71	133,045,635.14	2,003,383,911.57

Note: "Others" mainly comprises small-scale projects such as production lines and plant construction for the Group's cement and new building materials businesses.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Construction in progress (Continued)

(1) Construction in progress (Continued)

Changes of major construction in progress from January to June 2025 are as below:

Unit: RMB

Items	Budget (RMB'000)	Opening balance	Increase during the period	Transferred to fixed assets during the period	Other decrease	Closing balance	Source of funding	Percentage of project accumulated investment in budget (%)
Production base with annual output of 800,000 cubic meters of aerated concrete panels and prefabricated building components of Hunan Hangjia	23,000.00	158,331,329.83	7,627,769.52	-	-	165,959,099.35	Self-financing and borrowing	72.16
Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection	18,333.00	151,400,591.09	1,085,157.95	-	-	152,485,749.04	Self-financing and borrowing	83.18
New alkyl amine and modern green materials industrialization project of Energy Saving Technology (Tianjin)	25,441.00	122,059,342.92	22,946,216.28	-	-	145,005,559.20	Self-financing and borrowing	57.00
Caofeidian new wind power project of Huahai Wind Power	186,100.00	109,604,846.47	-	-	-	109,604,846.47	Self-financing	5.89
400,000 t/a metallurgical solid waste graded resource comprehensive utilization project of Qian'an BBMG	23,942.00	2,033,103.14	96,976,441.85	-	-	99,009,544.99	Self-financing	41.35
Equipment modification and installation of Cangzhou Chemical	8,500.00	82,736,812.33	676,241.54	-	-	83,413,053.87	Self-financing	98.13
Inorganic refractory new materials project with annual output of 3 million square meters of Energy-Saving Materials & Technology	8,394.88	38,718,492.60	38,504,859.36	-	-	77,223,351.96	Self-financing	91.99
Daixian Company Open-pit Limestone Mine Construction Project	9,463.26	16,047,489.48	53,348,827.33	-	-	69,396,316.81	Self-financing	73.33
Float coal shed of Inner Mongolia Dunshi	7,250.82	13,807,206.41	44,379,912.54	-	-	58,187,118.95	Self-financing	80.25
Office building and plant construction project of Fujian Hangjia	45,000.00	55,562,422.12	229,139.76	-	-	55,791,561.88	Self-financing	12.40
Innovation project of Tiantan Furniture Building Materials Trading Tower	11,771.00	-	42,696,078.19	-	-	42,696,078.19	Self-financing	36.27
Research and development building of Tianjin Tiancai Construction Investment	16,755.86	33,436,648.68	-	-	-	33,436,648.68	Borrowing	19.96

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Construction in progress (Continued)

(1) Construction in progress (Continued)

Changes of major construction in progress in 2024 are as below:

Unit: RMB

Items	Budget (RMB'000)	Opening balance	Increase during the year	Transferred to fixed assets during the year	Other decrease	Closing balance	Source of funding	Percentage of project accumulated investment in budget (%)
Resort Upgrade and Renovation of Badaling Hot Spring	73,000.00	3,535,582.11	20,973,006.70	(13,676,726.03)	(10,831,862.78)	-	Self-financing	3.36
Construction project of plants in Glass Cultural and Creative Industrial Park	12,000.00	100,446,394.60	-	(100,446,394.60)	-	-	Self-financing	83.71
Caofeidian new wind power project of Huahai Wind Power	186,100.00	109,936,817.07	-	-	(331,970.60)	109,604,846.47	Self-financing	5.89
Research and development building of Tianjin Tiancai Construction Investment	16,755.86	33,436,648.68	-	-	-	33,436,648.68	Borrowing	19.96
Cement-grinding demonstration project with annual output of 1.2 million tonnes of Xingtai Cement Niushan Company	12,415.00	78,209,557.92	39,543,793.06	(94,685,297.75)	(23,068,053.23)	-	Self-financing and borrowing	94.85
Mortar project of Pinggu Cement	19,017.92	160,118,279.58	11,942,828.55	(172,061,108.13)	-	-	Self-financing and borrowing	90.47
Digital chain project of Pinggu Cement	33,126.69	326,205,245.06	6,893,662.59	(29,675,830.17)	(303,423,077.48)	-	Self-financing and borrowing	100.55
Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection	18,333.00	103,448,398.66	47,952,192.43	-	-	151,400,591.09	Self-financing and borrowing	82.58
Second line cement clinker kiln upgrade project for extended supply chain equipment of Tangshan Cement	19,344.00	89,086,030.94	62,816,915.20	(131,833,116.33)	(2,630,081.00)	17,439,748.81	Self-financing	78.53
Aerated infrastructure project of Shanxi BBMG	39,037.00	120,666,947.92	1,560,492.74	(122,227,440.66)	-	-	Self-financing	31.31
Stone wool production line project with annual output of 40,000 tonnes of Shaanxi BBMG	22,308.30	101,638,549.99	-	(101,638,549.99)	-	-	Self-financing and borrowing	45.56
New alkyl amine and modern green materials industrialization project of Energy Saving Technology (Tianjin)	25,441.00	968,030.52	121,091,312.40	-	-	122,059,342.92	Self-financing	47.98
Production base with annual output of 800,000 cubic meters of aerated concrete panels and prefabricated building components of Hunan Hangjia	23,000.00	-	158,331,329.83	-	-	158,331,329.83	Self-financing and borrowing	68.84

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Construction in progress (Continued)

(1) Construction in progress (Continued)

The analysis of capitalized amount and capitalization rate of borrowing costs included in balances for construction in progress is set out below:

January to June 2025

Unit: RMB

Items	Progress of works (%)	Accumulated amount of capitalized interest	Including: capitalized interest for the period	Capitalization rate of interest for the period (%)
Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection	83.00	4,059,059.17	806,003.45	2.55
Equipment modification and installation of BBMG Weiguan (Cangzhou) Chemical	96.00	728,680.00	224,440.00	2.76
New alkyl amine and modern green materials industrialization project of BBMG Energy Saving Technology	57.00	1,665,698.75	1,284,743.35	2.48
Total		6,453,437.92	2,315,186.80	

Note: The amount of capitalized interests included in construction in progress for the period was RMB2,315,186.80 (2024: RMB6,358,691.32) and no capitalized interests was transferred to fixed assets (2024: RMB54,726,714.34).

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Construction in progress (Continued)

(1) Construction in progress (Continued)

2024

Items	Progress of works (%)	Accumulated amount of capitalized interest	Unit: RMB	
			Including: capitalized interest for the year	Capitalization rate of interest for the year (%)
Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection	83.00	3,253,055.72	2,048,041.86	2.55
Vanadium powder production line project with annual output of 1 million tons of Chengde Chengjin Environmental Protection Technology Co., Ltd	100.00	1,732,745.75	1,732,745.75	3.59
Mine safety governance and work and production resumption project of Huailai Jinyuan Mining	100.00	1,126,972.21	792,263.89	2.74
4500t/d clinker cement production line project in new building materials industrial park	100.00	28,692,460.96	122,444.44	1.42
Comprehensive utilization construction project of fly ash storage and deep processing	100.00	2,718,069.36	777,999.98	3.48
Equipment modification and installation of BBMG Weiguan (Cangzhou) Chemical	96.00	504,240.00	504,240.00	2.76
Others	-	380,955.40	380,955.40	-
Total		38,408,499.40	6,358,691.32	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Construction in progress (Continued)

(1) Construction in progress (Continued)

Provision for impairment of construction in progress for January to June 2025:

Unit: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Nanhu Yingbinguan of Jidong Group	64,427,106.25	-	-	64,427,106.25
Caofeidian Industrial Park of Jidong Group	8,459,717.49	-	-	8,459,717.49
Tongchuan Conveyor Belt Project of Jidong Cement	28,893,452.21	-	-	28,893,452.21
Technical transformation of south-side production line for modern building materials	6,837,319.75	-	(6,837,319.75)	-
Technical transformation of old production line for modern building materials	12,984,411.26	-	(12,984,411.26)	-
Others	8,116,154.4	-	-	8,116,154.4
Provision for impairment of construction in progress	129,718,161.36	-	(19,821,731.01)	109,896,430.35
Provision for impairment of construction materials	3,327,473.78	-	(1,538.46)	3,325,935.32
Total	133,045,635.14	-	(19,823,269.47)	113,222,365.67

Provision for impairment of construction in progress for 2024:

Unit: RMB

Items	Opening balance	Increase during the year	Decrease during the year	Closing balance
Nanhu Yingbinguan of Jidong Group	64,378,932.25	48,174.00	-	64,427,106.25
Caofeidian Industrial Park of Jidong Group	8,459,717.49	-	-	8,459,717.49
Tongchuan Conveyor Belt Project of Jidong Cement	28,893,452.21	-	-	28,893,452.21
Others	27,938,322.10	23,306.23	(23,742.92)	27,937,885.41
Provision for impairment of construction in progress	129,670,424.05	71,480.23	(23,742.92)	129,718,161.36
Provision for impairment of construction materials	3,450,512.07	-	(123,038.29)	3,327,473.78
Total	133,120,936.12	71,480.23	(146,781.21)	133,045,635.14

Note: The reason for the impairment provision for the above projects is due to the suspension of construction of such projects.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Right-of-use assets

30 June 2025

Unit: RMB

Items	Lands	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
Cost						
Opening balance	820,917,967.15	868,205,253.43	29,620,871.21	505,090.05	21,211,535.40	1,740,460,717.24
Increase	5,062,527.83	8,377,604.59	364,025.29	299,696.22	-	14,103,853.93
Decrease	-	(17,193,080.04)	-	-	-	(17,193,080.04)
Closing balance	825,980,494.98	859,389,777.98	29,984,896.50	804,786.27	21,211,535.40	1,737,371,491.13
Accumulated depreciation						
Opening balance	240,346,046.28	525,459,060.19	18,261,341.43	290,035.75	8,930,313.54	793,286,797.19
Provision	26,703,788.90	61,762,838.89	2,653,292.05	149,949.40	749,019.51	92,018,888.75
Decrease	-	(16,236,304.79)	-	-	-	(16,236,304.79)
Closing balance	267,049,835.18	570,985,594.29	20,914,633.48	439,985.15	9,679,333.05	869,069,381.15
Provision for impairment						
Opening balance	464,557.00	-	-	-	-	464,557.00
Closing balance	464,557.00	-	-	-	-	464,557.00
Carrying value						
At the end of the period	558,466,102.80	288,404,183.69	9,070,263.02	364,801.12	11,532,202.35	867,837,552.98
At the beginning of the period	580,107,363.87	342,746,193.24	11,359,529.78	215,054.30	12,281,221.86	946,709,363.05

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Right-of-use assets (Continued)

31 December 2024

<i>Unit: RMB</i>						
Items	Lands	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
Cost						
Balance at the beginning of the year	795,729,879.65	776,181,193.39	29,620,871.21	977,286.90	21,211,535.40	1,623,720,766.55
Increase	38,567,139.98	236,292,438.94	-	234,604.64	-	275,094,183.56
Disposal	(13,379,052.48)	(144,268,378.90)	-	(706,801.49)	-	(158,354,232.87)
Balance at the end of the year	820,917,967.15	868,205,253.43	29,620,871.21	505,090.05	21,211,535.40	1,740,460,717.24
Accumulated depreciation						
Balance at the beginning of the year	190,774,952.00	431,871,143.50	13,559,777.43	746,938.91	8,930,313.54	645,883,125.38
Provision	60,780,554.21	135,815,294.52	4,701,564.00	249,898.33	-	201,547,311.06
Disposal	(11,209,459.93)	(42,227,377.83)	-	(706,801.49)	-	(54,143,639.25)
Balance at the end of the year	240,346,046.28	525,459,060.19	18,261,341.43	290,035.75	8,930,313.54	793,286,797.19
Provision for impairment						
Opening and closing balance	464,557.00	-	-	-	-	464,557.00
Carrying value						
At the end of the year	580,107,363.87	342,746,193.24	11,359,529.78	215,054.30	12,281,221.86	946,709,363.05
At the beginning of the year	604,490,370.65	344,310,049.89	16,061,093.78	230,347.99	12,281,221.86	977,373,084.17

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Intangible assets

30 June 2025

Unit: RMB

Items	Land use rights	Software use rights	Mining rights	Trademark rights	Data resources	Others	Total
Cost							
Opening balance	15,553,707,512.44	744,941,987.66	4,668,805,367.70	89,167,990.27	-	305,576,431.19	21,362,199,289.26
Purchase	79,778,792.47	48,140,637.32	45,209,158.36	26,600.00	-	45,373,337.79	218,528,525.94
In-house R&D	-	-	-	-	536,049.55	-	536,049.55
Business combinations not under common control	192,368,348.67	61,911.17	748,166,677.92	540,300.00	-	13,860,255.73	954,997,493.49
Disposal	(39,622,946.48)	(5,151,314.05)	-	-	-	(32,201,822.81)	(76,976,083.34)
Closing balance	15,786,231,707.10	787,993,222.10	5,462,181,203.98	89,734,890.27	536,049.55	332,608,201.90	22,459,285,274.90
Accumulated amortization							
Opening balance	3,081,528,927.54	433,043,513.51	1,240,910,922.42	20,485,937.75	-	141,677,510.33	4,917,646,811.55
Provision	193,000,713.82	58,695,498.45	109,899,998.26	3,033,774.89	26,802.48	6,987,027.55	371,643,816.45
Disposal	(5,266,633.14)	(1,084,340.26)	-	-	-	(10,924,122.92)	(17,275,096.32)
Closing balance	3,269,263,008.22	490,654,672.70	1,350,810,920.68	23,519,712.64	26,802.48	137,740,414.96	5,272,015,531.68
Provision for impairment							
Opening balance	32,074,445.75	-	130,098,195.50	5,000,000.00	-	5,717,504.26	172,890,145.51
Closing balance	32,074,445.75	-	130,098,195.50	5,000,000.00	-	5,717,504.26	172,890,145.51
Carrying value							
At the end of the period	12,484,894,253.13	297,338,549.40	3,981,272,087.80	61,215,177.63	509,247.07	189,150,282.68	17,014,379,597.71
At the beginning of the period	12,440,104,139.15	311,898,474.15	3,297,796,249.78	63,682,052.52	-	158,181,416.60	16,271,662,332.20

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Intangible assets (Continued)

31 December 2024

Unit: RMB						
Items	Land use rights	Software use rights	Mining rights	Trademark rights	Others	Total
Cost						
Balance at the beginning of the year	15,296,935,509.86	650,946,990.01	4,416,986,004.10	84,329,478.76	289,646,297.45	20,738,844,280.18
Purchase	82,381,750.15	103,764,851.61	76,638,181.69	4,838,511.51	15,930,133.74	283,553,428.70
Business combinations not under common control	503,410,175.36	942,144.43	175,181,181.91	-	-	679,533,501.70
Disposal	(323,391,525.97)	(1,516,108.57)	-	-	-	(324,907,634.54)
Other decrease	(5,628,396.96)	(9,195,889.82)	-	-	-	(14,824,286.78)
Closing balance	15,553,707,512.44	744,941,987.66	4,668,805,367.70	89,167,990.27	305,576,431.19	21,362,199,289.26
Accumulated amortization						
Balance at the beginning of the year	2,789,828,552.24	346,001,235.70	1,108,402,783.55	14,861,952.88	136,838,646.92	4,395,933,171.29
Provision	343,074,035.92	90,725,087.05	132,508,138.87	5,623,984.87	4,838,863.41	576,770,110.12
Disposal	(49,021,255.31)	(1,454,347.89)	-	-	-	(50,475,603.20)
Other decrease	(2,352,405.31)	(2,228,461.35)	-	-	-	(4,580,866.66)
Balance at the end of the year	3,081,528,927.54	433,043,513.51	1,240,910,922.42	20,485,937.75	141,677,510.33	4,917,646,811.55
Provision for impairment						
Opening and closing balance	32,074,445.75	-	130,098,195.50	5,000,000.00	5,717,504.26	172,890,145.51
Carrying value						
At the end of the year	12,440,104,139.15	311,898,474.15	3,297,796,249.78	63,682,052.52	158,181,416.60	16,271,662,332.20
At the beginning of the year	12,475,032,511.87	304,945,754.31	3,178,485,025.05	64,467,525.88	147,090,146.27	16,170,020,963.38

As at 30 June 2025, for the impairment testing of intangible assets of Tianjin Stone Mine Co., Ltd., Tianjin Tiancai New Industry Assets Management Co., Ltd., Jinyu Thermal Processing Tangshan Co., Ltd., and Tangshan Jidong Development Machinery and Equipment Manufacturing Co., Ltd., please refer to Note V. 18.

As at 30 June 2025, the useful life of trademark rights with a carrying amount of RMB61,215,177.63 (31 December 2024: RMB63,682,052.52) was indefinite. The Group can apply for extension at the end of the expiration of protection periods of trademark rights with lower handling fees, and according to comprehensive judgment on product life cycle, market conditions and other factors, such trademark rights will bring economic benefits to the Group during future periods. After evaluated by the management of the Group, no provision for impairment is necessary.

As at 30 June 2025, the carrying value of intangible assets of the Group pending completion of the procedures for title certificates amounted to RMB149,519,557.32 (31 December 2024: RMB224,985,533.92). The management of the Company is of the view that there would not be any material adverse impact on the business operation of the Group from the aforementioned incomplete procedures for the title certificates.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill

30 June 2025

Unit: RMB

Items	Opening balance	Increase during the period Business combinations not under common control	Decrease during the period Disposal	Closing balance
Jidong Cement Business	2,013,854,242.93	-	-	2,013,854,242.93
Jidong Equipment Business	477,549,380.23	-	-	477,549,380.23
Hebei BBMG Dingxin Cement Co., Ltd.	189,815,999.91	-	-	189,815,999.91
Liaoning Hengwei Cement Group Co., Ltd. (遼寧恒威水泥集團有限公司)	-	125,299,635.40	-	125,299,635.40
Zhejiang Jinyu Hangjia Green Building Technology Co., Ltd. (浙江金隅杭加綠建科技有限公司)	85,356,654.04	-	-	85,356,654.04
Shanxi BBMG Jidong Environmental Protection Technology Co., Ltd. (山西金隅冀東環保科技有限公司)	70,191,522.45	-	-	70,191,522.45
Handan Shexian BBMG Cement Co., Ltd.	56,276,121.38	-	-	56,276,121.38
Shuangyashan Xinshidai Cement Company Limited (雙鴨山新時代水泥有限責任公司)	42,009,032.68	-	-	42,009,032.68
Handan BBMG Taihang Cement Co., Ltd.	26,884,752.28	-	-	26,884,752.28
Shaanxi Qinhan Hengsheng New Building Materials Technology Co., Ltd. (陝西秦漢恒盛新型建材科技有限責任公司)	14,841,384.96	-	-	14,841,384.96
Benxi Yongxing New Building Materials Co., Ltd. (本溪永星新型建材有限公司)	-	14,119,863.85	-	14,119,863.85
Baoding Taihang Heyi Cement Co., Ltd.	11,428,946.82	-	-	11,428,946.82
Liaoyang Hongguang Mining Co., Ltd. (遼陽市弘光礦業有限公司)	-	11,007,993.57	-	11,007,993.57
Tianjin BBMG Zhenxing Environmental Protection Technology Co., Ltd.	10,931,009.96	-	-	10,931,009.96
Handan Yongnian District Hongpeng Commercial Concrete Co., Ltd. (邯鄲市永年區宏鵬商砼有限公司)	-	7,861,699.56	-	7,861,699.56
Yuncheng Haixin Haitian Concrete Co., Ltd. (運城市海鑫海天混凝土有限公司)	5,403,615.74	-	-	5,403,615.74
Handan Dongfang Risheng Commercial Concrete Co., Ltd. (邯鄲市東方日盛商品混凝土有限公司)	4,995,998.32	-	-	4,995,998.32
Gongyi Tongda Zhongyuan Refractory Technology Co., Ltd.	3,967,009.95	-	-	3,967,009.95
Beijing Jingu Zhitong Lulian Technology Co., Ltd. (北京金谷智通綠鏈科技有限公司)	3,441,762.77	-	-	3,441,762.77
Beijing Qianglian Cement Co., Ltd.	2,742,710.29	-	-	2,742,710.29
Baogang Jidong Cement Co., Ltd.	1,181,333.25	-	-	1,181,333.25
Wenxi Xinxin Haitian Concrete Co., Ltd. (聞喜新鑫海天混凝土有限公司)	255,360.18	-	-	255,360.18
Subtotal	3,021,126,838.14	158,289,192.38	-	3,179,416,030.52
Less: Provision for impairment of goodwill	376,757,523.95	-	-	376,757,523.95
Total	2,644,369,314.19	158,289,192.38	-	2,802,658,506.57

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill (Continued)

31 December 2024

Unit: RMB

Items	Opening balance	Increase during the year Business combinations not under common control	Decrease during the year Disposal	Closing balance
Jidong Cement Business	2,013,854,242.93	-	-	2,013,854,242.93
Jidong Equipment Business	477,549,380.23	-	-	477,549,380.23
Hebei BBMG Dingxin Cement Co., Ltd.	189,815,999.91	-	-	189,815,999.91
Zhejiang Jinyu Hangjia Green Building Technology Co., Ltd. (浙江金隅杭加綠建科技有限公司)	-	85,356,654.04	-	85,356,654.04
Shanxi BBMG Jidong Environmental Protection Technology Co., Ltd. (山西金隅冀東環保科技有限公司)	70,191,522.45	-	-	70,191,522.45
Handan Shexian BBMG Cement Co., Ltd.	56,276,121.38	-	-	56,276,121.38
Shuangyashan Xinshidai Cement Company Limited (雙鴨山新時代水泥有限責任公司)	-	42,009,032.68	-	42,009,032.68
Handan BBMG Taihang Cement Co., Ltd.	26,884,752.28	-	-	26,884,752.28
Shaanxi Qinhan Hengsheng New Building Materials Technology Co., Ltd. (陝西秦漢恒盛新型建材科技有限責任公司)	14,841,384.96	-	-	14,841,384.96
Baoding Taihang Heyi Cement Co., Ltd.	11,428,946.82	-	-	11,428,946.82
Tianjin BBMG Zhenxing Environmental Protection Technology Co., Ltd.	10,931,009.96	-	-	10,931,009.96
Yuncheng Haixin Haitian Concrete Co., Ltd. (運城市海鑫海天混凝土有限公司)	-	5,403,615.74	-	5,403,615.74
Handan Dongfang Risheng Commercial Concrete Co., Ltd. (邯鄲市東方日盛商品混凝土有限公司)	4,995,998.32	-	-	4,995,998.32
Gongyi Tongda Zhongyuan Refractory Technology Co., Ltd.	3,967,009.95	-	-	3,967,009.95
Beijing Jingu Zhitong Lulian Technology Co., Ltd. (北京金谷智通綠鏈科技有限公司)	3,441,762.77	-	-	3,441,762.77
Beijing Qianglian Cement Co., Ltd.	2,742,710.29	-	-	2,742,710.29
Baogang Jidong Cement Co., Ltd.	1,181,333.25	-	-	1,181,333.25
Wenxi Xinxin Haitian Concrete Co., Ltd. (聞喜新鑫海天混凝土有限公司)	-	255,360.18	-	255,360.18
Subtotal	2,888,102,175.50	133,024,662.64	-	3,021,126,838.14
Less: Provision for impairment of goodwill	359,757,523.95	17,000,000.00	-	376,757,523.95
Total	2,528,344,651.55	116,024,662.64	-	2,644,369,314.19

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill (Continued)

Movements in provision for impairment of goodwill are as follows:

January to June 2025

Unit: RMB

Items	Increase during the period		Decrease during the period	Closing balance
	Opening balance	Provision		
Gongyi Tongda Zhongyuan Refractory Technology Co., Ltd.	3,967,009.95	-	-	3,967,009.95
Beijing Qianglian Cement Co., Ltd.	2,742,710.29	-	-	2,742,710.29
Tianjin BBMG Zhenxing Environmental Protection Technology Co., Ltd.	10,931,009.96	-	-	10,931,009.96
Handan Shexian BBMG Cement Co., Ltd.	35,521,793.75	-	-	35,521,793.75
Jidong Equipment Business	323,595,000.00	-	-	323,595,000.00
Total	376,757,523.95	-	-	376,757,523.95

2024

Unit: RMB

Items	Increase during the year		Decrease during the year	Closing balance
	Opening balance	Provision		
Gongyi Tongda Zhongyuan Refractory Technology Co., Ltd.	3,967,009.95	-	-	3,967,009.95
Beijing Qianglian Cement Co., Ltd.	2,742,710.29	-	-	2,742,710.29
Tianjin BBMG Zhenxing Environmental Protection Technology Co., Ltd.	10,931,009.96	-	-	10,931,009.96
Handan Shexian BBMG Cement Co., Ltd.	35,521,793.75	-	-	35,521,793.75
Jidong Equipment Business	306,595,000.00	17,000,000.00	-	323,595,000.00
Total	359,757,523.95	17,000,000.00	-	376,757,523.95

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill (Continued)

Information related to the asset group or set of asset groups where goodwill is located is as follows:

Name	Composition and basis of the asset group or set of asset groups to which goodwill belongs	Operating segment and its basis	Whether consistent with previous years
Jidong Equipment Business Asset Group	Main component is Jidong Equipment. The synergistic benefits of the acquisition of Jidong Equipment are enjoyed by the entire Jidong Equipment Business, and it is difficult to allocate them to each asset group. Therefore, goodwill is allocated to the set of asset groups.	For internal management purposes, the set of asset groups is attributed to the green building materials segment.	Yes
Jidong Cement Business Asset Group	Main component is Tangshan Jidong Cement Co., Ltd. The synergistic benefits of the acquisition of Jidong Cement are enjoyed by the entire Cement Business, and it is difficult to allocate them to each asset group. Therefore, goodwill is allocated to the set of asset groups.	For internal management purposes, the asset group is attributed to the green building materials segment.	Yes
Jinyu Hangjia Asset Group	Main component is Zhejiang Jinyu Hangjia Green Building Technology Co., Ltd. (浙江金隅杭加綠建科技有限公司). The synergistic benefits of the acquisition of Zhejiang Jinyu Hangjia Green Building Technology Co., Ltd. (浙江金隅杭加綠建科技有限公司) are enjoyed by the entire Aerated Business, and it is difficult to allocate them to each asset group. Therefore, goodwill is allocated to the set of asset groups.	For internal management purposes, the asset group is attributed to the green building materials segment.	Yes
Other Asset Group	The other goodwill of the Company is formed when acquiring the equity of the above-mentioned companies. Each company is considered as an asset group, and its cash inflows are independent of the cash inflows generated by other assets or asset groups.	For internal management purposes, the asset group is attributed to the green building materials segment.	Yes

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill (Continued)

The recoverable amount is determined as the net amount of fair value less disposal costs:

Item	Carrying value	Recoverable amount	Impairment provision for the period	Determination of fair value and disposal costs	Key parameters	Determination basis for key parameters
Jidong Equipment Business	1,415,638,618.12	2,452,490,000.00	-	Fair value is determined using the market valuation method, and disposal costs are expenses related to stock trading.	Share price, total number of shares, disposal costs	The share price is the stock price obtained from a public website at the end of the period; the total number of shares is the number of shares obtained from a public website at the end of the period; and the disposal costs are the commissions, stamp duties, transfer fees, and other fees associated with stock trading.

The recoverable amount is determined based on the present value of estimated future cash flows:

Items	Carrying value	Recoverable amount	Impairment provision for the period
Jidong Cement Business	49,946,195,738.80	64,133,092,467.68	-
Hebei BBMG Dingxin Cement Co., Ltd.	1,925,834,596.80	3,795,638,076.16	-
Total	51,872,030,335.60	67,928,730,543.84	-

Measurement basis and major assumptions for determining the recoverable amount of the above assets groups are as follows:

The recoverable amount was determined based on the higher of the net amount of fair value of the assets group less costs to disposal and the present value of the estimated future cash flow of the assets group.

The goodwill formed by the acquisition of equity interests of the listed companies by the Company was determined as the net amount of fair value less costs to disposal based on the market value of the interests held by the Group in the RMB denominated ordinary shares of the listed companies issued by way of public issuance as at 30 June 2025 after adjustments.

The estimated future cash flows of the asset group are based on the five-year financial budget approved by the management at a discount rate of 9%-10% (2024: 9%-11%). The revenue growth rate of these assets groups during the forecast period is 1%-3%, and the estimated cash flows beyond five years are determined at a fixed growth rate of 2% (2024: 1%-3%) per annum. Other key assumptions adopted during the evaluation include estimated production capacity, future selling price, growth rate, expected gross profit margin and relevant expenditures of the asset product portfolio, and the above assumptions are based on the previous performance of these assets groups, industry standard and the management's expectations on market development.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Long-term deferred expenditures

30 June 2025

Unit: RMB

Items	Opening balance	Increase during the period	Amortisation during the period	Other decrease	Closing balance
Decoration	156,897,489.36	119,583,449.30	(40,663,178.04)	(118,307.22)	235,699,453.40
Leasehold improvement for fixed assets rented	18,048,132.46	6,275,109.25	(2,840,994.96)	(644,865.12)	20,837,381.63
Land lease prepayments and compensation for land acquisition	355,287,185.99	3,156,983.49	(17,677,723.47)	-	340,766,446.01
Cost of stripping mines	771,185,902.22	22,276,255.77	(53,660,313.80)	(59,545.62)	739,742,298.57
Others	672,955,265.32	137,623,029.89	(66,864,735.18)	(5,152,003.65)	738,561,556.38
Total	1,974,373,975.35	288,914,827.70	(181,706,945.45)	(5,974,721.61)	2,075,607,135.99

31 December 2024

Unit: RMB

Items	Opening balance	Increase during the year	Amortisation during the year	Other decrease	Closing balance
Decoration	120,456,957.12	87,473,132.56	(46,212,555.71)	(4,820,044.61)	156,897,489.36
Leasehold improvement for fixed assets rented	20,519,782.83	2,919,698.42	(5,061,429.01)	(329,919.78)	18,048,132.46
Land lease prepayments and compensation for land acquisition	329,480,476.30	82,041,406.89	(42,758,569.77)	(13,476,127.43)	355,287,185.99
Cost of stripping mines	788,977,667.36	113,400,569.67	(129,986,513.86)	(1,205,820.95)	771,185,902.22
Others	590,319,260.98	295,653,898.74	(172,754,221.53)	(40,263,672.87)	672,955,265.32
Total	1,849,754,144.59	581,488,706.28	(396,773,289.88)	(60,095,585.64)	1,974,373,975.35

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred income tax assets/deferred income tax liabilities

Unit: RMB

Items	30 June 2025		31 December 2024	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Deferred income tax assets				
Provision for LAT	724,827,333.96	181,206,833.49	902,907,306.32	225,726,826.58
Deductible losses	2,623,742,340.40	655,935,585.10	5,810,470,927.92	1,452,617,731.98
Provision for impairment of assets	1,755,429,815.48	438,857,453.87	1,696,537,430.84	424,134,357.71
Accrual of property development cost	448,481,411.12	112,120,352.78	509,093,186.64	127,273,296.66
Unrealised profits and losses of internal transactions	1,206,939,826.36	301,734,956.59	1,332,313,980.56	333,078,495.14
Changes in fair value of other equity instruments	555,470,048.44	138,867,512.11	540,080,985.48	135,020,246.37
Others	899,438,900.84	224,859,725.21	879,187,840.60	219,796,960.15
Total	8,214,329,676.60	2,053,582,419.15	11,670,591,658.36	2,917,647,914.59

Unit: RMB

Items	30 June 2025		31 December 2024	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Deferred income tax liabilities				
Valuation gains of investment properties	12,241,621,417.54	3,060,405,354.39	11,904,996,910.88	2,976,249,227.72
Assessment increase/decrease in business combination	13,217,771,296.12	3,304,442,824.03	12,729,891,753.80	3,182,472,938.45
Others	2,037,221,075.36	509,305,268.84	2,129,577,332.76	532,394,333.19
Total	27,496,613,789.02	6,874,153,447.26	26,764,465,997.44	6,691,116,499.36

Deductible losses and temporary differences of unrecognised deferred income tax assets are as follows:

Unit: RMB

Items	30 June 2025	31 December 2024
Deductible losses	23,366,710,874.43	20,135,952,326.25
Deductible temporary differences	7,655,905,303.81	7,291,216,294.83
Total	31,022,616,178.24	27,427,168,621.08

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred income tax assets/deferred income tax liabilities (Continued)

The deductible losses that are not recognised as deferred income tax assets will expire in the following years:

Unit: RMB

Items	30 June 2025	31 December 2024
2025	1,911,558,448.44	1,915,561,740.74
2026	3,116,654,828.94	3,139,874,019.78
2027	5,349,416,438.47	5,212,366,069.79
2028	5,428,079,025.62	5,370,185,774.65
2029	4,448,640,121.18	4,497,964,721.29
2030	3,112,362,011.78	-
Total	23,366,710,874.43	20,135,952,326.25

The Group's subsidiaries with deductible losses prepare the profit forecasts for the next 5 years based on the approved budget to assess the taxable income to be generated from the subsidiaries enjoying the deductible loss before the expiration of the deductible loss, and to recognize the deferred income tax assets for the deductible loss based on the assessment result.

25. Other non-current assets

Unit: RMB

Items	30 June 2025	31 December 2024
Prepayment for exploration rights	100,800,000.00	100,800,000.00
Prepayment for projects, equipment and plants	67,159,888.99	64,516,966.29
Prepayment for lands	27,407,833.74	38,890,647.92
Other	100,067,425.69	103,099,797.21
Total	295,435,148.42	307,307,411.42

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Assets with restricted titles or right to use

30 June 2025

Unit: RMB

Items	Balance of carrying amount	Carrying value	Restricted type	Restriction
Pledged assets				
Cash and bank balances				
Statutory deposit reserve placement with central bank by finance company	1,063,549,152.95	1,063,549,152.95	Guarantee	Paid by BBMG Finance Co., Ltd. to the People's Bank of China as statutory deposit reserve in accordance with relevant regulations which cannot be used for daily operations
Guarantee deposits for L/C	73,710,404.92	73,710,404.92	Guarantee	
Quality/performance deposits	212,184,396.21	212,184,396.21	Guarantee	
Guarantee deposits for acceptance bills	86,918,103.18	86,918,103.18	Guarantee	
Mortgage loan guarantee of real estate enterprise	54,582,801.08	54,582,801.08	Guarantee	
Inventories	10,437,187,706.31	10,437,187,706.31	Mortgage/frozen	The Group obtained borrowings of RMB1,753,451,180.11 secured by inventories with a carrying amount of RMB10,017,968,811.04 The Group's inventories amounting to RMB419,218,895.27 are frozen due to contract dispute
Bills receivable	84,000,000.00	84,000,000.00	Pledge	The Group obtained borrowings of RMB83,889,429.61 pledged by bills receivable with a carrying amount of RMB84,000,000.00
Receivables financing	13,000,000.00	13,000,000.00	Pledge	The bank acceptance bills pledged by the Group for the issuance of bank acceptance bills amount to RMB13,000,000.00
Fixed assets	214,143,045.06	214,143,045.06	Pledge/frozen	The Group obtained borrowings of RMB194,043,592.07 secured by fixed assets with a carrying amount of RMB214,143,045.06 The Group's fixed assets amounting to RMB93,131,651.28 are frozen due to ongoing litigation
Investment properties	13,992,824,303.19	13,992,824,303.19	Mortgage	The Group obtained borrowings of RMB2,458,000,000.00 and other non-current liabilities of 1,657,000,000.00 pledged by investment properties with a carrying amount of RMB13,992,824,303.19
Equity interests	5,118,176,371.21	5,118,176,371.21	Pledge	The Group obtained borrowings of RMB500,000,000.00 pledged by equity investment with a carrying amount of RMB5,118,176,371.21
Land use rights	1,769,622,115.13	1,769,622,115.13	Mortgage	The Group obtained borrowings of RMB220,617,860.47 secured by land use rights with a carrying amount of RMB1,769,622,115.13
Cash and bank balances whose titles are restricted for other reasons:				
Restricted cash arising from pre-sales of properties	574,635,198.57	574,635,198.57	Project-specific	
Others	698,506,197.60	698,506,197.60	Special purpose for mine reclamation, etc.	
Total	34,393,039,795.41	34,393,039,795.41		

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Assets with restricted titles or right to use (Continued)

31 December 2024

Unit: RMB

Items	Balance of carrying amount	Carrying value	Restricted type	Restriction
Cash and bank balance				
Statutory deposit reserve placement with central bank by finance company	1,167,233,816.33	1,167,233,816.33	Guarantee	Paid by BBMG Finance Co., Ltd. to the People's Bank of China as statutory deposit reserve in accordance with relevant regulations which cannot be used for daily operations
Guarantee deposits for L/C	80,151,571.21	80,151,571.21	Guarantee	-
Quality/performance deposits	181,523,736.94	181,523,736.94	Guarantee	-
Guarantee deposits for acceptance bills	46,509,699.00	46,509,699.00	Guarantee	-
Mortgage loan guarantee of real estate enterprise	65,940,478.68	65,940,478.68	Guarantee	-
Inventories	10,559,928,907.42	10,559,928,907.42	Mortgage	The Group obtained borrowings of RMB1,597,286,309.14 secured by inventories with a carrying amount of RMB10,559,928,907.42
Bills receivable	2,495,421.54	2,495,421.54	Pledge	The commercial acceptance bill pledged by the Group for the issuance of bank acceptance bills amounts to RMB2,495,421.54
Receivables financing	4,315,075.78	4,315,075.78	Pledge	The bank acceptance bills pledged by the Group for the issuance of bank acceptance bills amount to RMB4,315,075.78
Construction in progress	28,809,950.00	28,809,950.00	Mortgage	The Group obtained borrowings of RMB7,597,412.35 pledged by construction in progress with a carrying amount of RMB28,809,950.00
Fixed assets	93,131,651.28	93,131,651.28	Frozen	The Group's fixed assets amounting to RMB93,131,651.28 are frozen due to ongoing litigation
Investment properties	10,070,355,804.84	10,070,355,804.84	Mortgage	The Group obtained borrowings of RMB712,000,000.00 pledged by investment properties with a carrying amount of RMB10,070,355,804.84
Equity interests	5,118,176,371.21	5,118,176,371.21	Pledge	The Group obtained borrowings of RMB750,000,000.00 pledged by equity investments with a carrying amount of RMB5,118,176,371.21
Land use rights	1,728,500,000.00	1,728,500,000.00	Mortgage	The Group obtained borrowings of RMB545,570,532.99 pledged by land use rights with a carrying amount of RMB1,728,500,000.00
Restricted cash arising from pre-sales of properties	982,367,781.40	982,367,781.40	Others	-
Others	867,500,416.94	867,500,416.94	Others	-
Total	30,996,940,682.57	30,996,940,682.57		

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Short-term loans

Unit: RMB

Items	30 June 2025	31 December 2024
Credit loans	26,250,782,368.08	24,297,398,062.05
Guaranteed loans (Note 1)	3,381,500,000.00	3,482,621,163.88
Mortgaged loans (Note 2)	400,000,000.00	410,187,940.53
Pledged loans (Note 2)	83,889,429.61	144,955,282.68
Total	30,116,171,797.69	28,335,162,449.14

Note 1: As at 30 June 2025 and 31 December 2024, the guaranteed loans were guaranteed by entities within the Group.

Note 2: As at 30 June 2025 and 31 December 2024, details and value of collaterals corresponding to pledged loans are set out in Note V. 26.

As at 30 June 2025 and 31 December 2024, the Group had no outstanding loans that were due.

28. Bills payable

Unit: RMB

Items	30 June 2025	31 December 2024
Bank acceptance bills	3,892,480,373.29	1,986,042,605.54
Commercial acceptance bills	955,668,482.54	1,069,123,435.43
Total	4,848,148,855.83	3,055,166,040.97

As at 30 June 2025 and 31 December 2024, the Group had no due and outstanding bills payable.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Accounts payable

Accounts receivable are non-interest bearing and generally settled within 30 to 360 days. The aging of accounts receivable is calculated from the date of receipt of goods delivered by the suppliers or rendering of services from the suppliers. An aging analysis of accounts payable is as follows:

Unit: RMB

Items	30 June 2025	31 December 2024
Within 1 year (inclusive of 1 year)	14,566,683,576.92	16,755,683,271.11
1 to 2 years (inclusive of 2 years)	1,827,802,088.02	2,136,863,970.92
2 to 3 years (inclusive of 3 years)	1,123,595,365.91	952,615,068.78
Over 3 years	1,789,281,038.28	1,098,991,667.76
Total	19,307,362,069.13	20,944,153,978.57

As at 30 June 2025, the Group's significant accounts payable aged over 1 year or overdue are as follows:

Unit: RMB

Items	Balance of accounts payable	Reasons for being outstanding or not carried forward
Unit 14	541,944,159.03	Unsettled
Unit 15	357,544,038.58	Unsettled
Unit 16	256,906,861.38	Unsettled
Unit 17	192,927,042.66	Unsettled
Unit 18	131,709,998.64	Unsettled
Total	1,481,032,100.29	

30. Receipts in advance

Unit: RMB

Item	30 June 2025	31 December 2024
Advances on rents	303,171,968.01	326,427,424.85

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Contract liabilities

Unit: RMB

Items	30 June 2025	31 December 2024
Advances on pre-sale of properties	5,323,856,900.68	4,238,846,577.84
Advances on sale of goods	1,605,009,859.92	1,101,699,539.05
Advances on property fees	235,733,997.12	227,274,155.91
Advances on construction costs	160,905,539.08	145,496,199.21
Others	191,701,685.90	275,516,110.79
Total	7,517,207,982.70	5,988,832,582.80

As at 30 June 2025, the significant contract liabilities aged over one year are listed as below:

Unit: RMB

Items	Balance of contract liabilities	Reasons for being not carried forward
Advances on pre-sale of properties	1,048,473,990.07	Not completed, etc.
Advances on sale of goods	87,289,915.52	Supply of goods has not yet concluded, etc.
Others	2,782,451.05	Services have not yet been provided, etc.
Total	1,138,546,356.64	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Contract liabilities (Continued)

Details of advances on pre-sale of properties as at the balance sheet date are as follows:

Unit: RMB

Projects	Expected settlement date of the next batch	Proportion of the pre-sale	30 June 2025	31 December 2024
Beijing – Wangjing Yunshang	December 2025	32%	1,714,835,594.78	1,555,307,106.87
Suzhou – Zijinfeili	June 2026	35%	1,253,215,949.53	550,961,878.18
Beijing – Shangchengjun	July 2025	92%	547,432,160.68	61,358,129.02
Beijing – Yu • Dongxu	October 2027	21%	353,479,716.28	168,054,384.78
Tangshan – Jinyu Yunzhu	October 2025	20%	221,311,823.42	140,211,830.00
Beijing – Kanghuiyuan	December 2025	92%	190,789,466.50	473,731,851.47
Beijing – Yu • Xisong	November 2027	21%	183,598,682.25	-
Beijing – Huaxi Yunjin	November 2027	23%	103,745,415.35	-
Beijing – Shibalidian	July 2025	86%	95,175,451.27	211,705,531.29
Tangshan – Jinchengfu	July 2025	28%	85,720,714.55	67,293,779.00
Hefei – Shanhu Yunzhu	December 2025	84%	60,667,864.06	77,014,176.99
Changzhou – Zhonglou	December 2025	63%	51,764,481.98	87,525,599.04
Tianzhu				
Tianjin – Jinchengxifu	September 2025	48%	50,408,586.95	75,434,919.13
Others			411,710,993.08	770,247,392.07
Total			5,323,856,900.68	4,238,846,577.84

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Wages payable

January to June 2025

Unit: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Short-term remunerations	238,286,327.34	3,377,984,291.52	(3,439,157,026.31)	177,113,592.55
Post-employment benefits (defined contribution plan)	21,999,996.99	443,418,626.80	(447,605,848.49)	17,812,775.30
Termination benefits	37,113,597.39	35,536,575.94	(39,922,676.57)	32,727,496.76
Total	297,399,921.72	3,856,939,494.26	(3,926,685,551.37)	227,653,864.61

2024

Unit: RMB

Items	Opening balance	Increase during the year	Decrease during the year	Closing balance
Short-term remunerations	246,431,726.11	6,493,841,414.97	(6,501,986,813.74)	238,286,327.34
Post-employment benefits (defined contribution plan)	15,799,077.59	865,795,297.61	(859,594,378.21)	21,999,996.99
Termination benefits	15,639,331.21	93,568,648.07	(72,094,381.89)	37,113,597.39
Total	277,870,134.91	7,453,205,360.65	(7,433,675,573.84)	297,399,921.72

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Wages payable (Continued)

Short-term remunerations are as below:

January to June 2025

Unit: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Salaries, bonuses, allowances and subsidies	147,683,060.55	2,518,773,856.20	(2,586,656,750.76)	79,800,165.99
Staff welfare	1,110,494.97	255,224,110.97	(250,654,437.78)	5,680,168.16
Social insurance	18,351,753.23	236,773,957.03	(240,926,917.42)	14,198,792.84
Including: Medical insurance and maternity insurance	17,644,792.21	211,161,126.36	(214,991,685.87)	13,814,232.70
Work injury insurance	706,961.02	25,612,830.67	(25,935,231.55)	384,560.14
Housing funds	21,078,675.62	253,860,753.11	(253,273,851.26)	21,665,577.47
Union fund and employee education fund	44,238,647.91	65,229,759.61	(53,997,599.64)	55,470,807.88
Other short-term remunerations	5,823,695.06	48,121,854.60	(53,647,469.45)	298,080.21
Total	238,286,327.34	3,377,984,291.52	(3,439,157,026.31)	177,113,592.55

2024

Unit: RMB

Items	Opening balance	Increase during the year	Decrease during the year	Closing balance
Salaries, bonuses, allowances and subsidies	149,213,562.78	4,892,449,808.08	(4,893,980,310.31)	147,683,060.55
Staff welfare	2,112,194.78	469,346,209.98	(470,347,909.79)	1,110,494.97
Social insurance	11,760,017.14	454,128,680.23	(447,536,944.14)	18,351,753.23
Including: Medical insurance and maternity insurance	10,837,380.08	411,455,091.07	(404,647,678.94)	17,644,792.21
Work injury insurance	922,637.06	42,673,589.16	(42,889,265.20)	706,961.02
Housing funds	24,124,281.32	497,639,708.63	(500,685,314.33)	21,078,675.62
Union fund and employee education fund	42,375,712.47	126,918,234.11	(125,055,298.67)	44,238,647.91
Other short-term remunerations	16,845,957.62	53,358,773.94	(64,381,036.50)	5,823,695.06
Total	246,431,726.11	6,493,841,414.97	(6,501,986,813.74)	238,286,327.34

As at the balance sheet date, there was no wages payable in arrears.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Wages payable (Continued)

Details of defined contribution plan are as follows:

January to June 2025

Unit: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Basic pension	20,537,710.74	358,202,130.82	(363,144,998.59)	15,594,842.97
Unemployment insurance	740,246.84	13,087,486.73	(13,223,895.49)	603,838.08
Corporate annuity	722,039.41	72,129,009.25	(71,236,954.41)	1,614,094.25
Total	21,999,996.99	443,418,626.80	(447,605,848.49)	17,812,775.30

2024

Unit: RMB

Items	Opening balance	Increase during the year	Decrease during the year	Closing balance
Basic pension	13,995,528.89	694,352,736.99	(687,810,555.14)	20,537,710.74
Unemployment insurance	702,092.00	25,255,963.47	(25,217,808.63)	740,246.84
Corporate annuity	1,101,456.70	146,186,597.15	(146,566,014.44)	722,039.41
Total	15,799,077.59	865,795,297.61	(859,594,378.21)	21,999,996.99

The Group participated in the pension insurance and unemployment insurance managed by local government, to which the Group made contributions based on 16% and 0.3%-0.8% (2024: 16% and 0.3%-0.8%) of the total wages in the previous year respectively. In addition, the Group also participated in the corporate annuity scheme operated and managed by a competent external management organization, to pay as certain percentage of annuity for eligible enterprises and employees.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Tax payable

Unit: RMB

Items	30 June 2025	31 December 2024
VAT	388,122,449.48	335,035,751.45
Corporate income tax	269,686,371.08	577,260,998.89
Land appreciation tax	238,325,673.06	76,315,948.53
Resource tax	37,098,304.05	28,205,657.46
Real estate tax	52,102,681.54	38,115,091.40
City maintenance and construction tax	26,616,628.59	23,268,286.00
Education surcharges	20,150,668.04	17,308,056.22
Urban and rural land use tax	18,831,997.89	17,704,856.77
Individual income tax	8,756,528.43	15,941,790.54
Deed tax and others	97,976,906.57	75,579,427.63
Total	1,157,668,208.73	1,204,735,864.89

34. Other payables

Unit: RMB

Items	30 June 2025	31 December 2024
Dividends payable	1,004,638,672.60	590,056,940.43
Other shareholders	633,246,983.21	79,001,138.71
Interest on perpetual bonds	371,391,689.39	511,055,801.72
Other payables	6,311,515,062.15	6,070,849,498.56
Amounts collected on behalf and temporary receipts	1,501,599,748.08	1,428,740,331.08
Deposits	1,314,536,627.68	1,443,835,407.78
Payables to related companies	965,492,239.33	684,691,832.07
Construction costs payable	580,316,770.38	210,422,549.82
Payables for relocation compensation	498,859,904.00	463,895,864.47
Payables for acquisition of equity investments	383,565,937.95	733,964,439.37
Payables for land use right	62,128,446.00	66,012,026.65
Freight and miscellaneous charges payable	38,192,817.74	67,107,364.86
Public maintenance fund payable	53,143,759.97	45,555,852.93
Current portion of net liabilities of defined benefit plan (Note V. 41)	39,844,746.54	49,750,442.54
Utilities	16,673,084.83	8,844,072.82
Others	857,160,979.65	868,029,314.17
Total	7,316,153,734.75	6,660,906,438.99

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Other payables (Continued)

As at 30 June 2025, significant other payables aged more than one year of the Group are as follows:

Unit: RMB

Items	Relationship with the Group	Amount payable	Percentage of total other payables (%)	Reasons for being outstanding
Unit 19	Related party	465,627,660.02	6.36	Unsettled
Unit 20	Related party	197,200,000.00	2.70	Unsettled
Unit 21	Third party	64,480,003.64	0.88	Unsettled
Unit 22	Third party	56,915,228.47	0.78	Unsettled
Unit 23	Third party	36,591,620.00	0.50	Unsettled
Total		820,814,512.13	11.22	

35. Non-current liabilities due within one year

Unit: RMB

Items	30 June 2025	31 December 2024
Long-term loans due within one year (Note V. 37)	17,512,522,243.18	9,831,272,623.91
Bonds payable due within one year (Note V. 38)	3,850,790,022.54	10,686,586,603.49
Lease liabilities due with one year (Note V. 39)	114,258,709.44	144,028,915.34
Long-term payables due within one year (Note V. 40)	134,211,282.69	161,419,475.33
Total	21,611,782,257.85	20,823,307,618.07

36. Other current liabilities

Unit: RMB

Items	30 June 2025	31 December 2024
Accrued expenses	3,026,851,972.20	2,646,935,263.96
Including: Accrued development costs	1,968,736,653.65	1,458,718,853.24
Provision for LAT	782,570,981.50	902,553,788.74
Accrued costs for treatment of solid wastes	1,990,421.97	9,529,140.33
Other accrued expenses	273,553,915.08	276,133,481.65
Tax to be written off	559,360,203.11	469,466,043.52
Total	3,586,212,175.31	3,116,401,307.48

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Long-term loans

Unit: RMB

Items	30 June 2025	31 December 2024
Credit loans	54,961,960,204.51	47,639,505,206.84
Guaranteed loans (Note 1)	8,294,438,745.77	7,633,197,111.36
Mortgaged loans (Note 2)	4,226,112,632.65	4,707,628,026.72
Pledged loans (Note 2)	500,000,000.00	750,000,000.00
Subtotal	67,982,511,582.93	60,730,330,344.92
Less: Long-term loans due within one year	17,512,522,243.18	9,831,272,623.91
Total	50,469,989,339.75	50,899,057,721.01

Note 1: As at 30 June 2025 and 31 December 2024, the guaranteed loans of the Group were guaranteed by entities within the Group.

Note 2: As at 30 June 2025 and 31 December 2024, details and value of collaterals corresponding to mortgaged and pledged loans of the Group are set out in Note V. 26.

As at the balance sheet date, an analysis on maturity of long-term loans is as follows:

Unit: RMB

Items	30 June 2025	31 December 2024
Within 1 year	17,512,522,243.18	9,831,272,623.91
1-2 years	22,228,670,307.70	14,216,288,829.65
2-5 years	23,821,623,350.69	28,452,026,671.34
Over 5 years	4,419,695,681.36	8,230,742,220.02
Total	67,982,511,582.93	60,730,330,344.92

As at 30 June 2025, the annual interest rates of the above loans were 2.15%-5.65% (31 December 2024: 1.20%-5.65%).

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Short-term financing bonds payable and bonds payable

Unit: RMB

Items	30 June 2025	31 December 2024
Short-term financing bonds payable	5,048,592,876.71	6,026,458,630.14
Bonds payable		
Corporate bonds	15,594,837,123.15	17,974,672,661.83
Medium-term notes	6,595,131,598.29	7,625,346,587.97
Total	22,189,968,721.44	25,600,019,249.80
Less: Bonds payable due within one year	3,850,790,022.54	10,686,586,603.49
Non-current portion	18,339,178,698.90	14,913,432,646.31

Analysis of maturity:

Unit: RMB

Items	30 June 2025	31 December 2024
Within 1 year (inclusive of 1 year)	3,850,790,022.54	10,686,586,603.49
1 to 2 years (inclusive of 2 years)	6,856,348,519.04	4,423,989,151.49
2 to 5 years (inclusive of 5 years)	6,985,929,191.92	5,991,837,849.34
Over 5 years	4,496,900,987.94	4,497,605,645.48
Total	22,189,968,721.44	25,600,019,249.80

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2025, the balance of bonds payable is as follows:

Unit: RMB

Items	Par value	Coupon rate (%)	Issuance date	Term	Issuance amount	Opening balance	Issuance amount during the period	Interest charged at par value	Amortisation of discount/premium	Repayment and interest payment	Reclassified to due within one year	Closing balance	Is there a breach of contract
Corporate bonds and medium-term notes:													
RMB1.5 billion corporate bonds	RMB1.5 billion	2.80	12 July 2018	5+2 years	85,900,000.00	86,554,742.31	-	1,192,715.62	-	-	(87,747,457.93)	-	No
RMB4.5 billion corporate bonds	RMB4.5 billion	2.18	10 January 2020	5+2 years	4,500,000,000.00	4,670,595,106.29	-	65,067,389.59	1,428,571.43	(1,480,550,000.00)	(66,975,632.95)	3,189,565,434.36	No
RMB2.0 billion corporate bonds	RMB2.0 billion	3.00	16 June 2020	3+2 years	2,000,000,000.00	2,031,993,892.78	-	28,006,107.22	-	(2,060,000,000.00)	-	-	No
RMB1.5 billion corporate bonds	RMB1.5 billion	2.90	14 August 2020	3+2 years	879,000,000.00	887,277,955.15	-	12,640,742.47	-	-	(899,918,697.62)	-	No
RMB2.82 billion corporate bonds	RMB2.82 billion	1.50	5 November 2020	6 years	2,820,000,000.00	1,704,549,740.52	-	13,387,199.81	23,474,684.63	(17,100.00)	(18,293,061.99)	1,723,111,462.97	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.49	11 June 2021	3+2 years	1,000,000,000.00	795,463,506.99	-	13,585,138.88	137,802.26	(23,351,380.80)	(785,635,067.33)	-	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.24	13 October 2021	3+2 years	1,000,000,000.00	558,844,198.01	-	16,128,962.50	137,947.42	(11,758,337.50)	(8,701,937.10)	554,650,833.33	No
RMB2.0 billion corporate bonds	RMB2.0 billion	2.50	22 November 2021	3+2 years	2,000,000,000.00	1,389,020,788.38	-	17,207,397.26	-	-	(17,207,397.26)	1,389,020,788.38	No
RMB1.0 billion medium-term notes	RMB1.0 billion	2.93	31 May 2022	3 years	1,000,000,000.00	1,016,992,343.18	-	12,307,656.82	-	(1,029,300,000.00)	-	-	No
RMB1.0 billion medium-term notes	RMB1.0 billion	2.84	26 August 2022	3 years	1,000,000,000.00	1,009,732,600.95	-	14,400,915.15	-	-	(1,024,133,516.10)	-	No
RMB0.8 billion corporate bonds	RMB0.8 billion	2.53	26 April 2024	1+1+1 years	800,000,000.00	813,106,200.07	10,000,000.00	10,529,745.14	-	(30,240,000.00)	(803,395,945.21)	-	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.44	22 April 2024	3+2 years	1,000,000,000.00	1,015,184,303.26	-	8,404,444.43	192,122.88	(20,604,444.45)	(4,608,888.84)	998,567,537.28	No
RMB1.5 billion medium-term notes	RMB1.5 billion	2.87	6 February 2024	5+2 years	1,500,000,000.00	1,538,921,917.81	-	21,348,082.19	-	(43,050,000.00)	(21,348,082.19)	1,495,871,917.81	No
RMB2.0 billion medium-term notes	RMB2.0 billion	2.84	4 March 2024	3+2 years	2,000,000,000.00	2,047,151,780.82	-	28,166,575.34	-	(56,800,000.00)	(28,166,575.34)	1,990,351,780.82	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.35	8 July 2024	5 years	1,000,000,000.00	1,009,123,567.84	-	11,653,424.66	247,945.21	-	(11,653,424.66)	1,009,371,513.05	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.67	8 July 2024	10 years	1,000,000,000.00	1,010,553,316.71	-	13,240,273.97	123,972.60	-	(13,240,273.97)	1,010,677,289.31	No
RMB2.0 billion medium-term notes	RMB2.0 billion	2.29	23 September 2024	5 years	2,000,000,000.00	2,012,547,945.21	-	22,711,780.82	-	-	(22,711,780.82)	2,012,547,945.21	No
RMB1.0 billion corporate bonds	RMB1.0 billion	1.99	17 December 2024	3+2 years	1,000,000,000.00	998,335,140.91	-	11,349,783.21	413,242.01	-	(11,349,783.21)	998,748,382.92	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.15	20 September 2024	3+2 years	1,000,000,000.00	1,004,070,202.61	-	10,749,998.17	191,419.50	-	(16,602,777.81)	998,408,842.47	No
RMB1.0 billion corporate bonds	RMB1.0 billion	1.99	20 January 2025	3+2 years	1,000,000,000.00	-	968,000,000.00	8,899,722.21	284,970.99	-	(8,899,722.21)	968,284,970.99	No
Subtotal					28,584,900,000.00	25,600,019,249.80	978,000,000.00	340,988,055.46	26,632,678.93	(4,755,671,262.75)	(3,850,790,022.54)	18,339,178,698.90	
Short-term financing bond:													
RMB2.0 billion ultra-short financing bonds	RMB2.0 billion	2.06	23 August 2024	210 days	2,000,000,000.00	2,014,786,849.32	-	8,917,260.27	-	(2,023,704,109.59)	-	-	No
RMB1.0 billion ultra-short financing bonds	RMB1.0 billion	2.10	13 September 2024	245 days	1,000,000,000.00	1,006,328,767.12	-	7,767,123.29	-	(1,014,095,890.41)	-	-	No
RMB2.0 billion ultra-short financing bonds	RMB2.0 billion	2.04	20 November 2024	247 days	2,000,000,000.00	2,004,694,794.52	-	20,232,328.77	-	-	-	2,024,927,123.29	No
RMB1.0 billion ultra-short financing bonds	RMB1.0 billion	1.82	19 December 2024	267 days	1,000,000,000.00	1,000,648,219.18	-	9,025,205.48	-	-	-	1,009,673,424.66	No
RMB2.0 billion ultra-short financing bonds	RMB2.0 billion	1.92	18 February 2025	269 days	2,000,000,000.00	-	2,000,000,000.00	13,992,328.76	-	-	-	2,013,992,328.76	No
Subtotal					8,000,000,000.00	6,026,458,630.14	2,000,000,000.00	59,934,246.57	-	(3,037,800,000.00)	-	5,048,592,876.71	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Short-term financing bonds payable and bonds payable (Continued)

As at 31 December 2024, the balance of bonds payable is as follows:

Unit: RMB

Items	Par value	Coupon rate (%)	Issuance date	Term	Issuance amount	Opening balance	Issuance amount during the year	Interest charged at par value	Amortisation of discount/premium	Repayment and interest payment	Reclassified to due within one year	Closing balance	Is there a breach of contract
Corporate bonds and medium-term notes:													
RMB0.5 billion corporate bonds	RMB0.5 billion	2.95	19 May 2017	5+2 years	1,000,000.00	367,198.68	-	9,915.28	652,386.04	(1,029,500.00)	-	-	No
RMB1.5 billion corporate bonds	RMB1.5 billion	2.80	12 July 2018	5+2 years	85,900,000.00	86,552,138.38	-	1,509,486.57	898,317.36	(2,405,200.00)	(86,554,742.31)	-	No
RMB1.5 billion corporate bonds	RMB1.5 billion	4.07	9 January 2019	5+2 years	1,500,000,000.00	1,558,011,237.80	-	1,338,082.19	1,700,680.01	(1,561,050,000.00)	-	-	No
RMB2.5 billion medium-term notes	RMB2.5 billion	4.35	7 March 2019	5 years	2,500,000,000.00	2,587,893,835.62	-	20,856,164.38	-	(2,608,750,000.00)	-	-	No
RMB2.0 billion medium-term notes	RMB2.0 billion	3.94	7 August 2019	5 years	2,000,000,000.00	2,031,088,219.18	-	47,711,780.82	-	(2,078,800,000.00)	-	-	No
RMB1.5 billion corporate bonds	RMB1.5 billion	2.94	28 October 2019	5 years	1,500,000,000.00	1,427,487,284.23	-	34,355,924.43	(53,527.50)	(1,461,789,681.16)	-	-	No
RMB2.0 billion medium-term notes	RMB2.0 billion	4.13	12 November 2019	5 years	2,000,000,000.00	2,010,636,164.38	-	71,963,835.62	-	(2,082,600,000.00)	-	-	No
RMB4.5 billion corporate bonds	RMB4.5 billion	3.99	10 January 2020	5+2 years	4,500,000,000.00	4,668,771,344.19	-	180,041,917.80	1,331,844.30	(179,550,000.00)	(4,670,595,106.29)	-	No
RMB2.0 billion corporate bonds	RMB2.0 billion	3.00	16 June 2020	3+2 years	2,000,000,000.00	2,033,555,525.03	-	57,383,013.70	1,055,354.05	(60,000,000.00)	(2,031,993,892.78)	-	No
RMB1.5 billion corporate bonds	RMB1.5 billion	2.90	14 August 2020	3+2 years	879,000,000.00	887,050,068.61	-	22,996,084.93	2,722,801.61	(25,491,000.00)	(887,277,955.15)	-	No
RMB2.82 billion corporate bonds	RMB2.82 billion	1.50	5 November 2020	6 years	2,820,000,000.00	1,653,620,851.00	-	22,575,547.06	49,674,573.26	(21,321,230.80)	(4,896,864.03)	1,698,653,876.49	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.49	11 June 2021	3+2 years	1,000,000,000.00	1,019,707,365.72	-	27,170,277.76	285,863.51	(251,700,000.00)	(10,859,166.55)	784,604,340.44	No
RMB2.0 billion corporate bonds	RMB2.0 billion	2.24	13 October 2021	3+2 years	1,000,000,000.00	1,006,992,374.22	-	32,257,925.00	293,898.79	(480,700,000.00)	(4,331,312.10)	554,512,885.91	No
RMB2.0 billion corporate bonds	RMB2.0 billion	2.50	22 November 2021	3+2 years	2,000,000,000.00	2,002,784,016.07	-	60,254,794.52	1,381,977.79	(675,400,000.00)	(3,802,739.73)	1,385,218,048.65	No
RMB1.0 billion medium-term notes	RMB1.0 billion	2.93	31 May 2022	3 years	1,000,000,000.00	1,016,483,789.18	-	29,300,000.04	508,554.00	(29,300,000.04)	(1,016,992,343.18)	-	No
RMB1.0 billion medium-term notes	RMB1.0 billion	2.84	26 August 2022	3 years	1,000,000,000.00	1,009,228,288.76	-	28,400,000.04	504,312.19	(28,400,000.04)	(1,009,732,600.95)	-	No
RMB2.0 billion medium-term notes	RMB2.0 billion	2.87	6 February 2024	5+2 years	1,500,000,000.00	-	1,500,000,000.00	38,921,917.81	-	-	(38,921,917.81)	1,500,000,000.00	No
RMB2.0 billion medium-term notes	RMB2.0 billion	2.84	4 March 2024	3+2 years	2,000,000,000.00	-	2,000,000,000.00	47,151,780.82	-	-	(47,151,780.82)	2,000,000,000.00	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.44	22 April 2024	3+2 years	1,000,000,000.00	-	998,000,000.00	16,808,888.86	375,414.40	-	(16,808,888.86)	998,375,414.40	No
RMB0.8 billion corporate bonds	RMB0.8 billion	2.53	26 April 2024	1+1+1 years	800,000,000.00	-	800,000,000.00	13,106,200.07	-	-	(813,106,200.07)	-	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.35	8 July 2024	5 years	1,000,000,000.00	-	997,500,000.00	11,395,890.41	227,677.43	-	(11,395,890.41)	997,727,677.43	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.67	8 July 2024	10 years	1,000,000,000.00	-	997,500,000.00	12,947,671.23	105,645.48	-	(12,947,671.23)	997,605,645.48	No
RMB2.0 billion medium-term notes	RMB2.0 billion	2.29	23 September 2024	5 years	2,000,000,000.00	-	2,000,000,000.00	12,547,945.21	-	-	(12,547,945.21)	2,000,000,000.00	No
RMB1.0 billion corporate bonds	RMB1.0 billion	2.15	20 September 2024	3+2 years	1,000,000,000.00	-	998,000,000.00	5,852,777.79	217,424.82	-	(5,852,777.79)	998,217,424.82	No
RMB1.0 billion corporate bonds	RMB1.0 billion	1.99	17 December 2024	3+2 years	1,000,000,000.00	-	997,500,000.00	817,808.22	17,332.69	-	(817,808.22)	997,517,332.69	No
Subtotal					37,085,900,000.00	25,000,229,701.05	11,288,500,000.00	797,675,630.56	61,900,530.23	(11,548,286,612.04)	(10,686,586,603.49)	14,913,432,646.31	
Short-term financing bond:													
RMB2.0 billion ultra-short financing bonds	RMB2.0 billion	2.54	23 October 2023	240 days	2,000,000,000.00	2,009,603,267.66	-	23,708,167.75	-	(2,033,311,475.41)	-	-	No
RMB2.0 billion ultra-short financing bonds	RMB2.0 billion	2.49	17 November 2023	179 days	2,000,000,000.00	2,005,730,410.96	-	18,625,326.74	-	(2,024,355,737.70)	-	-	No
RMB2.0 billion ultra-short financing bonds	RMB2.0 billion	2.70	11 December 2023	100 days	2,000,000,000.00	2,002,958,904.11	-	11,795,194.25	-	(2,014,754,098.36)	-	-	No
RMB2.0 billion ultra-short financing bonds	RMB2.0 billion	2.06	23 August 2024	210 days	2,000,000,000.00	-	2,000,000,000.00	14,786,849.32	-	-	-	2,014,786,849.32	No
RMB1.0 billion ultra-short financing bonds	RMB1.0 billion	2.10	13 September 2024	245 days	1,000,000,000.00	-	1,000,000,000.00	6,328,767.12	-	-	-	1,006,328,767.12	No
RMB2.0 billion ultra-short financing bonds	RMB2.0 billion	2.04	20 November 2024	247 days	2,000,000,000.00	-	2,000,000,000.00	4,694,794.52	-	-	-	2,004,694,794.52	No
RMB1.0 billion ultra-short financing bonds	RMB1.0 billion	1.82	19 December 2024	267 days	1,000,000,000.00	-	1,000,000,000.00	648,219.18	-	-	-	1,000,648,219.18	No
Subtotal					12,000,000,000.00	6,018,292,602.73	6,000,000,000.00	80,587,338.88	-	(6,072,421,311.47)	-	6,026,458,630.14	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2025, the balance of bonds payable is as follows:

- 1) Pursuant to the document [2018] No. 884 issued by the China Securities Regulatory Commission, the Company issued the first tranche of corporate bonds (type two) of BBMG Corporation for 2018 to qualified investors by way of public issuance on 12 July 2018 (hereinafter referred to as “18 BBMG 02”), totalling RMB1,500,000,000.00 with a term of 7 years (with the issuer’s option to adjust the coupon rate at the end of the fifth year and the investors’ entitlement to sell back the bonds) and a coupon rate of 5.00%. On 26 May 2023 (at the end of the fifth year of the duration), the Company published an announcement, in which the Company decided to adjust the coupon rate of “18 BBMG 02” for the next two years, i.e. the coupon rate of the bond for the period from 12 July 2023 to 11 July 2025 shall be 2.80%. The total sale back amount announced on 6 June 2023 (at the end of the fifth year of the duration) was RMB1,414,100,000 and the remaining part not resold with the amount of RMB1,414,100,000 was cancelled.
- 2) Pursuant to the Replies (Zheng Jian Xu Ke [2019] No. 2255) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2019]2255號)), the Company issued the first tranche of corporate bonds (type two) of BBMG Corporation for 2020 to qualified investors by way of public issuance on 10 January 2020 (hereinafter referred to as “20 BBMG 02”), totalling RMB4,500,000,000.00 with a term of 7 years (with the issuer’s option to adjust the coupon rate at the end of the fifth year and the investors’ entitlement to sell back the bonds) and a coupon rate of 3.99%. From 10 January 2025 to 9 January 2027, the coupon rate of the bonds was adjusted to 2.18%.
- 3) Pursuant to the Replies (Zheng Jian Xu Ke [2019] No. 2255) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2019]2255號)), the Company issued the second tranche of corporate bonds of BBMG Corporation for 2020 to qualified investors by way of public issuance on 16 June 2020 (hereinafter referred to as “20 BBMG 03”), totalling RMB2,000,000,000.00 with a term of 5 years (with the issuer’s option to adjust the coupon rate at the end of the third year and the investors’ entitlement to sell back the bonds) and a coupon rate of 3.00%.
- 4) Pursuant to the Replies (Zheng Jian Xu Ke [2019] No. 2255) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2019]2255號)), the Company issued the third tranche of corporate bonds of BBMG Corporation for 2020 to qualified investors by way of public issuance on 14 August 2020 (hereinafter referred to as “20 BBMG 04”), totalling RMB1,500,000,000.00 with a term of 5 years (with the issuer’s option to adjust the coupon rate at the end of the third year and the investors’ entitlement to sell back the bonds) and a coupon rate of 2.90%. The sale back amount as announced on 11 September 2023 (at the end of the third year of the duration) was RMB861,000,000.00 and the remaining part not resold with the amount of RMB521,000,000 was cancelled.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2025, the balance of bonds payable is as follows: (Continued)

- 5) Pursuant to the Replies (Zheng Jian Xu Ke [2020] No. 2416) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2020]2416號)), Tangshan Jidong Cement Co., Ltd. issued the convertible corporate bonds of Tangshan Jidong Cement Co., Ltd. on 5 November 2020 (hereinafter referred to as "Jidong Convertible Bonds"), totalling RMB2,820,000,000.00 with a term of 6 years, and the coupon rate was set at 0.20%, 0.40%, 0.80%, 1.20%, 1.50% and 2.00% for the first year, second year, third year, fourth year, fifth year and sixth year, respectively, with the redemption price at maturity of RMB106 (including the last payment of interests).
- 6) Pursuant to the document (Zheng Jian Xu Ke [2020] No. 2804) (《證監許可[2020]2804號》文件) issued by the China Securities Regulatory Commission, Jidong Cement issued the first tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. to professional investors by way of public issuance on 10 June 2021 (hereinafter referred to as "21 Jidong 01"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.49%. The sale back amount as announced on 6 June 2024 was RMB2,150,000,000.00 (excluding interest). The bonds sold back shall not be resold.
- 7) Jidong Cement issued the second tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. to professional investors by way of public issuance on 13 October 2021 (hereinafter referred to as "21 Jidong 02"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.24%.
- 8) Pursuant to the document (Zheng Jian Xu Ke [2020] No. 2749) (《證監許可[2020]2749號》文件) issued by the China Securities Regulatory Commission, the Company issued the first tranche of corporate bonds of BBMG Corporation for 2021 to professional investors by way of public issuance on 22 November 2021 (hereinafter referred to as "21 BBMG 01"), totalling RMB2,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.50%.
- 9) As approved by the document (Zhong Shi Xie Zhu [2021] No. MTN1) (中市協註[2021]MTN1號文件) from the National Association of Financial Market Institutional Investors, the Company publicly issued the first tranche of medium-term notes of Tangshan Jidong Cement Co., Ltd. for 2022 in the national inter-bank bond market on 31 May 2022 (hereinafter referred to as "22 Jidong Cement MTN001"), totalling RMB1,000,000,000.00 with a term of 3 years and a coupon rate of 2.93%.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2025, the balance of bonds payable is as follows: (Continued)

- 10) The Company publicly issued the second tranche of medium-term notes of Tangshan Jidong Cement Co., Ltd. for 2022 in the national inter-bank bond market on 26 August 2022 (hereinafter referred to as “22 Jidong Cement MTN002”), totalling RMB1,000,000,000.00 with a term of 3 years and a coupon rate of 2.84%. Interest was accrued from 26 August 2022 and the maturity date will be 26 August 2025. The interest shall be paid on an annual basis and the principal amount will be repaid in a lump sum at maturity. The last instalment of interest shall be paid together with the principal amount.
- 11) Pursuant to the No Objection Letter Regarding the Listing and Transfer of the Non-Public Issuance of Corporate Bonds of Tianjin Building Materials Group (Holding) Co., Ltd. (Shang Zheng Han [2023] No. 3167) (《關於對天津市建築材料集團(控股)有限公司非公開發行公司債券掛牌轉讓無異議的函》(上證函[2023]3167號)) issued by the Shanghai Stock Exchange, Tianjin Building Materials issued the first tranche of corporate bonds of Tianjin Building Materials Group (Holding) Co., Ltd. to investors by way of non-public issuance on 26 April 2024 (hereinafter referred to as “24 Jincai 01”), totalling RMB800,000,000.00 with a term of 3 years (with the investors’ entitlement to sell back the bonds and the issuer’s option to redeem at the end of the first and second year) and a coupon rate of 2.53%.
- 12) Pursuant to the Replies (Zheng Jian Xu Ke [2023] No. 810) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2023]810號)), Jidong Cement issued the first tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. for 2024 to professional investors by way of public issuance on 22 April 2024 (hereinafter referred to as “24 Jidong 01”), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer’s option to adjust the coupon rate at the end of the third year and the investors’ entitlement to sell back the bonds) and a coupon rate of 2.44%.
- 13) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. DFI 6) (《接受註冊通知書》(中市協註[2023]DFI 6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the first tranche of medium-term notes of BBMG Corporation for 2024 on 6 February 2024 (hereinafter referred to as “24 BBMG MTN001”), totalling RMB1,500,000,000.00 with a term of 5+2 years and a coupon rate of 2.87%.
- 14) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. DFI 6) (《接受註冊通知書》(中市協註[2023]DFI 6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the second tranche of medium-term notes of BBMG Corporation for 2024 on 4 March 2024 (hereinafter referred to as “24 BBMG MTN002”), totalling RMB2,000,000,000.00 with a term of 3+2 years and a coupon rate of 2.84%.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2025, the balance of bonds payable is as follows: (Continued)

- 15) Pursuant to the document (Zheng Jian Xu Ke [2024] No. 412) (《證監許可[2024]412號》文件) issued by the China Securities Regulatory Commission, the Company issued the first tranche of scientific and technological innovation corporate bonds (type one) of BBMG Corporation for 2024 to professional investors by way of public issuance on 8 July 2024 (hereinafter referred to as “24 BBMG K1”), totalling RMB1,000,000,000.00 with a term of 5 years and a coupon rate of 2.35%.
- 16) Pursuant to the document (Zheng Jian Xu Ke [2024] No. 412) (《證監許可[2024]412號》文件) issued by the China Securities Regulatory Commission, the Company issued the first tranche of scientific and technological innovation corporate bonds (type two) of BBMG Corporation for 2024 to professional investors by way of public issuance on 8 July 2024 (hereinafter referred to as “24 BBMG K2”), totalling RMB1,000,000,000.00 with a term of 10 years and a coupon rate of 2.67%.
- 17) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. DFI 6) (《接受註冊通知書》(中市協註[2023]DFI 6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the third tranche of medium-term notes of BBMG Corporation for 2024 on 23 September 2024 (hereinafter referred to as “24 BBMG MTN003”), totalling RMB2,000,000,000.00 with a term of 5 years and a coupon rate of 2.29%.
- 18) Pursuant to the document (Zheng Jian Xu Ke [2024] No. 412) (《證監許可[2024]412號》文件) issued by the China Securities Regulatory Commission, the Company issued the second tranche of scientific and technological innovation corporate bonds of BBMG Corporation for 2024 to professional investors by way of public issuance on 17 December 2024 (hereinafter referred to as “24 BBMG K3”), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer’s option to adjust the coupon rate at the end of the third year and the investors’ entitlement to sell back the bonds) and a coupon rate of 1.99%.
- 19) Pursuant to the Replies (Zheng Jian Xu Ke [2023] No. 810) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2023]810號)), Jidong Cement issued the second tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. for 2024 to professional investors by way of public issuance on 20 September 2024 (hereinafter referred to as “24 Jidong 02”), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer’s option to adjust the coupon rate at the end of the third year and the investors’ entitlement to sell back the bonds) and a coupon rate of 2.15%.
- 20) Pursuant to the document (Zheng Jian Xu Ke [2023] No. 810) issued by the China Securities Regulatory Commission (中國證券監督管理委員會(證監許可[2023]810號)文), Jidong Cement issued the first tranche of corporate bonds (Stock Code: 524120) to professional investors by way of public issuance on 20 January 2025 (hereinafter referred to as “25 Jidong 01”), totalling RMB1,000,000,000.00 with a coupon rate of 1.99% and a term of 5 years (with the issuer’s option to adjust the coupon rate at the end of the third year and the investors’ entitlement to sell back the bonds).

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Lease liabilities

Unit: RMB

Items	30 June 2025	31 December 2024
Principal of lease liabilities	738,246,734.76	799,561,991.60
Less: Unrecognised finance cost	180,971,155.24	197,041,957.63
Subtotal	557,275,579.52	602,520,033.97
Less: Lease liabilities due within one year	114,258,709.44	144,028,915.34
Non-current portion	443,016,870.08	458,491,118.63

40. Long-term payables

Unit: RMB

Items	30 June 2025	31 December 2024
Long-term payables	572,687,783.03	421,020,480.23
Less: Long-term payables due within one year	134,211,282.69	161,419,475.33
Total	438,476,500.34	259,601,004.90

Analysis of maturity of long-term payables:

Unit: RMB

Items	30 June 2025	31 December 2024
Within 1 year (inclusive of 1 year)	134,211,282.69	161,419,475.33
1 to 2 years (inclusive of 2 years)	111,459,562.12	138,264,608.38
2 to 5 years (over 2 years and inclusive of 5 years)	327,016,938.22	121,336,396.52
Total	572,687,783.03	421,020,480.23

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Long-term wages payable

Unit: RMB

Item	30 June 2025	31 December 2024
Net liabilities of defined benefit plan	392,978,930.18	389,947,884.18

Present value of obligations of defined benefit plan:

Unit: RMB

Items	January to June 2025	2024
Balance at the beginning of the period/year	439,698,326.72	456,334,616.92
Recognized in profit or loss:		
Current service cost	643,000.00	(556,948.33)
Previous service cost	(1,445,500.00)	(2,891,000.00)
Net interest	4,345,211.00	10,191,411.00
Recognized in other comprehensive income:		
Actuarial changes arising from changes in financial assumptions	-	22,026,543.58
Actuarial changes arising from difference in experience	1,974,585.00	(9,808,605.32)
Other changes:		
Benefits paid	(12,391,946.00)	(35,597,691.13)
Balance at the end of the period/year	432,823,676.72	439,698,326.72
Less: Current portion of net liability of defined benefit plans	39,844,746.54	49,750,442.54
Total	392,978,930.18	389,947,884.18

The Group's defined benefit plans are various supplementary benefit plans for employees retiring before the designated dates, and the plans are subject to impacts from interest rate risk and the risk of changes in the life expectancy of pension beneficiaries. The present value of the net liabilities of the defined benefit plans was determined by Beijing Branch of Towers Watson Management and Consulting (Shenzhen) Company Limited (韜睿惠悅管理諮詢(深圳)有限公司), a member of the China Association of Actuaries (中國精算學會), on 30 June 2025 using the projected accumulated benefit units method.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Long-term wages payable (Continued)

The following table sets forth the principal actuarial assumptions used as at the balance sheet date:

Items	30 June 2025	31 December 2024
Discount rate (%)	1.5-3.00	1.5-3.00
Growth rate of benefit costs of retirees and early retirees (%)	2.50	2.50

The following table sets forth the quantitative sensitivity analysis of significant assumptions used:

30 June 2025

Items	Unit: RMB	
	Increase/ (decrease) of defined benefit plan obligations	Increase/ (decrease) of defined benefit plan obligations
Discount rate	0.25 (6,880,954.58)	0.25 7,130,507.92
Expected growth rate of future retiree benefit costs	0.50 13,200,878.81	0.50 (11,799,473.33)

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Long-term wages payable (Continued)

31 December 2024

Items	Increase (%)	Unit: RMB	
		Increase/ (decrease) of defined benefit plan obligations	Increase/ (decrease) of defined benefit plan obligations
Discount rate	0.25	(6,959,026.30)	0.25 6,866,767.64
Expected growth rate of future retiree benefit costs	0.50	13,696,273.39	0.50 (11,942,405.34)

The above sensitivity analysis represents the inference on the impacts over the defined benefit plan obligations based on reasonable changes in key assumptions as at the balance sheet date. The sensitivity analysis is based on changes in major assumptions with other assumptions remain unchanged. As changes in assumptions are always not isolated from each other, the sensitivity analysis may not represent the actual changes in the defined benefit obligations.

The table below sets out the relevant costs recognised in profit or loss:

Items	Unit: RMB	
	January to June 2025	2024
Net interest expenses charged to finance expenses	4,345,211.00	10,191,411.00
Charged to management expenses	(802,500.00)	(3,447,948.33)
Total	3,542,711.00	6,743,462.67

Expected future payments to the defined benefit plan:

Items	Unit: RMB	
	30 June 2025	31 December 2024
Within 1 year	39,844,746.54	49,750,442.54
2 to 5 years	143,745,998.95	146,262,940.95
5 to 10 years	139,850,134.34	141,709,458.34
Over 10 years	435,615,633.00	441,335,027.00
Total	759,056,512.83	779,057,868.83

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Accrued liabilities

Unit: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Restoration cost of mines	449,293,277.70	1,935,600.00	(10,712,801.20)	440,516,076.50
Pending litigations or arbitration	173,983,456.09	-	(522,546.00)	173,460,910.09
Others	65,925,450.62	3,817,526.55	(16,545,721.43)	53,197,255.74
Total	689,202,184.41	5,753,126.55	(27,781,068.63)	667,174,242.33

43. Deferred income

Unit: RMB

Items	January to June 2025	2024
Balance at the beginning of the period/year	798,598,254.47	786,216,497.15
Increase during the period/year	99,356,641.47	151,639,348.22
Decrease during the period/year	(144,498,770.88)	(139,257,590.90)
Balance at the end of the period/year	753,456,125.06	798,598,254.47

Of which, the details of government grants are as follows:

Unit: RMB

Items	30 June 2025	31 December 2024
Government grants related to assets		
Environmental protection and industrial development projects	466,735,332.93	413,171,759.74
Relocation compensation	68,721,183.19	131,857,891.26
Others	214,232,449.12	248,019,825.48
Government grants related to income		
Research and development funds	3,767,159.82	5,548,777.99
Total	753,456,125.06	798,598,254.47

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Deferred income (Continued)

The reasons for the formation of significant deferred income items are as follows:

30 June 2025

Unit: RMB

Items	Opening balance	Increase during the period	Included in profit or loss during the period	Closing balance	Related to assets/gains
Asset subsidy for relocation compensation of Tiantan	124,871,983.14	-	(56,150,799.95)	68,721,183.19	Related to assets
Subsidy for environmental protection equipment for Bio-Island project	49,610,549.72	-	(7,632,392.28)	41,978,157.44	Related to assets
Tangshan Qixin Cement Industry Museum Project	40,823,658.93	-	(676,943.04)	40,146,715.89	Related to assets
Government special-purpose fund for the Innovation Center project	-	36,460,000.00	-	36,460,000.00	Related to assets
Central budget investment plan for pollution control and energy conservation and carbon reduction projects (focused on energy conservation and carbon reduction) in 2022	17,333,333.34	10,000,000.00	(555,555.55)	26,777,777.79	Related to assets
A technology demonstration production line for capturing, storing, and utilizing 100,000 tons of carbon dioxide per year	21,930,000.00	-	-	21,930,000.00	Related to assets
Grant for Liushui construction garbage project	22,043,999.96	-	(1,224,666.69)	20,819,333.27	Related to assets
Replacement subsidy for Jianyuan	16,214,622.65	-	(589,622.64)	15,625,000.01	Related to assets
SCR denitration management subsidy from Lincheng Branch of Xingtai Ecological Environment Bureau	12,510,700.64	-	(417,023.34)	12,093,677.30	Related to assets
Project of the production line with a capacity of 4,600 tonnes of cement clinkers in Hechuan	11,193,293.64	-	(161,054.58)	11,032,239.06	Related to assets
Special fund for energy conservation and carbon reduction	11,000,000.00	-	-	11,000,000.00	Related to assets
Special subsidies to support the development of advanced manufacturing and modern service industries	10,676,500.00	-	(393,000.00)	10,283,500.00	Related to assets
Zanhuang collaborative disposal of household garbage and sludge project	9,115,500.00	-	(531,000.00)	8,584,500.00	Related to assets
Grant for Heilongjiang industrial production project	8,229,397.68	-	(514,337.34)	7,715,060.34	Related to assets
Subsidy funds for SCR denitration project	7,625,333.32	-	(272,333.34)	7,352,999.98	Related to assets
SCR collaborative disposal project	7,567,000.00	-	(282,000.00)	7,285,000.00	Related to assets
Environmental protection and governance fee project	6,726,222.17	-	(250,666.68)	6,475,555.49	Related to assets
Appropriation for mud project of Beijing Cement Plant	6,191,486.02	-	(1,857,445.83)	4,334,040.19	Related to assets
VAT additional tax deduction	6,156,593.76	-	-	6,156,593.76	Related to assets
Total	389,820,174.97	46,460,000.00	(71,508,841.26)	364,771,333.71	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Deferred income (Continued)

31 December 2024

Unit: RMB

Items	Opening balance	Increase during the year	Included in profit or loss during the year	Closing balance	Related to assets/gains
Asset subsidy for relocation compensation of Tiantan	129,946,980.39	155,000.00	(5,229,997.25)	124,871,983.14	Related to assets
Subsidy for environmental protection equipment for Bio-Island project	64,875,334.28	-	(15,264,784.56)	49,610,549.72	Related to assets
Appropriation for mud project of Beijing Cement Plant	9,906,377.68	-	(3,714,891.66)	6,191,486.02	Related to assets
Tangshan Qixin Cement Industry Museum Project	42,177,545.01	-	(1,353,886.08)	40,823,658.93	Related to assets
Grant for Liushui construction garbage project	24,493,333.34	-	(2,449,333.38)	22,043,999.96	Related to assets
Relocation compensation for Jianji	39,151,515.61	-	(39,151,515.61)	-	Related to assets
Replacement subsidy for Jianyuan	17,393,867.93	-	(1,179,245.28)	16,214,622.65	Related to assets
Zanhuang collaborative disposal of household garbage and sludge project	10,177,500.00	-	(1,062,000.00)	9,115,500.00	Related to assets
Special subsidies to support the development of advanced manufacturing and modern service industries	11,462,500.00	-	(786,000.00)	10,676,500.00	Related to assets
Grant for Heilongjiang industrial production project	9,258,072.36	-	(1,028,674.68)	8,229,397.68	Related to assets
Project of the production line with a capacity of 4,600 tonnes of cement clinkers in Hechuan	11,515,402.80	-	(322,109.16)	11,193,293.64	Related to assets
Central budget investment plan for pollution control and energy conservation and carbon reduction projects (focused on energy conservation and carbon reduction) in 2022	18,666,666.67	-	(1,333,333.33)	17,333,333.34	Related to assets
Environmental protection and governance fee project	7,227,555.52	-	(501,333.35)	6,726,222.17	Related to assets
Subsidy funds for SCR denitration project	8,170,000.00	-	(544,666.68)	7,625,333.32	Related to assets
SCR collaborative disposal project	8,131,000.00	-	(564,000.00)	7,567,000.00	Related to assets
A technology demonstration production line for capturing, storing, and utilizing 100,000 tons of carbon dioxide per year	21,930,000.00	-	-	21,930,000.00	Related to assets
Special fund for energy conservation and carbon reduction	-	11,000,000.00	-	11,000,000.00	Related to assets
SCR denitration management subsidy from Lincheng Branch of Xingtai Ecological Environment Bureau	-	12,510,700.64	-	12,510,700.64	Related to assets
VAT additional tax deduction	-	6,156,593.76	-	6,156,593.76	Related to assets
Unrealized income from downstream transactions of associates and joint ventures	-	47,576,276.37	-	47,576,276.37	N/A
Total	434,483,651.59	77,398,570.77	(74,485,771.02)	437,396,451.34	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Other non-current liabilities

Unit: RMB

Item	30 June 2025	31 December 2024
Commercial mortgage-backed securities	1,657,000,000.00	-

The Group's commercial mortgage-backed security "Ping An-Jinyu Shanyue Jiayuan Public Rental Housing Asset-Backed Special Plan" (平安-金隅山樾嘉園公租房資產支持專項計劃) was established and commenced operations on 28 March 2025. The asset-backed special plan includes priority tranche and subordinated tranches: the priority tranche has an issuance size of RMB1.656 billion, with an annual interest rate of 2.44 % and a duration of 18 years; the subordinated tranche has an issuance size of RMB1 million, with no fixed yield and obtaining excess returns, and its duration is 18 years and its principal amount will be paid in a lump sum upon maturity. The asset-backed special plan is secured by the real-property ownership of the Shanyue Jiayuan public rental housing project.

45. Share capital

30 June 2025

Unit: RMB

Items	Opening balance	Movements during the period		Closing balance
		Shares released from lock-up period	Subtotal	
I. Shares subject to lock-up restriction				
1. State-owned legal person shareholdings	-	-	-	-
2. Other domestic shareholdings	4,848,000.00	-	-	4,848,000.00
Total shares subject to lock-up restriction	4,848,000.00	-	-	4,848,000.00
II. Shares not subject to lock-up restriction				
1. RMB ordinary shares	8,334,158,264.00	-	-	8,334,158,264.00
2. Overseas listed foreign shares	2,338,764,870.00	-	-	2,338,764,870.00
Total shares not subject to lock-up restriction	10,672,923,134.00	-	-	10,672,923,134.00
Total share capital	10,677,771,134.00	-	-	10,677,771,134.00

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Share capital (Continued)

31 December 2024

Unit: RMB

Items	Opening balance	Movements during the year		Closing balance
		Shares released from lock-up period	Subtotal	
I. Shares subject to lock-up restriction				
1. State-owned legal person shareholdings	-	-	-	-
2. Other domestic shareholdings	4,848,000.00	-	-	4,848,000.00
Total shares subject to lock-up restriction	4,848,000.00	-	-	4,848,000.00
II. Shares not subject to lock-up restriction				
1. RMB ordinary shares	8,334,158,264.00	-	-	8,334,158,264.00
2. Overseas listed foreign shares	2,338,764,870.00	-	-	2,338,764,870.00
Total shares not subject to lock-up restriction	10,672,923,134.00	-	-	10,672,923,134.00
Total share capital	10,677,771,134.00	-	-	10,677,771,134.00

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other equity instruments

Perpetual bonds

Items	At the beginning of the period		Increase during the period		Decrease during the period		At the end of the period	
	Amount	Carrying value	Amount	Carrying value	Amount	Carrying value	Amount	Carrying value
Perpetual bonds – 2022 First Tranche of Renewable Corporate Bonds (22 BBMG Y1)	10,000,000.00	1,000,000,000.00	-	-	10,000,000.00	1,000,000,000.00	-	-
Perpetual bonds – 2022 First Tranche of Renewable Corporate Bonds (22 BBMG Y2)	5,000,000.00	500,000,000.00	-	-	-	-	5,000,000.00	500,000,000.00
Perpetual bonds – 2022 Second Tranche of Renewable Corporate Bonds (22 BBMG Y4)	15,000,000.00	1,500,000,000.00	-	-	-	-	15,000,000.00	1,500,000,000.00
Perpetual bonds – 2022 Third Tranche of Renewable Corporate Bonds (22 BBMG Y5)	20,000,000.00	2,000,000,000.00	-	-	-	-	20,000,000.00	2,000,000,000.00
Perpetual bonds – 2022 Third Tranche of Renewable Corporate Bonds (22 BBMG Y6)	5,000,000.00	500,000,000.00	-	-	-	-	5,000,000.00	500,000,000.00
Jiangsu Trust Perpetual Bonds Investment	49,990,000.00	4,999,000,000.00	-	-	-	-	49,990,000.00	4,999,000,000.00
Perpetual bonds – 2023 First Tranche of Medium-term Notes	20,000,000.00	1,998,407,000.00	-	-	20,000,000.00	1,998,407,000.00	-	-
Perpetual bonds – 2023 Second Tranche of Medium-term Notes	20,000,000.00	1,997,900,000.00	-	-	20,000,000.00	1,997,900,000.00	-	-
Perpetual bonds – 2023 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY02)	20,000,000.00	1,994,000,000.00	-	-	-	-	20,000,000.00	1,994,000,000.00
Perpetual bonds – 2023 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY03)	20,000,000.00	1,994,000,000.00	-	-	-	-	20,000,000.00	1,994,000,000.00
Perpetual bonds – 2023 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY04)	5,000,000.00	498,500,000.00	-	-	5,000,000.00	498,500,000.00	-	-
Perpetual bonds – 2023 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY05)	30,000,000.00	2,991,300,000.00	-	-	-	-	30,000,000.00	2,991,300,000.00
Perpetual bonds – 2023 Fourth Tranche of Medium-term Notes	15,000,000.00	1,498,416,000.00	-	-	-	-	15,000,000.00	1,498,416,000.00
Perpetual bonds – 2023 Fifth Tranche of Medium-term Notes	10,000,000.00	998,437,000.00	-	-	-	-	10,000,000.00	998,437,000.00
Perpetual bonds – 2023 Sixth Tranche of Medium-term Notes	15,000,000.00	1,498,416,000.00	-	-	-	-	15,000,000.00	1,498,416,000.00
Perpetual bonds – 2024 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY06)	15,000,000.00	1,496,250,000.00	-	-	-	-	15,000,000.00	1,496,250,000.00
2024 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY07)	10,000,000.00	997,500,000.00	-	-	-	-	10,000,000.00	997,500,000.00
2024 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY08)	5,000,000.00	498,750,000.00	-	-	-	-	5,000,000.00	498,750,000.00
2024 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY09)	5,000,000.00	498,833,333.33	-	-	-	-	5,000,000.00	498,833,333.33
2024 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY10)	10,000,000.00	997,666,666.67	-	-	-	-	10,000,000.00	997,666,666.67
Perpetual bonds – 2025 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY11)	-	-	5,000,000.00	498,833,333.33	-	-	5,000,000.00	498,833,333.33
Perpetual bonds – 2025 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY12)	-	-	10,000,000.00	997,666,666.67	-	-	10,000,000.00	997,666,666.67
Perpetual bonds – 2025 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY13)	-	-	10,000,000.00	997,500,000.00	-	-	10,000,000.00	997,500,000.00
Perpetual bonds – 2025 First Tranche of Medium-term Notes (25 BBMG MTN001)	-	-	13,000,000.00	1,300,000,000.00	-	-	13,000,000.00	1,300,000,000.00
Perpetual bonds – 2025 Third Tranche of Scientific and Technological Innovation Bonds (25 BBMG MTN003 (Sci-tech Innovation Bonds))	-	-	15,000,000.00	1,499,753,824.11	-	-	15,000,000.00	1,499,753,824.11
Perpetual bonds – 2025 Fourth Tranche of Scientific and Technological Innovation Bonds (25 BBMG MTN004 (Sci-tech Innovation Bonds))	-	-	15,000,000.00	1,500,000,000.00	-	-	15,000,000.00	1,500,000,000.00
Total	304,990,000.00	30,457,376,000.00	68,000,000.00	6,793,753,824.11	55,000,000.00	5,494,807,000.00	317,990,000.00	31,756,322,824.11

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other equity instruments (Continued)

(1) *According to the Prospectus, the major terms of the medium-term notes are as follows:*

Maturity date	The medium-term notes have no fixed maturity date, and will expire when the Company redeems the bonds according to the requirement of issuance provisions.
Option of deferred payment of interest	Unless a mandatory interest payment event has occurred, on each interest payment date of the medium-term notes, the Company can elect to defer payment of interest due and all interest deferred according to the issuance provisions and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The foregoing deferred interest payment does not make the Company fail to pay the interest in full according to the requirement. Interest shall accrue on each of the deferred interest at the prevailing coupon rate over the period of deferral. If the Company chooses to defer interest payment, the "Interest Deferral Payment Notice" shall be disclosed by the Company on a website approved by the NAFMII within ten working days before the interest payment date.
Mandatory interest payment event	<p>If any of the following events occurs within 12 months prior to the interest payment date, the Company shall not defer the payment of interest due or all interest deferred pursuant to this term and its fruits:</p> <p>(1) distributing dividends to ordinary shareholders;</p> <p>(2) reducing the registered capital.</p>
Option to redeem	The Company has the option to redeem the medium-term notes at par value plus payable interest (including all deferred interest and its fruits (if any)) on each redemption date of the medium-term notes.
Interest rate determination	The medium-term notes bear interest at a fixed rate and contain step-up terms for the coupon rate.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other equity instruments (Continued)

(2) *According to the Perpetual Bonds Investment Contract of Jiangsu Trust – BBMG No. 1 Assembled Funds Trust Plan (《江蘇信託—金隅1號集合資金信託計劃之永續債權投資合同》), the major terms of Jiangsu Trust Perpetual Bonds Investment are as follows:*

Maturity date	No fixed maturity date. The investment period under this Contract shall be 7+N (N=0, 1, 2, 3,.....), which shall last for a long time before the Company applies for the expiration of this contract according the provisions of this Contract or the Investor announces the early expiration of the investment under this Contract according to the provisions of this Contract, and expire on the expiration date stipulated in the Application for Investment Expiration of the i-th Investment Fund sent by the Company or at the time when the Investor announces the early expiration of the investment under this Contract according to the provisions of this Contract. The first seven years after the release of each investment fund shall be the initial investment period, and each subsequent year shall be an investment period. The Company shall have the right to choose to apply for the maturity of the investment fund prior 90 days of the expiration date of each investment period. If the Company chooses to apply for the maturity of the investment fund, such investment fund shall expire when the current investment period expires, and the Company shall, according to the provisions of this Contract, fully pay such investment fund, the investment income (including the deferred investment income under such investment fund) and other payable.
Deferred distribution	Unless a compulsory payment event occurs, the Company can choose to postpone the payment of the current i-th investment income corresponding to the i-th investment fund and all the i-th investment income deferred according to this Article to the next payment date on each i-th investment income payment date under this Contract, without any restriction on the number of deferred payments. The above deferral of the i-th investment income will not constitute the Company's failure to pay the i-th investment income to the Investor in full according to the provisions of this Contract. If the Company chooses deferred payment, it shall send a notice of deferred payment to the Investor 10 working days in advance.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other equity instruments (Continued)

(2) According to the Perpetual Bonds Investment Contract of Jiangsu Trust – BBMG No. 1 Assembled Funds Trust Plan (《江蘇信託一金隅1號集合資金信託計劃之永續債權投資合同》), the major terms of Jiangsu Trust Perpetual Bonds Investment are as follows: (Continued)

Mandatory distribution payment events	<p>If the Company has any of the following events within 12 months before the payment date of any i-th investment income, the Company shall not defer the payment of the current i-th investment income and all the deferred i-th investment income:</p> <ol style="list-style-type: none"> (1) paying dividends to shareholders; (2) reducing the registered capital; (3) making any form of interest payment or payment with respect to other perpetual bonds or securities or creditor's rights with the same repayment order as or inferior repayment order than the Perpetual Bonds.
Redemption and purchase	<p>Before 90 days of the expiration date of each investment period, the Company shall have the right, according to the provisions of this Contract, fully pay such investment fund, the investment income (including the deferred investment income under such investment fund) and other amounts payable.</p>
Interest rate determination	<p>The Perpetual Bonds shall bear interest at the fixed rate of return within the previous 7 years;</p> <p>The investment income will be adjusted on the day immediately after the expiration date of the 7th year from the starting date of the i-th investment period. The adjusted interest rate will be the original applicable investment income rate plus 300bp, and such investment income rate will remain unchanged thereafter.</p>

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other equity instruments (Continued)

(3) *According to the Prospectus, the major terms of the Renewable Corporate Bonds are as follows:*

Maturity date	The basic period of the Bonds shall be 2, 3 or 5 years, with every 2, 3 or 5 interest-bearing years as a cycle (repricing cycle). The Company has the option of renewal at the end of each agreed period, and the Company has the right to choose to extend the period of the Bonds for one cycle, or choose to pay the Bonds in full at the expiration of the repricing cycle.
Deferred distribution	Unless a mandatory interest payment event has occurred, on each interest payment date of the current bonds, the Company can elect to defer payment of interest due and all interest deferred according to the provisions and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The foregoing deferred interest payment does not make the Company fail to pay the interest in full according to the requirement.
Mandatory distribution	
payment events	If any of the following events occurs within 12 months prior to the interest payment date, the Company shall not defer the payment of interest due or all interest deferred as agreed and its fruits: <ul style="list-style-type: none"> (1) distributing dividends to ordinary shareholders; (2) reducing the registered capital.
Redemption and purchase	The Company has no right or obligation to redeem the Bonds, except that the Company redeems the Bonds due to change of tax policies and change of accounting standards. If the Company redeems the Bonds, it will redeem all the Bonds from the investors with the par value plus the current interest, the deferred interest and its fruits (if any). The payment method of redemption will be the same as the payment method of the principal and interest due for the Bonds. The list of bondholders will be counted according to the relevant regulations of the registration authority of the Bonds, and it will be handled according to the relevant regulations of the registration authority of the Bonds

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other equity instruments (Continued)

(3) *According to the Prospectus, the major terms of the Renewable Corporate Bonds are as follows: (Continued)*

Interest rate determination The Renewable Bonds will be in the form of fixed interest rate, with simple interest bearing annual interest, excluding compound interest;

If there is any deferral, each deferred interest will accrue at the current coupon rate during the deferred period. The coupon rate of the first cycle of the Bonds shall be fixed in the first cycle, and then reset once every cycle;

The coupon rate of the first cycle shall be the initial benchmark interest rate plus the initial interest rate spread. If the Company exercises the renewal option at the end of the first cycle or a subsequent cycle, the coupon rate will be adjusted to the current benchmark interest rate plus the initial interest rate spread plus 300 basis points from the second cycle. After that, the coupon rate will be reset to the current benchmark interest rate plus the initial interest rate spread plus 300 basis points in each cycle, and so on, and such 300 basis points will not be superimposed progressively.

The interest rate of medium-term notes, Jiangsu Trust Perpetual Bonds and renewable corporate bonds of the Group was 2.11%-5.45%, and from January to June 2025, the interest accrued was RMB527,035,424.65 and interest payable to specific investors amounted to RMB666,699,536.98 (2024: the interest accrued was RMB1,084,474,591.48 and interest payable to specific investors amounted to RMB890,745,963.02).

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other equity instruments (Continued)

(4) *Movements in medium-term notes and perpetual bonds outstanding at the end of the year:*

Note 1: In January 2025, the Company redeemed the Perpetual bonds-2022 First Tranche of Renewable Corporate Bonds (22 BBMG Y1) at its par value of RMB1.0 billion.

Note 2: In March 2025, the Company redeemed the Perpetual bonds-2023 First Tranche of Medium-term Notes at its par value of RMB2.0 billion.

Note 3: In May 2025, the Company redeemed the Perpetual bonds-2023 Second Tranche of Medium-term Notes at its par value of RMB2.0 billion.

Note 4: In June 2025, the Company redeemed the Perpetual bonds-2023 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY04) at its par value of RMB0.5 billion.

Note 5: In April and June 2025, the Company issued the BBMG KY11, BBMG KY12 and BBMG KY13 (hereinafter referred to as "Renewable Corporate Bonds"), the 25 BBMG MTN001 (hereinafter referred to as "Medium-term Notes") and the 25 BBMG MTN003 (Sci-tech Innovation Bonds) and 25 BBMG MTN004 (Sci-tech Innovation Bonds) (hereinafter referred to as "Sci-tech Innovation Bonds"). The actual total issuance amount was RMB6.8 billion; after deducting underwriting fees and other related transaction costs, the Company received cash totalling RMB6.794 billion. Pursuant to the issuance provisions of the above-mentioned Renewable Corporate Bonds and the Medium-term Notes, the Company has the right to pay cash interest annually at the stated interest rate, but has no contractual obligation to repay principal or to pay any interest. Unless a mandatory interest payment event has occurred, on each interest payment date of the Renewable Corporate Bonds and the Medium-term Notes, the Company can elect to defer payment of interest due and all interest deferred according to this provisions and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The Company believes that the Renewable Corporate Bonds and the Medium-term Notes do not meet the definition of a financial liability. Consequently, the actual amount received after deducting the related transaction costs from the total issuance amount have been recognised as equity, and any declared distributions of interest are accounted for as a distribution of profits.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Capital reserve

30 June 2025

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Share premium	5,038,256,982.55	-	(5,193,000.00)	5,033,063,982.55

31 December 2024

Unit: RMB

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Share premium	5,461,112,758.98	-	(422,855,776.43)	5,038,256,982.55

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Other comprehensive income

Accumulated balance of other comprehensive income attributable to shareholders of the parent company in the consolidated balance sheet:

30 June 2025

Unit: RMB

Items	1 January 2025	Increase/ (decrease)	Transfer of other comprehensive income to retained earnings	30 June 2025
Changes arising from re-measurement of defined benefit plans	114,428,403.64	(1,721,648.54)	-	112,706,755.10
Changes in fair value of investment in other equity instruments	(209,102,699.14)	(13,485,276.50)	13,266,991.84	(209,320,983.80)
Other comprehensive income that can be transferred to profit or loss under the equity method	(13,446,690.97)	8,268,973.26	-	(5,177,717.71)
Cash flow hedging reserves	(733,367.25)	-	-	(733,367.25)
Exchange differences on foreign currency translation	32,041,651.79	(10,634,378.73)	-	21,407,273.06
The difference between the fair value and the carrying value of the self-occupied properties or inventories on the date when it changed to the investment properties measured with the fair value model	749,269,026.58	83,339,700.91	-	832,608,727.49
Total	672,456,324.65	65,767,370.40	13,266,991.84	751,490,686.89

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Other comprehensive income (Continued)

31 December 2024

<i>Unit: RMB</i>			
Items	1 January 2024	Increase/ (decrease)	31 December 2024
Changes arising from re-measurement of defined benefit plans	123,455,001.20	(9,026,597.56)	114,428,403.64
Changes in fair value of investment in other equity instruments	(230,423,962.84)	21,321,263.70	(209,102,699.14)
Other comprehensive income that can be transferred to profit or loss under the equity method	(15,000,713.70)	1,554,022.73	(13,446,690.97)
Cash flow hedging reserves	(733,367.25)	-	(733,367.25)
Exchange differences on foreign currency translation	36,119,124.17	(4,077,472.38)	32,041,651.79
The difference between the fair value and the carrying value of the self-occupied properties or inventories on the date when it changed to the investment properties measured with the fair value model	718,946,168.48	30,322,858.10	749,269,026.58
Total	632,362,250.06	40,094,074.59	672,456,324.65

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Other comprehensive income (Continued)

Changes in other comprehensive income:

January to June 2025

Items	Unit: RMB			
	Amount before tax	Less: Income tax	Attributable to the shareholders of the parent company	Attributable to minority shareholders
Other comprehensive income not allowed to be reclassified to profit or loss	(35,052,970.42)	(8,763,242.61)	(15,206,925.04)	(11,082,802.77)
Changes arising from re-measurement of defined benefit plans	(1,974,585.00)	(493,646.25)	(1,721,648.54)	240,709.79
Changes in fair value of investment in other equity instruments	(33,078,385.42)	(8,269,596.36)	(13,485,276.50)	(11,323,512.56)
Other comprehensive income to be reclassified into profit or loss	134,217,974.59	33,386,093.05	80,974,295.44	19,857,586.10
Other comprehensive income that can be transferred to profit or loss under the equity method	15,212,384.66	-	8,268,973.26	6,943,411.40
Exchange differences on foreign currency translation	(14,538,782.26)	-	(10,634,378.73)	(3,904,403.53)
The difference between the fair value and the carrying value of the self-occupied properties or inventories on the date when it changed to the investment properties measured with the fair value model	133,544,372.19	33,386,093.05	83,339,700.91	16,818,578.23
Total	99,165,004.17	24,622,850.44	65,767,370.40	8,774,783.33

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Other comprehensive income (Continued)

2024

Unit: RMB

Items	Amount before tax	Less: Income tax	Attributable to the shareholders of the parent company	Attributable to minority shareholders
Other comprehensive income not allowed to be reclassified to profit or loss	(7,482,111.58)	1,183,956.67	12,294,666.14	(20,960,734.39)
Changes arising from re-measurement of defined benefit plans	(12,217,938.26)	-	(9,026,597.56)	(3,191,340.70)
Changes in fair value of investment in other equity instruments	4,735,826.68	1,183,956.67	21,321,263.70	(17,769,393.69)
Other comprehensive income to be reclassified into profit or loss	38,290,456.05	10,107,619.37	27,799,408.45	383,428.23
Other comprehensive income that can be transferred to profit or loss under the equity method	2,858,927.08	-	1,554,022.73	1,304,904.35
Exchange differences on foreign currency translation	(4,998,948.50)	-	(4,077,472.38)	(921,476.12)
The difference between the fair value and the carrying value of the self- occupied properties or inventories on the date when it changed to the investment properties measured with the fair value model	40,430,477.47	10,107,619.37	30,322,858.10	-
Total	30,808,344.47	11,291,576.04	40,094,074.59	(20,577,306.16)

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Specific reserve

30 June 2025

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Production safety cost	79,233,220.09	82,194,806.77	(80,417,118.56)	81,010,908.30

31 December 2024

Unit: RMB

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Production safety cost	68,415,551.23	190,121,423.59	(179,303,754.73)	79,233,220.09

Pursuant to the requirements of the Administrative Measures on Provision and Usage of Production Safety Cost of Enterprises (Caizi [2022] No.136) jointly issued by the Ministry of Finance and the Ministry of Emergency Management, the Group accrues production safety fund for the stipulated non-metal mineral products industries. These costs are included in the cost of the related products or in profit or loss for the period, with a corresponding transfer to the special reserve.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Surplus reserve

30 June 2025

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Statutory surplus reserve	3,032,786,180.00	-	-	3,032,786,180.00

31 December 2024

Unit: RMB

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Statutory surplus reserve	2,935,800,236.68	96,985,943.32	-	3,032,786,180.00

According the requirements of the Company Law and the Articles of Association of the Company, the Company shall appropriate 10% of its net profit to the statutory surplus reserve. In the event that the accumulated statutory surplus reserve of the Company has exceeded 50% of the registered capital of the Company, additional appropriation will not be needed. After the appropriation to statutory surplus reserve, the Company may make appropriation to the discretionary surplus reserve. Upon approval, discretionary surplus reserve can be used to make up for losses from previous years or to increase the share capital.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. General risk reserve

30 June 2025

Unit: RMB

Item	Opening balance	Increase during the period	Closing balance
General risk reserve	497,216,299.67	-	497,216,299.67

31 December 2024

Unit: RMB

Item	Opening balance	Increase during the year	Closing balance
General risk reserve	496,135,862.64	1,080,437.03	497,216,299.67

The general risk reserve is made by the Company's subsidiary Beijing BBMG Finance Co., Ltd., based on a certain ratio of the balance of risk assets at the end of the period pursuant to the Administrative Measures on Provision of Reserves of Financial Enterprises (《金融企業準備金計提管理辦法》) issued by the Ministry of Finance.

52. Retained earnings

Unit: RMB

Items	January to June 2025	2024
Retained earnings as at the beginning of the period/year	23,262,404,290.69	25,267,051,623.61
Net profit attributable to the shareholders of the parent company	(1,495,582,382.78)	(555,162,082.74)
Less: Interest of perpetual bonds	527,035,424.65	1,084,474,591.48
Appropriation of surplus reserve	-	96,985,943.32
Appropriation of general risk reserve	-	1,080,437.03
Distribution of cash dividends	533,888,556.70	266,944,278.35
Others	(13,266,991.84)	-
Retained earnings at the end of the period/year	20,692,630,934.72	23,262,404,290.69

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. Retained earnings (Continued)

Upon the consideration and approval by the 2024 annual general meeting of the Company convened on 23 May 2025, profit distribution for the year 2024 was calculated based on total share capital of the Company of 10,677,771,134 shares before implementation of distribution plan, with the distribution of a cash dividend of RMB0.05 per share (tax inclusive) in an aggregate amount of cash dividends of RMB533,888,556.70.

53. Operating revenue and costs

Unit: RMB

Items	January to June 2025		January to June 2024	
	Revenue	Costs	Revenue	Costs
Principal operations	45,220,417,862.22	40,447,547,583.18	45,209,615,420.19	40,876,995,156.80
Other operations	345,297,218.87	162,694,715.33	352,791,911.60	105,655,517.65
Total	45,565,715,081.09	40,610,242,298.51	45,562,407,331.79	40,982,650,674.45

Operating revenue are as follows:

Unit: RMB

Items	January to June 2025	January to June 2024
Revenue from contracts with customers	44,453,324,933.08	44,341,508,860.69
Rental income	1,003,228,447.48	1,013,645,284.38
Including: Rental income from investment properties	849,337,373.52	865,661,381.12
Other rental income	153,891,073.96	147,983,903.26
Interest income	109,161,700.53	207,253,186.72
Total	45,565,715,081.09	45,562,407,331.79

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. Operating revenue and costs (Continued)

Disaggregated operating revenue is as follows:

Unit: RMB

Reportable segments	January to June 2025	January to June 2024
Types of goods		
Bulk commodity trade	23,776,462,910.70	17,126,527,015.73
Sale of products	14,437,594,170.88	14,766,672,347.28
Sale of properties	3,498,246,475.46	8,966,517,727.98
Income from decoration	1,203,574,911.84	1,314,330,648.58
Rental income	1,003,228,447.48	1,013,645,284.38
Property management	603,538,018.43	596,318,882.90
Treatment of solid wastes	364,803,431.16	451,233,352.77
Hotel operation	228,092,197.86	187,158,763.74
Interest income	109,161,700.53	207,253,186.72
Others	341,012,816.75	932,750,121.71
Total	45,565,715,081.09	45,562,407,331.79
Operating regions		
North China	34,294,394,075.82	29,490,559,384.34
Overseas	5,428,368,299.53	5,593,498,265.70
East China	2,209,626,535.10	7,713,755,832.65
Northwest China	1,147,683,399.36	782,088,972.93
Northeast China	994,440,130.28	712,320,595.88
Southwest China	804,907,443.11	950,282,159.35
Central China	575,983,727.09	265,602,689.42
South China	110,311,470.80	54,299,431.52
Total	45,565,715,081.09	45,562,407,331.79
Time of transfer of goods		
At a point in time	42,053,316,373.79	41,792,467,212.70
Over time	3,512,398,707.30	3,769,940,119.09
Total	45,565,715,081.09	45,562,407,331.79

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. Operating revenue and costs (Continued)

Disaggregated operating costs are as follows:

Unit: RMB		
Reportable segments	January to June 2025	January to June 2024
Types of goods		
Bulk commodity trade	23,720,197,980.68	17,030,772,959.46
Sale of products	11,515,884,273.02	12,867,869,942.42
Sale of properties	3,246,722,958.64	8,489,170,329.82
Income from decoration	816,592,744.64	931,583,807.21
Rental income	103,859,625.40	167,084,714.15
Property management	461,450,156.90	434,604,015.38
Treatment of solid wastes	264,106,171.75	328,395,675.48
Hotel operation	140,731,290.77	102,654,165.47
Interest income	-	-
Others	340,697,096.71	630,515,065.06
Total	40,610,242,298.51	40,982,650,674.45
Operating regions		
North China	30,406,313,219.77	25,925,707,269.45
Overseas	5,324,991,865.30	5,474,111,619.83
East China	2,122,216,290.60	7,363,154,477.22
Northwest China	804,182,020.16	539,731,802.85
Northeast China	692,734,838.74	527,084,318.11
Southwest China	707,218,241.23	905,741,569.86
Central China	453,944,556.86	216,742,374.39
South China	98,614,265.85	30,377,242.74
Total	40,610,242,298.51	40,982,650,674.45
Time of transfer of goods		
At a point in time	38,823,502,309.05	39,018,328,296.76
Over time	1,786,739,989.46	1,964,322,377.69
Total	40,610,242,298.51	40,982,650,674.45

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. Operating revenue and costs (Continued)

The information related to the Group's performance obligations is as follows:

Type of business	Time to fulfill contractual obligations	Key payment terms	Nature of goods promised to transfer	Whether they are the primary responsible party	Amounts expected to be refunded to customers	Types of quality guarantees provided and related obligations
Cement and clinker	Outbound receipt	Receipts in advance, credit sales	Mainly selling cement, clinker	Yes	Nil	Statutory warranty
Concrete	At the time of delivery/outbound receipt	Receipts in advance, credit sales	Mainly selling concrete	Yes	Nil	Statutory warranty
Disposal of pollutants for environmental enterprises	Based on the amount of disposal	Settlement after disposal	Mainly disposing of sludge, waste soil, household wastes	Yes	Nil	Nil
Furniture	Outbound receipt	Receipts in advance, credit sales	Mainly selling furniture material products	Yes	Nil	Statutory warranty
Refractory material	At the time of delivery/outbound receipt	Receipts in advance, initial acceptance payment, final acceptance payment	Mainly selling refractory materials	Yes	Nil	Statutory warranty
Decoration and renovation services	Based on the progress of the project	Receipts in advance, service progress acceptance payment	Mainly providing decoration and renovation services	Yes	Nil	Statutory warranty
Bulk commodities	Outbound receipt or transfer of ownership certificate	Receipts in advance, credit sales	Mainly selling bulk commodities such as electrolytic copper, iron ore, ethylene glycol, steel, coal, etc.	Yes	Nil	Statutory warranty
Real estate sales	At the time of property delivery	Receipts in advance for property	Mainly selling real estate, commercial properties	Yes	Nil	Statutory warranty
Revenue from property services and hotel management	During the service period	Regular payments within the agreed payment period as per the contract	Mainly providing property services, hotel services	Yes	Nil	Nil

54. Tax and surcharges

Unit: RMB

Items	January to June 2025	January to June 2024
Real estate tax	240,876,736.54	222,059,904.43
Land appreciation tax	218,858,433.99	(14,858,249.43)
Resource tax	109,824,642.12	99,074,892.71
Urban and rural land use tax	100,705,521.35	101,554,195.36
City maintenance and construction tax	62,306,034.46	51,314,056.15
Education surcharges	50,031,006.09	39,719,035.55
Stamp duty	47,019,033.19	43,780,516.34
Green tax	20,423,583.50	25,539,713.49
Vehicle and vessel tax	648,860.54	695,897.81
Other	2,568,513.14	1,865,639.71
Total	853,262,364.92	570,745,602.12

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Selling expenses

Unit: RMB

Items	January to June 2025	January to June 2024
Employee remuneration	547,873,663.07	527,462,611.97
Agency intermediary fee	196,742,247.43	215,546,747.68
Office expenses	174,614,737.10	155,001,470.98
Advertisement fee	128,359,401.99	135,751,540.62
Lease fee	49,046,652.56	46,164,700.52
Transportation and travel expenses	20,812,323.21	17,086,811.03
Others	18,859,480.38	18,330,321.67
Total	1,136,308,505.74	1,115,344,204.47

56. Administrative expenses

Unit: RMB

Items	January to June 2025	January to June 2024
Employee remuneration	1,654,327,126.67	1,557,258,851.80
Office expenses	513,547,095.57	500,775,553.50
Loss on shut down	418,310,495.43	512,788,743.91
Intermediary service fees	115,981,597.76	108,011,147.85
Lease fee	90,535,597.39	99,079,878.23
Sewage and afforestation fees	19,076,523.36	22,751,956.68
Others	611,790,173.27	578,384,530.94
Total	3,423,568,609.45	3,379,050,662.91

57. Research and development expenses

Unit: RMB

Items	January to June 2025	January to June 2024
Employee remuneration	201,499,531.40	183,657,030.72
Material and equipment cost	76,021,757.45	67,583,775.58
Others	79,144,162.95	50,052,620.53
Total	356,665,451.80	301,293,426.83

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

58. Finance costs

Unit: RMB

Items	January to June 2025	January to June 2024
Interest expense	1,908,694,741.87	2,299,617,112.39
Less: Interest income	(91,289,093.43)	(85,847,026.05)
Less: Amount of capitalized interest	(382,224,440.61)	(641,578,661.19)
Exchange gains	(6,166,317.88)	(9,041,706.21)
Handling charges	15,697,298.55	13,841,369.25
Others	13,029,164.00	7,500,797.46
Total	1,457,741,352.50	1,584,491,885.65

From January to June 2025, the amount of capitalised borrowing costs has been included in construction in progress of RMB2,315,186.80 (from January to June 2024: RMB1,372,822.43) and costs for properties under development of RMB379,909,253.81 (from January to June 2024: RMB640,205,838.76).

59. Other gains

Government subsidies in relation to the ordinary activities are as follows:

Unit: RMB

Items	January to June 2025	January to June 2024	Related to assets/gains
Refunds of VAT	89,898,859.96	74,957,400.80	Related to gains
Grants on sale of heat	3,876,300.00	3,347,400.00	Related to gains
Income from other subsidies	216,969,348.39	131,871,335.20	Related to assets/gains
Total	310,744,508.35	210,176,136.00	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Investment gains

Unit: RMB

Items	January to June 2025	January to June 2024
Investment gains from disposal of long-term equity investments	273,339,396.60	4,629,121.77
Interest income from debt investments during the holding period	26,451,839.88	22,664,595.27
Investment gains from disposal of debt investments	23,173,416.70	4,819,320.31
Dividend income from investment in other equity instruments on hand during the holding period	6,628,782.33	277,041.51
Investment gains from financial assets at fair value through profit or loss during the holding period	3,271,738.41	-
Gains from long-term equity investments under equity method	(91,260,867.36)	135,608,148.50
Others	6,493,560.94	21,789,630.58
Total	248,097,867.50	189,787,857.94

61. Gains from changes in fair value

Unit: RMB

Items	January to June 2025	January to June 2024
Investment properties measured at fair value	203,080,134.47	176,969,394.58
Hedging business	368,491.44	(6,531,704.86)
Financial assets at fair value through profit or loss	(18,601,258.10)	39,617,954.36
Total	184,847,367.81	210,055,644.08

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Credit impairment losses

Unit: RMB

Items	January to June 2025	January to June 2024
Reversal/(Losses) of bad debts of other receivables	2,700,628.14	(25,567,018.16)
(Losses)/reversal of bad debts of bills receivables	(109,192.21)	3,172,489.77
(Losses)/reversal of bad debts of long-term receivables	(1,963,780.04)	11,393,356.22
Losses on bad debts of accounts receivable	(51,634,681.90)	(46,779,859.97)
Total	(51,007,026.01)	(57,781,032.14)

63. Asset impairment losses

Unit: RMB

Items	January to June 2025	January to June 2024
Reversal/(Losses) on impairment of contract assets	4,186,499.95	(294,436.22)
Losses on decline in value of inventory	(41,124,077.28)	(311,415,953.47)
Losses on impairment of fixed assets	(22,243,256.99)	-
Losses on impairment of prepayments	(3,336,317.68)	(407,105.33)
Losses on impairment of goodwill	-	(17,000,000.00)
Others	-	(1,510,210.67)
Total	(62,517,152.00)	(330,627,705.69)

64. Gains on disposal of assets

Unit: RMB

Items	January to June 2025	January to June 2024
Gains on disposal of intangible assets	145,607,230.38	923,326,313.49
Gains on disposal of fixed assets	52,650,533.83	75,441,744.47
Others	6,725,183.74	1,021,281.92
Total	204,982,947.95	999,789,339.88

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Non-operating income

Unit: RMB

Items	January to June 2025	January to June 2024	Recognised in non-recurring profit and loss for January to June 2025
Unpayable amounts	42,830,346.59	18,276,216.92	42,830,346.59
Net gains from fines	18,432,342.28	12,323,678.84	18,432,342.28
Gains on retirement of non-current assets	9,990,337.97	6,261,287.66	9,990,337.97
Relocation compensation/government grants	1,205,647.98	2,607,661.61	1,205,647.98
Others	87,062,878.00	60,262,625.93	87,062,878.00
Total	159,521,552.82	99,731,470.96	159,521,552.82

66. Non-operating expenses

Unit: RMB

Items	January to June 2025	January to June 2024	Recognised in non-recurring profit and loss for January to June 2025
Losses on retirement of non-current assets	6,615,995.79	5,024,059.46	6,615,995.79
<i>Including: Losses on retirement of fixed assets</i>	<i>6,615,995.79</i>	<i>5,024,059.46</i>	<i>6,615,995.79</i>
Expenses on compensation, penalties and fines	29,702,149.15	4,288,799.06	29,702,149.15
Other expenses	16,653,509.14	11,103,453.48	16,653,509.14
Total	52,971,654.08	20,416,312.00	52,971,654.08

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

67. Expenses by nature

The supplemental information on the Group's operating costs, selling expenses, administrative expenses and R&D expenditure by nature is as follows:

Items	Unit: RMB	
	January to June 2025	January to June 2024
Procurement costs of tradable goods	23,720,197,980.67	17,559,531,347.50
Consumption of raw materials	9,352,619,899.68	10,124,220,203.65
Fuel and energy costs	1,165,488,025.09	1,179,101,158.11
Cost of sales of real estate	3,226,811,556.12	8,489,170,329.82
Employee remuneration	3,856,939,494.26	3,775,875,694.90
Depreciation and amortisation	2,604,256,716.95	2,637,144,426.80
Changes in inventory of finished goods and work in progress	(789,135,405.56)	(678,666,995.36)
Maintenance expenses	403,623,031.09	455,897,520.57
Intermediary fee	312,723,845.19	323,557,895.53
Office expenses	31,086,965.33	62,934,793.22
Advertisement fee	149,287,682.38	153,543,895.79
Rentals	144,494,977.73	163,447,036.33
Transportation expenses	637,747,013.68	481,078,064.34
Others	710,643,082.89	1,051,503,597.46
Total	45,526,784,865.50	45,778,338,968.66

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

68. Income tax expense

Unit: RMB

Items	January to June 2025	January to June 2024
Current income tax expense	(295,441,645.30)	648,518,787.20
Deferred income tax expense	873,930,726.27	30,570,252.78
Total	578,489,080.97	679,089,039.98

A reconciliation of income tax expense and total profit is set out as follows:

Unit: RMB

Items	January to June 2025	January to June 2024
Total profit	(1,330,375,089.49)	(1,070,453,725.61)
Income tax expense at the statutory income tax rate	(332,593,772.37)	(267,613,431.40)
Effect of different tax rates of subsidiaries	(4,278,253.54)	(9,343,292.15)
Effect of adjustments on the income tax of previous periods	9,782,540.83	8,320,844.15
Share of profits and losses of joint ventures and associates	22,815,216.84	(110,210,453.31)
Income not subject to tax	(6,367,196.98)	(10,158,802.57)
Effect of non-deductible costs, expenses and losses	7,760,579.92	9,192,724.53
Effect of deductible temporary difference and deductible losses not recognized	881,369,966.27	1,058,901,450.73
Income tax expense at the effective tax rate of the Group	578,489,080.97	679,089,039.98

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

69. Earnings per share

Items	January to June 2025 RMB/share	January to June 2024 RMB/share
Earnings		
Net profit for the period attributable to ordinary shareholders of the Company	(1,495,582,382.78)	(806,672,814.70)
Less: Interests on other equity instrument	527,035,424.65	526,101,336.11
Shares		
Weighted average number of ordinary shares in issue of the Company	10,677,771,134.00	10,677,771,134.00
Basic earnings per share - continuing operations	(0.19)	(0.12)

The calculation of the basic earnings per share is based on the net profit for the period attributable to ordinary shareholders of the Company after deducting the interests on other equity instruments divided by the weighted average number of outstanding ordinary shares in issue.

As the Group recorded losses during the period and considering that a potential dilution of ordinary shares would have an anti-dilutive effect, the diluted earnings per share shall not apply.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

70. Notes to items of statement of cash flows

(1) Cash related to operating activities

Unit: RMB

Items	January to June 2025	January to June 2024
Cash received from other operating activities		
Interest income received	77,970,973.75	24,603,088.81
Principal and interest on financing sale-leaseback	175,248,536.10	281,606,917.67
Deposit and amounts collected on behalf, disbursements previously made and payment on behalf	209,636,506.05	3,092,922,304.96
Current accounts and other current account	408,806,102.65	1,322,516,779.06
Total	871,662,118.55	4,721,649,090.50
Cash paid for other operating activities		
Selling and administrative expenses etc. paid	1,680,914,640.64	1,625,882,572.69
Principal on financing sale-leaseback	-	240,000,000.00
Deposit and other amounts paid	960,698,796.19	4,333,331,719.03
Other current accounts	448,675,461.78	2,054,326,136.99
Total	3,090,288,898.61	8,253,540,428.71

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

70. Notes to items of statement of cash flows (Continued)

(2) Cash related to investing activities

Unit: RMB

Items	January to June 2025	January to June 2024
Cash received from recovery of investment funds		
Redemption of wealth management products	768,793,466.70	136,000,000.00
Recovery of investment funds	-	9,280,516.04
Total	768,793,466.70	145,280,516.04
Cash paid for investments		
Payment for equity	44,099,999.99	223,198,733.59
Purchase of wealth management products	1,787,889,071.71	1,269,940,210.17
Total	1,831,989,071.70	1,493,138,943.76
Cash received from other investing activities		
Collection of the principal of borrowings from associates	328,304,068.44	46,842,322.98
Recovery of bid bond for equity purchase	-	105,150,000.00
Collection of the principal and interest of borrowings from external entities	-	55,549,364.15
Total	328,304,068.44	207,541,687.13
Cash paid for other investing activities		
Payment of borrowings from associates	173,913,998.09	200,000,000.00
Payment of borrowings from other companies	267,000,000.00	195,000,000.00
Payment for trust products	180,000,000.00	-
Total	620,913,998.09	395,000,000.00

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

70. Notes to items of statement of cash flows (Continued)

(3) Cash related to financing activities

Unit: RMB

Items	January to June 2025	January to June 2024
Cash received from other financing activities		
Commercial mortgage-backed securities	1,657,000,000.00	-
Borrowings received from minority shareholders	154,684,671.97	327,390,960.00
Proceeds from the subscription of incentive equity	90,637,800.00	-
Payment for equipment finance lease received	-	140,075,719.18
Total	1,902,322,471.97	467,466,679.18
Cash paid for other financing activities		
Payment for acquisition of minority interests	19,800,000.00	203,965,259.85
Repayment of borrowings of minority shareholders	180,000,000.00	88,252,202.06
Principal and interest of lease liabilities	75,441,929.66	79,738,478.68
Repayment of external borrowings	35,395,871.51	31,469,377.41
Total	310,637,801.17	403,425,318.00

The changes in liabilities generated from financing activities

Unit: RMB

Items	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term borrowings	28,335,162,449.14	15,506,782,791.60	253,262,272.99	13,979,035,716.04	-	30,116,171,797.69
Interest payable	-	-	1,039,901,504.52	1,039,901,504.52	-	-
Dividends payable	590,056,940.43	-	1,272,165,315.21	857,583,583.04	-	1,004,638,672.60
Long-term borrowings (including the portion due within one year)	60,730,330,344.92	16,498,226,878.99	-	9,246,045,640.98	-	67,982,511,582.93
Bonds payable (including the portion due within one year)	25,600,019,249.80	978,000,000.00	367,620,734.39	4,755,671,262.75	-	22,189,968,721.44
Lease liabilities (including the portion due within one year)	602,520,033.97	-	32,995,427.11	75,441,929.66	2,797,951.90	557,275,579.52
Short-term financing notes	6,026,458,630.14	2,000,000,000.00	59,934,246.57	3,037,800,000.00	-	5,048,592,876.71
Total	121,884,547,648.40	34,983,009,670.59	3,025,879,500.79	32,991,479,636.99	2,797,951.90	126,899,158,230.89

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Supplemental information to statement of cash flows

(1) Supplemental information to statement of cash flows

Reconciliation of net profit to cash flows from operating activities:

Unit: RMB		
Items	January to June 2025	January to June 2024
Net profit	(1,908,864,170.46)	(1,749,542,765.59)
Add: Losses on credit impairment	51,007,026.01	57,781,032.14
Asset impairment losses	62,517,152.00	330,627,705.69
Depreciation of fixed assets	1,958,887,066.30	2,087,748,648.29
Depreciation of right-of-use assets	92,018,888.75	91,156,197.78
Amortisation of intangible assets	371,643,816.45	274,188,769.45
Amortisation of long-term deferred expenses	181,706,945.45	184,050,811.28
Gains from disposal of fixed assets, intangible assets and other long-term assets	(204,982,947.95)	(1,071,151,234.51)
Gains on retirement of non-current assets	(3,374,342.18)	(1,237,228.20)
Gains from changes in fair value	(184,847,367.81)	(210,055,644.08)
Finance costs	1,500,032,165.61	1,631,099,050.29
Investment income	(248,097,867.50)	(189,787,857.94)
Decrease in deferred income tax assets	864,528,510.53	49,296,758.44
Increase in deferred income tax liabilities	23,434,812.11	19,208,606.50
(Increase)/decrease in inventories	(2,757,762,406.98)	6,086,128,145.77
Increase in operating receivables	(6,160,321,910.16)	(4,738,639,768.66)
Increase/(decrease) in operating payables	4,839,000,452.92	(7,021,007,497.99)
Amount that the combination cost is less than the fair value of identifiable net assets acquired	(14,346,710.40)	—
Net cash flows used in operating activities	(1,537,820,887.31)	(4,170,136,271.34)

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Supplemental information to statement of cash flows (Continued)

(1) Supplemental information to statement of cash flows (Continued)

Material financing activities not involving cash:

Unit: RMB

Item	January to June 2025	January to June 2024
Endorsement and transfer of bank acceptance bills received from sale of goods or rendering of services	4,474,648,823.09	2,609,322,062.52

Net changes in cash and cash equivalents:

Unit: RMB

Items	January to June 2025	January to June 2024
Balance of cash and cash equivalents at the end of the period	16,134,473,856.82	11,887,472,377.51
Less: Balances of cash equivalents at the beginning of the period	14,870,850,675.58	13,779,108,469.50
Net increase/(decrease) in cash and cash equivalents	1,263,623,181.24	(1,891,636,091.99)

(2) Net cash from acquisition of subsidiaries and other operating units

Unit: RMB

Items	January to June 2025
Cash and cash equivalents paid for acquisition of subsidiaries and other operating units acquired during the period	1,821,774,495.41
Less: Cash and cash equivalents held by subsidiaries and other operating units acquired	164,079,398.78
Net cash paid for acquisition of subsidiaries and other operating units	1,657,695,096.63

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Supplemental information to statement of cash flows (Continued)

(3) Net cash from disposal of subsidiaries and other operating units

Unit: RMB

Items	January to June 2025
Cash received from disposal of subsidiaries and other operating units during the period	738,140,011.14
Less: Cash and cash equivalents held upon disposal of subsidiaries and other operating units	72,080,289.92
Net cash received from disposal of subsidiaries and other operating units	666,059,721.22

(4) Composition of cash and cash equivalents

Unit: RMB

Items	30 June 2025	31 December 2024
Cash	16,134,473,856.82	14,870,850,675.58
Including: Cash on hand	254,822.26	232,400.43
Bank deposits on demand	16,134,219,034.56	14,870,618,275.15
Balance of cash and cash equivalents at end of the period/year	16,134,473,856.82	14,870,850,675.58

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

72. Foreign currency monetary items

Unit: RMB

Items	30 June 2025			31 December 2024		
	Original currency	Exchange rate	As RMB	Original currency	Exchange rate	As RMB
Cash and bank balances						
USD	28,327,710.26	7.16	202,786,746.67	42,887,712.26	7.19	308,294,030.81
EUR	517,000.28	8.40	4,344,043.15	729,744.14	7.53	5,491,835.47
HKD	30,142.77	0.91	27,488.70	988,401.27	0.93	915,259.58
ZAR	257,331,119.41	0.40	103,730,174.23	178,699,457.34	0.38	68,692,071.40
Accounts receivable						
USD	1,974,618.69	7.16	14,135,505.35	1,261,228.36	7.19	9,066,213.94
Bills receivable						
USD	47,838,271.44	7.16	342,455,049.93	33,855,530.56	7.19	243,367,095.88
Other receivables						
USD	36,566,527.85	7.16	261,765,146.27	40,661,789.85	7.19	292,293,210.16
HKD	24,000.00	0.91	21,886.80	24,000.00	0.93	22,224.00
ZAR	50,000.00	0.40	20,155.00	-	0.38	-
JPY	500.00	0.05	24.80	-	0.05	-
Long-term receivables						
ZAR	157,382,324.89	0.40	63,440,815.16	217,403,672.76	0.38	83,569,971.81
Total foreign currency monetary assets			992,727,036.06			1,011,711,913.05
Accounts payable						
ZAR	43,318,775.17	0.40	17,461,798.27	43,140,922.67	0.38	16,583,370.67
USD	267,245.26	7.16	1,913,101.92	22,802,604.41	7.19	163,914,241.54
JPY	382,438.00	0.05	18,968.92	-	0.05	-
Bills payable						
USD	52,835,824.14	7.16	378,230,530.69	82,470,200.45	7.19	592,828,788.91
Tax payable						
USD	86,960.00	7.16	622,511.86	80,142.00	7.19	576,220.98
Other payables						
ZAR	22,457,068.87	0.40	9,052,444.46	21,558,287.57	0.38	8,287,005.74
USD	-	7.16	-	7,649.00	7.19	54,984.07
Total foreign currency monetary liabilities			407,299,356.12			782,244,611.91
Net foreign currency monetary assets			585,427,679.94			229,467,301.14

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

73. Lease

(1) As lessee

Unit: RMB

Items	January to June 2025	January to June 2024
Interest expense of leasing liabilities	18,891,573.18	13,806,693.93
Expenses relating to short-term leases accounted for current profit or loss under the simplified approach	135,825,279.07	134,002,791.21
Lease expenses relating to low value asset accounted for current profit or loss under the simplified approach (other than short-term leases)	8,669,698.66	29,444,245.12
Total cash outflow for leases	228,358,135.59	229,378,821.09

(2) As lessor

Finance leases

The profit or loss relating to finance leases is as follows:

Unit: RMB

Item	January to June 2025	January to June 2024
Finance income on the net investment in the lease	21,973,181.75	30,292,396.86

According to the lease contracts entered into with lessees, the undiscounted minimum lease receivables are as follows:

Unit: RMB

Items	30 June 2025	31 December 2024
Within 1 year (inclusive of 1 year)	535,109,932.21	484,696,517.75
1 to 2 years (inclusive of 2 years)	409,456,301.17	455,346,700.56
2 to 3 years (inclusive of 3 years)	166,806,719.81	275,792,047.40
3 to 4 years (inclusive of 4 years)	75,040,770.13	106,501,626.16
4 to 5 years (inclusive of 5 years)	30,064,428.38	69,389,795.93
Subtotal	1,216,478,151.70	1,391,726,687.80
Less: Unrealised finance income	100,728,369.53	126,358,465.84
Net investment in the lease	1,115,749,782.17	1,265,368,221.96

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

73. Lease (Continued)

(2) As lessor (Continued)

Operating leases

The profit or loss relating to operating leases is as follows:

Unit: RMB

Item	January to June 2025	January to June 2024
Rental income	940,288,129.15	933,027,142.77

According to the lease contracts entered into with lessees, the undiscounted minimum lease receivables are as follows:

Unit: RMB

Items	30 June 2025	31 December 2024
Within 1 year (inclusive of 1 year)	1,077,619,822.56	1,189,889,836.34
1 to 2 years (inclusive of 2 years)	837,776,862.54	956,759,337.09
2 to 3 years (inclusive of 3 years)	608,277,982.55	717,612,374.42
3 to 4 years (inclusive of 4 years)	513,152,781.89	706,323,483.10
4 to 5 years (inclusive of 5 years)	52,982,314.81	90,722,588.25
Over 5 years	39,746,144.45	71,543,044.30
Total	3,129,555,908.80	3,732,850,663.50

Please refer to Note V. 17 and Note V. 18 for details of investment properties and fixed assets leased under operating leases.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION

1. Business combinations not under common control

Unit: RMB

Name of the acquiree	Date of equity acquisition (purchase date)	Cost of equity acquisition	Proportion of equity acquired (%)	Method of equity acquisition	Basis for determining the purchase date	Operating revenue of the acquiree from the purchase date to the end of the period	Net profit of the acquiree from the purchase date to the end of the period	Net cash flow of the acquiree from the purchase date to the end of the period
Tangshan Hongde Haisheng Mineral Products Co., Ltd. (唐山鴻德海升礦產品有限責任公司)	18 April 2025	134,063,720.00	70.00	Cash acquisition	Completion of the transfer of corporate control	2,548,610.18	(720,990.54)	5,920,717.31

In March 2025, Beijing BBMG International Supply Chain Service Co., Ltd. (北京金隅國際供應鏈服務有限公司) (hereinafter referred to as “BBMG Supply Chain”) signed an equity transfer agreement with the shareholders of Tangshan Hongde Haisheng Mineral Products Co., Ltd. (唐山鴻德海升礦產品有限責任公司) (hereinafter referred to as “Hongde Haisheng”) to acquire 70.00% equity interests in Hongde Haisheng at a consideration of RMB134,063,720.00. As of 18 April 2025, the parties completed the required handover procedures, and BBMG Supply Chain obtained control over Hongde Haisheng. Pursuant to the acquisition agreement, BBMG Supply Chain acquired primarily the plant, equipment and other assets of Hongde Haisheng without any employees. Consequently, the transaction does not constitute a business combination and has been accounted for as an asset acquisition.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

The fair value and carrying amount of each identifiable assets and liabilities of the acquiree as at the purchase date are as follows:

Unit: RMB

Items	Fair value as at the acquisition date	Carrying amount as at the acquisition date
Cash and bank balances	166,840.74	166,840.74
Prepayments	234,880.20	234,880.20
Other receivables	7,929,163.06	7,929,163.06
Inventories	484,487.92	484,487.92
Other current assets	8,900,118.96	8,900,118.96
Fixed assets	153,478,627.37	122,298,124.06
Intangible assets	27,416,400.10	22,323,547.10
Accounts payable	(6,940,918.35)	(6,940,918.35)
Receipts in advance	(150,000.00)	(150,000.00)
Net assets	191,519,600.00	155,246,243.69
Minority interests	57,455,880.00	46,573,873.11
Net assets acquired	134,063,720.00	108,672,370.58
Consideration for the merger	134,063,720.00	

Unit: RMB

Item	Date of equity acquisition (purchase date)	Cost of equity acquisition	Proportion of equity acquired (%)	Method of equity acquisition	Basis for determining the purchase date	Operating revenue of the acquiree from the purchase date to the end of the period	Net profit of the acquiree from the purchase date to the end of the period	Net cash flow of the acquiree from the purchase date to the end of the period
Liaoyang Hongguang Mining Co., Ltd. (遼陽市弘光礦業有限公司)	28 February 2025	59,700,338.60	70.00	Cash	Completion of the transfer of corporate control	6,324,314.57	(1,240,697.23)	(2,235,304.08)

In February 2025, Liaoning Jinzhong New Material Industry Group Co., Ltd. (遼寧金中新材料產業集團有限公司) (hereinafter referred to as “Jinzhong New Material”) signed an equity transfer agreement with the shareholders of Liaoyang Hongguang Mining Co., Ltd. (遼陽市弘光礦業有限公司) (hereinafter referred to as “Hongguang Mining”) to acquire 70.00% equity interest in Hongguang Mining at a consideration of RMB59,700,338.60. As of 28 February 2025, the parties completed the required handover procedures, and Jinzhong New Materials obtained control over Hongguang Mining.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

The fair value and carrying amount of each identifiable assets and liabilities of the acquiree as at the purchase date are as follows:

Unit: RMB

Items	Fair value as at the acquisition date	Carrying amount as at the acquisition date
Cash and bank balances	1,733,798.67	1,733,798.67
Accounts receivable	2,870,006.54	2,870,006.54
Prepayments	5,215.75	5,197.58
Other receivables	949,817.28	949,817.28
Inventories	47,583,557.60	39,158,563.05
Fixed assets	25,648,462.56	16,473,909.50
Intangible assets	34,173,284.40	11,015,163.99
Long-term deferred expenditures	2,605,913.82	2,605,913.82
Other non-current assets	12,630,367.51	5,152,003.20
Short-term borrowings	(24,200,000.00)	(24,200,000.00)
Accounts payable	(2,753,544.01)	(2,753,544.01)
Receipts in advance	(290,971.17)	(290,971.17)
Taxes payable	(851,444.73)	(851,444.73)
Other payables	(18,484,945.07)	(18,484,945.07)
Deferred income tax liabilities	(12,059,008.08)	-
Net assets	69,560,511.07	33,383,468.65
Minority interests	20,868,166.04	10,015,040.60
Net assets acquired	48,692,345.03	23,368,428.05
Goodwill on acquisition	11,007,993.57	
Consideration for the merger	59,700,338.60	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

Unit: RMB

Item	Date of equity acquisition (purchase date)	Cost of equity acquisition	Proportion of equity acquired (%)	Method of equity acquisition	Basis for determining the purchase date	Operating revenue of the acquiree from the purchase date to the end of the period	Net profit of the acquiree from the purchase date to the end of the period	Net cash flow of the acquiree from the purchase date to the end of the period
Benxi Yongxing New Building Materials Co., Ltd. (本溪永星新型建材有限公司)	28 February 2025	42,248,205.33	100.00	Cash	Completion of the transfer of corporate control	13,925,626.00	(1,980,195.90)	6,911,310.81

In February 2025, Jinzhong New Material signed an equity transfer agreement with the shareholders of Benxi Yongxing New Building Materials Co., Ltd. (本溪永星新型建材有限公司) (hereinafter referred to as "Benxi Yongxing") to acquire 100.00% equity interest in Benxi Yongxing at a consideration of RMB42,248,205.33. As of 28 February 2025, the parties completed the required handover procedures, and Jinzhong New Materials obtained control over Benxi Yongxing.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

The fair value and carrying amount of each identifiable assets and liabilities of the acquiree as at the purchase date are as follows:

Items	Unit: RMB	
	Fair value as at the acquisition date	Carrying amount as at the acquisition date
Cash and bank balances	17,976.75	17,976.75
Bills receivable	207,255.00	207,255.00
Accounts receivable	787,542.60	787,542.60
Prepayments	401,208.91	401,208.91
Other receivables	144,000.00	144,000.00
Inventories	11,514,073.38	11,514,073.38
Fixed assets	87,857,258.67	52,460,310.16
Intangible assets	49,034,816.02	24,433,412.92
Other current assets	1,635,810.07	1,635,810.07
Short-term borrowings	(14,990,000.00)	(14,990,000.00)
Accounts payable	(12,795,443.20)	(12,795,443.20)
Receipts in advance	(1,193,960.18)	(1,193,960.18)
Wages payable	(4,572.50)	(4,572.50)
Other payables	(79,415,158.03)	(79,415,158.03)
Other current liabilities	(72,878.11)	(72,878.11)
Deferred income tax liabilities	(14,999,587.90)	-
Net assets/(liabilities)	28,128,341.48	(16,870,422.23)
Goodwill on acquisition	14,119,863.85	
Consideration for the merger	42,248,205.33	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

Unit: RMB

Item	Date of equity acquisition (purchase date)	Cost of equity acquisition	Proportion of equity acquired (%)	Method of equity acquisition	Basis for determining the purchase date	Operating revenue of the acquiree from the purchase date to the end of the period	Net profit of the acquiree from the purchase date to the end of the period	Net cash flow of the acquiree from the purchase date to the end of the period
Liaoning Hengwei Cement Group Co., Ltd. (遼寧恆威水泥集團有限公司)	28 February 2025	337,388,222.20	100.00	Cash	Completion of the transfer of corporate control	98,947,570.38	7,524,984.25	(1,510,157.21)

In February 2025, Jinzhong New Material signed an equity transfer agreement with the shareholders of Liaoning Hengwei Cement Group Co., Ltd. (遼寧恆威水泥集團有限公司) (hereinafter referred to as "Hengwei Cement") to acquire 100.00% equity interest in Hengwei Cement at a consideration of RMB337,388,222.20. As of 28 February 2025, the parties completed the required handover procedures, and Jinzhong New Materials obtained control over Hengwei Cement.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

The fair value and carrying amount of each identifiable assets and liabilities of the acquiree as at the purchase date are as follows:

Items	Unit: RMB	
	Fair value as at the acquisition date	Carrying amount as at the acquisition date
Cash and bank balances	14,211,118.36	14,211,118.36
Bills receivable	600,000.00	600,000.00
Accounts receivable	4,734,868.74	4,734,868.74
Prepayments	1,279,986.31	1,279,986.31
Other receivables	500,230.59	500,230.59
Inventories	76,741,377.72	50,439,868.95
Other non-current assets	4,437,296.46	4,437,296.46
Fixed assets	451,918,066.16	140,676,577.94
Intangible assets	181,293,903.18	25,038,053.78
Long-term deferred expenditures	4,103,548.07	4,103,548.07
Short-term borrowings	(212,780,000.00)	(212,780,000.00)
Accounts payable	(25,246,622.88)	(25,246,622.88)
Receipts in advance	(80,613,416.75)	(80,613,416.75)
Wages payable	(282,331.73)	(282,331.73)
Taxes payable	(363,776.21)	(363,776.21)
Other payables	(84,918,998.11)	(84,918,998.11)
Other current liabilities	(76,951.51)	(76,951.51)
Deferred income tax liabilities	(123,449,711.60)	—
Net assets/(liabilities)	212,088,586.80	(158,260,547.99)
Net assets/(liabilities) acquired	212,088,586.80	(158,260,547.99)
Goodwill on acquisition	125,299,635.40	
Consideration for the merger	337,388,222.20	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

Unit: RMB

Item	Date of equity acquisition (purchase date)	Cost of equity acquisition	Proportion of equity acquired (%)	Method of equity acquisition	Basis for determining the purchase date	Operating revenue of the acquiree from the purchase date to the end of the period	Net profit of the acquiree from the purchase date to the end of the period	Net cash flow of the acquiree from the purchase date to the end of the period
Yantai Runshuo Co., Ltd. (煙台潤碩有限公司)	2 April 2025	346,891,089.92	100.00	Cash	Completion of the transfer of corporate control	-	-	84,838.20

In January 2025, Jidong Cement (Yantai) Co., Ltd. (冀東水泥(煙台)有限責任公司) (hereinafter referred to as “Jidong Cement Yantai”) signed an equity transfer agreement with the shareholders of Yantai Runshuo Co., Ltd. (煙台潤碩有限公司) (hereinafter referred to as “Yantai Runshuo”) to acquire 100.00% equity interest in Yantai Runshuo at a consideration of RMB346,891,089.92. As of 2 April 2025, the parties completed the required handover procedures, and Jidong Cement Yantai obtained control over Yantai Runshuo. As at the acquisition completion date, Yantai Runshuo principally held a mining right but had not yet commenced any business or operations. Consequently, the transaction does not constitute a business combination and has been accounted for as an asset acquisition.

The fair value and carrying amount of each identifiable assets and liabilities of the acquiree as at the purchase date are as follows:

Unit: RMB

Items	Fair value as at the acquisition date	Carrying amount as at the acquisition date
Intangible assets	621,937,800.00	-
Other payables	(8,200,000.00)	(8,200,000.00)
Estimated liabilities	(266,846,710.08)	-
Net assets/(liabilities)	346,891,089.92	(8,200,000.00)
Consideration for the merger	346,891,089.92	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

Unit: RMB

Item	Date of equity acquisition (purchase date)	Cost of equity acquisition	Proportion of equity acquired (%)	Method of equity acquisition	Basis for determining the purchase date	Operating revenue of the acquiree from the purchase date to the end of the period	Net profit of the acquiree from the purchase date to the end of the period	Net cash flow of the acquiree from the purchase date to the end of the period
Handan Yongnian District Hongpeng Commercial Concrete Co., Ltd. (邯鄲市永年區宏鵬商砼有限公司)	15 April 2025	33,975,451.40	90.00	Cash	Completion of the transfer of corporate control	12,134,411.64	2,421,907.74	4,151,500.65

In April 2025, Handan BBMG Taihang Shangtong Technology Co., Ltd. (hereinafter referred to as “BBMG Taihang Shangtong”) signed an equity transfer agreement with the shareholders of Handan Yongnian District Hongpeng Commercial Concrete Co., Ltd. (邯鄲市永年區宏鵬商砼有限公司) (hereinafter referred to as “Hongpeng Commercial Concrete”) to acquire 90.00% equity interests in Hongpeng Commercial Concrete at a consideration of RMB33,975,451.40. As of 15 April 2025, the parties completed the required handover procedures, and BBMG Taihang Shangtong obtained control over Hongpeng Commercial Concrete.

The fair value and carrying amount of each identifiable assets and liabilities of the acquiree as at the purchase date are as follows:

Unit: RMB

Items	Fair value as at the acquisition date	Carrying amount as at the acquisition date
Cash and bank balances	154,547.92	154,547.92
Inventories	1,360,070.94	1,360,070.94
Fixed assets	29,547,203.69	24,131,901.82
Accounts payable	(692,717.26)	(692,717.26)
Deferred income tax liabilities	(1,353,825.47)	-
Net assets	29,015,279.82	24,953,803.42
Minority interests	2,901,527.98	2,495,380.34
Net assets acquired	26,113,751.84	22,458,423.08
Goodwill on acquisition	7,861,699.56	
Consideration for the merger	33,975,451.40	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

Unit: RMB

Item	Date of equity acquisition (purchase date)	Cost of equity acquisition	Proportion of equity acquired (%)	Method of equity acquisition	Basis for determining the purchase date	Operating revenue of the acquiree from the purchase date to the end of the period	Net profit of the acquiree from the purchase date to the end of the period	Net cash flow of the acquiree from the purchase date to the end of the period
Shanghai ABM Rock Wool Co., Ltd. (上海新型建材岩棉有限公司)	31 May 2025	406,970,529.74	70.00	Cash	Completion of the transfer of corporate control	13,497,928.49	3,185,753.96	13,445,175.59

In May 2025, Beijing Jinyu Energy-Saving Materials & Technology (Dachang) Co., Ltd. (hereinafter referred to as "Jinyu Energy-Saving") signed an equity transfer agreement with the shareholders of Shanghai ABM Rock Wool Co., Ltd. (上海新型建材岩棉有限公司) (hereinafter referred to as "Shanghai Rock Wool") to acquire 70.00% equity interests in Shanghai Rock Wool at a consideration of RMB406,970,529.74. As of 31 May 2025, the parties completed the required handover procedures, and Jinyu Energy-Saving obtained control over Shanghai Rock Wool.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

The fair value and carrying amount of each identifiable assets and liabilities of the acquiree as at the purchase date are as follows:

Unit: RMB

Items	Fair value as at the acquisition date	Carrying amount as at the acquisition date
Cash and bank balances	147,381,086.71	147,381,086.71
Accounts receivable	3,756,863.26	3,756,863.26
Prepayments	1,740,917.98	1,740,917.98
Other receivables	61,669,080.45	61,669,080.45
Inventories	21,826,231.56	21,039,383.13
Other current assets	91,642.62	91,642.62
Fixed assets	339,630,680.00	332,706,269.38
Construction in progress	9,064,236.37	6,464,307.17
Right-of-use assets	2,200,673.03	2,200,673.03
Intangible assets	41,141,289.79	27,430,793.73
Long-term deferred expenditures	-	3,533,947.92
Deferred income tax assets	350,690.89	350,690.89
Accounts payable	(11,046,471.26)	(11,104,986.26)
Contract liabilities	(3,911,132.52)	(3,920,545.79)
Wages payable	(744,373.15)	(744,373.15)
Taxes payable	(1,491,648.15)	(1,491,648.15)
Other payables	(2,296,337.50)	(2,543,321.66)
Non-current liabilities due within one year	(1,271,377.13)	(1,271,377.13)
Other current liabilities	(491,847.96)	(491,847.96)
Lease liabilities	(763,553.15)	(763,553.15)
Deferred income	(660,767.46)	(4,120,433.37)
Deferred income tax liabilities	(4,294,112.75)	(330,100.95)
Net assets	601,881,771.63	581,583,468.70
Minority interests	180,564,531.49	174,475,040.61
Net assets acquired	421,317,240.14	407,108,428.09
Amount that the combination cost is less than the fair value of identifiable net assets acquired	(14,346,710.40)	
Consideration for the merger	406,970,529.74	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not under common control (Continued)

Unit: RMB

Item	Date of equity acquisition (purchase date)	Cost of equity acquisition	Proportion of equity acquired (%)	Method of equity acquisition	Basis for determining the purchase date	Operating revenue of the acquiree from the purchase date to the end of the period	Net profit of the acquiree from the purchase date to the end of the period	Net cash flow of the acquiree from the purchase date to the end of the period
Baoding Dongdayang Building Materials Co., Ltd. (保定市東大洋建材有限公司)	27 March 2025	19,500,636.83	100.00	Cash	Completion of the transfer of corporate control	13,032,119.45	(614,970.51)	1,323.27

In March 2025, Jinyu Concrete Group Co., Ltd. (hereinafter referred to as "Jinyu Concrete") signed an equity transfer agreement with the shareholders of Baoding Dongdayang Building Materials Co., Ltd. (保定市東大洋建材有限公司) (hereinafter referred to as "Baoding Dongdayang") to acquire 100.00% equity interests in Baoding Dongdayang at a consideration of RMB19,500,636.83. As of 27 March 2025, the parties completed the required handover procedures, and Jinyu Concrete obtained control over Baoding Dongdayang.

The fair value and carrying amount of each identifiable assets and liabilities of the acquiree as at the purchase date are as follows:

Unit: RMB

Items	Fair value as at the acquisition date	Carrying amount as at the acquisition date
Cash and bank balances	414,029.63	414,029.63
Prepayments	62,500.00	62,500.00
Other receivables	140,000.00	140,000.00
Inventories	201,647.93	201,647.93
Fixed assets	29,708,778.09	29,708,778.09
Right-of-use assets	1,148,400.21	1,148,400.21
Deferred income tax assets	126,651.52	126,651.52
Short-term borrowings	(20,895.86)	(20,895.86)
Contract liabilities	(1,864.08)	(1,864.08)
Other payables	(11,261,951.22)	(11,261,951.22)
Other current liabilities	(55.92)	(55.92)
Lease liabilities	(844,343.44)	(844,343.44)
Deferred income tax liabilities	(172,260.03)	(172,260.03)
Net assets	19,500,636.83	19,500,636.83
Consideration for the merger	19,500,636.83	

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

2. Disposal of subsidiaries

Unit: RMB

Company	Date of loss of control	Consideration for the disposal on the date of loss of control	Proportion of equity disposed on the date of loss of control (%)	Disposal method on the date of loss of control	Basis for determining the date of loss of control	Difference between consideration for the disposal and share of net assets of the subsidiary corresponding to the disposal of investment in the consolidated financial statement	Proportion of the remaining equity on the date of loss of control (%)	Carrying value of the remaining equity in the consolidated financial statement on the date of loss of control	Fair value of the remaining equity in the consolidated financial statement on the date of loss of control	Gains or losses arising from the revaluation of the remaining equity at fair value	Method and key assumptions used to determine the fair value of the remaining equity in the consolidated financial statement on the date of loss of control	Amount of other comprehensive income related to the equity investment in the original subsidiary transferred to gains or losses on investment or retained earnings
Beijing BBMG Xisanqi Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司)	23 January 2025	1,003,500.00	100.00	Disposal	Transfer of control	-	-	-	-	-	Not applicable	-
Beijing BBMG Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司)	23 January 2025	358,287,031.45	100.00	Disposal	Transfer of control	273,339,396.60	-	-	-	-	Not applicable	-

Note: In January 2025, the Company, acting as original beneficial owner, and China Asset Management Co., Ltd., acting as the fund manager, launched the CAMC BBMG Intelligent Manufacturing Workshop Industrial Park Closed-end Infrastructure Securities Investment Fund (hereinafter referred to as "CAMC BBMG Intelligent Manufacturing Workshop REIT"). The Company sold the equity interest of its subsidiary, Beijing BBMG Xisanqi Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司) to the "CITIC Securities - BBMG Industrial Park Infrastructure No. 1 Asset-Backed Special Plan" (中信證券—金隅集團產業園基礎設施1號資產支持專項計劃) subscribed by CAMC BBMG Intelligent Manufacturing Workshop REIT, and transferred the equity interest in the project company (Beijing BBMG Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司), the owner of Phase I of the BBMG Intelligent Manufacturing Workshop) to Beijing BBMG Xisanqi Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司), a subsidiary of CAMC BBMG Intelligent Manufacturing Workshop REIT. Following CAMC BBMG Intelligent Manufacturing Workshop REIT, the Company holds 35.00% equity interests in CAMC BBMG Intelligent Manufacturing Workshop REIT. As a result of these transactions, the Company no longer controls Beijing BBMG Xisanqi Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司) and Beijing BBMG Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司), nor does it control CAMC BBMG Intelligent Manufacturing Workshop REIT. Consequently, Beijing BBMG Xisanqi Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司) and Beijing BBMG Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司) are no longer included in the Company's consolidated financial statements.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

2. Disposal of subsidiaries (Continued)

The relevant financial information of disposal of subsidiaries is set out as follows:

Items	Unit: RMB	
	Beijing BBMG Xisanqi Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司)	Beijing BBMG Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅智造工場管理有限公司)
	23 January 2025	23 January 2025
Current assets	1,003,924.10	81,645,443.44
Non-current assets	-	838,618,731.51
Current liabilities	(14.85)	(813,473,673.38)
Non-current liabilities	-	(21,842,866.72)

3. Deregistration of subsidiaries

The Group deregistered 5 subsidiaries during the year. The relevant information is as follows:

Company	Proportion of shareholding of parent company before deregistration	Reason for not being a subsidiary
Jidong Cement Fengrun Co., Ltd.	100.00%	Absorption and merge
Tianjin BBMG Tiantu Coating Co., Ltd. (天津金隅天塗塗料有限公司)	100.00%	Absorption and merge
Zhejiang Hangjia Longyi Energy-Saving Technology Co., Ltd. (浙江杭加龍一節能科技有限公司)	100.00%	Absorption and merge
Tangshan Jidong New Materials Investment Co., Ltd.	100.00%	Absorption and merge
Tianjin Cement Stone Mine Co., Ltd.	100.00%	Absorption and merge

4. Establishment of new subsidiaries

Company	Acquired method	Percentage of shareholding
Beijing Haiyu Jianye Real Estate Development Co., Ltd. (北京海隅建業房地產開發有限公司)	Establishment	100.00%

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VII. INTERESTS IN OTHER ENTITIES

1. Interests in the subsidiaries

Information of the Company's major subsidiaries is as follows:

Company	Place of principal business/ registration	Business nature	Registered capital (RMB'000)	Percentage of shareholding (%)	
				Direct	Indirect
Subsidiaries acquired through establishment or investment					
Beijing BBMG Concrete Co., Ltd.	Beijing	Processing of commodity concrete etc.	46,541.04	-	100.00
BBMG Taihang Shangtong	Hebei	Manufacture and sale of concrete	6,600.00	-	100.00
Wei County BBMG Concrete Co., Ltd.	Hebei	Manufacture and sale of concrete	1,000.00	-	92.00
Handan Hanshan BBMG Concrete Co., Ltd.	Hebei	Manufacture and sale of commercial concrete and crushed stone	3,000.00	-	92.00
Handan Jinyu Chenxiang Concrete Co., Ltd.	Hebei	Manufacture and sale of concrete	3,000.00	-	92.00
Beijing BBMG Coating Co., Ltd.	Beijing	Manufacture of coating; professional contracting	15,720.00	-	100.00
BBMG New Building Materials Industrialization Group Co., Ltd.	Beijing	Manufacture and sale of building materials	407,765.00	100.00	-
Beijing Sanchong Mirror (Dachang) Co., Ltd.	Beijing	Manufacture and sale of glass made spectacle lenses	5,766.00	-	100.00
Beijing Jinyu Energy-Saving Materials & Technology (Dachang) Co., Ltd.	Hebei	Manufacture and sale of building materials	17,000.00	-	100.00
Beijing Jiandu Design and Research Institute Co., Ltd.	Beijing	Design of modern building materials, etc.	6,000.00	-	100.00
Beijing Jinyu Aerated Concrete Co., Ltd.	Beijing	Manufacture and sale of aerated concrete products etc.	10,000.00	-	100.00
Beijing BBMG Business and Trading Co., Ltd.	Beijing	Wholesale of building materials and metal materials etc.	66,000.00	-	100.00
BBMG Mortar Co., Ltd.	Beijing	Manufacture and sale of dry and mixed mortar	54,610.52	-	100.00
BBMG (Dachang) Modern Industrial Park Management Co., Ltd.	Hebei	Manufacture of various modern building materials etc.	98,528.00	-	100.00
Beijing BBMG Tiantan Furniture Co., Ltd. (Note 1)	Beijing	Manufacture, processing, and sale of furniture etc.	40,818.28	-	97.81
BBMG Residential Industrialization (Tangshan) Co., Ltd.	Hebei	Manufacture and sale of building materials	35,000.00	-	100.00
Beijing Building Materials Academy Co., Ltd.	Beijing	Development, manufacture and sale of building materials etc.	24,385.00	100.00	-
Beijing Building Materials Testing Academy Co., Ltd. (Note 1)	Beijing	Testing for building material quality etc.	12,380.75	39.43	50.40
Beijing Concrete World Magazine Co., Ltd.	Beijing	Releasing and publishing of Concrete World Magazine; advertising design and production	30.00	-	100.00
Beijing Dacheng Changrun Properties Limited	Beijing	Property development and operation	1,000.00	-	91.00
Beijing BBMG Konggang Development Co., Ltd.	Beijing	Property development	10,000.00	-	95.00
BBMG Xingda Real Estate Development Co., Ltd.	Beijing	Property development and operation	109,500.00	-	100.00
Chongqing BBMG Dacheng Property Development Co., Ltd.	Chongqing	Property development and consultation etc.	20,000.00	-	100.00
Chongqing BBMG Dacheng Shanshui Real Estate Co., Ltd.	Chongqing	Property development and sale of housing, etc.	49,250.00	-	100.00
Chongqing BBMG Dacheng New Metropolis Co., Ltd.	Chongqing	Property development; sale of commodity housing etc.	150,000.00	-	100.00
Chengdu BBMG Dacheng Property Development Co., Ltd.	Sichuan	Property development etc.	75,500.00	-	100.00
Chengdu BBMG Yuehuang Real Estate Co., Ltd.	Sichuan	Property development	5,000.00	-	100.00
Shanghai BBMG Dacheng Property Development Co., Ltd.	Shanghai	Property development and operation, etc.	100,000.00	-	100.00
BBMG Jinghua Property Development Hefei Co., Ltd.	Anhui	Property development	50,000.00	-	100.00
Ningbo BBMG Dacheng Property Development Co., Ltd.	Zhejiang	Property development and operation, etc.	5,000.00	-	100.00
BBMG Jingjin (Ningbo) Real Estate Development Co., Ltd.	Zhejiang	Property development	20,000.00	-	100.00
Beijing Longyuan Real Estate Development Co., Ltd.	Beijing	Property development and operation	116,100.00	-	100.00
Qingdao Jinyu Chuangzhi Real Estate Development Co., Ltd.	Shandong	Property development and operation	118,800.00	-	100.00
Tianjin Jinyu Jinli Real Estate Development Co., Ltd.	Tianjin	Property development and operation	5,000.00	-	100.00
BBMG (Tianjin) Property Development Co., Ltd.	Tianjin	Property development and sale etc.	80,000.00	-	100.00
BBMG Jindian (Tianjin) Property Development Co., Ltd.	Tianjin	Property development and operation	257,800.00	-	100.00
Chengdu BBMG Jingfeng Real Estate Development Co., Ltd.	Sichuan	Property development	5,000.00	-	100.00
Chengdu BBMG Wancheng Real Estate Development Co., Ltd.	Sichuan	Property development	5,000.00	-	100.00
BBMG Jiahua Nanjing Real Estate Co., Ltd.	Jiangsu	Property development	50,000.00	-	100.00
BBMG Real Estate Development (Hefei) Co., Ltd.	Anhui	Property development and operation	45,000.00	-	100.00
BBMG Properties (Anhui) Co., Ltd.	Anhui	Property development and property management, etc.	81,500.00	-	100.00
Hefei BBMG Jingyun Real Estate Development Co., Ltd.	Anhui	Property development and operation	5,000.00	-	100.00
Tianjin Ershiyi stations Testing Technology Co., Ltd.	Tianjin	Inspection and identification of building materials products and construction engineering, inspection and identification technical services, etc.	3,000.00	-	100.00
Shaanxi Jinyu Energy-Saving Materials & Technology Co., Ltd. (陕西金隅节能保温科技有限公司)	Shaanxi	Wholesale industry	12,000.00	-	100.00

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

	Place of principal business/ registration	Business nature	Registered capital (RMB'000)	Percentage of shareholding (%)	
Company				Direct	Indirect
Subsidiaries acquired through establishment or investment (Continued)					
Zhuxin (Hebei Xiong'an) Inspection and Testing Co., Ltd. (榮信(河北雄安)檢驗檢測有限公司)	Hebei	Professional technical service industry	1,000.00	-	100.00
BBMG (Changzhou) Real Estate Development Co., Ltd. (金隅(常州)房地產開發有限公司)	Jiangsu	Property development and operation	10,000.00	-	100.00
BBMG Yuechao (Hangzhou) Real Estate Development Co., Ltd. (金隅悅潮(杭州)房地產開發有限公司)	Zhejiang	Property development and operation	58,418.15	-	100.00
BBMG Technology Innovation Co., Ltd. (北京金隅科技創新有限公司)	Beijing	Business service industry	1,000.00	-	100.00
Ningbo Yinzhou BBMG Property Management Co., Ltd. (寧波鄞州金隅物業管理有限責任公司)	Zhejiang	Real estate	100.00	-	100.00
Beijing BBMG Finance Lease Co., Ltd. (北京金隅融資租賃有限公司)	Beijing	Financial leasing	80,000.00	100.00	-
BBMG Tianjin Intelligent Logistics (Tianjin) Co., Ltd. (金隅天建智慧物流(天津)有限公司)	Tianjin	Road transportation	5,000.00	-	70.00
Hefei Jinzhongjinghu Real Estate Development Co., Ltd. (合肥金中京湖房地產開發有限公司)	Anhui	Business service industry	71,200.00	-	51.00
Beijing Jincheng Property Investment Co., Ltd. (北京金程置業有限公司)	Beijing	Property development and operation	1,000.00	-	100.00
Hebei Green Building Materials Product Quality Testing Co., Ltd. (河北省綠色建材產品質量檢測有限公司)	Hebei	Professional technical service industry	1,000.00	-	100.00
BBMG (Hangzhou) Property Development Co., Ltd.	Zhejiang	Property development and operation	58,600.00	-	100.00
BBMG Jiaxing Nanjing Real Estate Development Co., Ltd.	Jiangsu	Property development	10,000.00	-	70.00
Beijing BBMG Dongcheng Real Estate Co., Ltd.	Beijing	Property development	100,000.00	-	90.50
Qingdao BBMG Yangguang Property Development Co., Ltd.	Shandong	Property development	60,000.00	-	100.00
BBMG China Railway Noble (Hangzhou) Property Development Co., Ltd.	Zhejiang	Property development and operation, etc.	50,000.00	-	51.00
Shanghai BBMG Jingcheng Property Development Co., Ltd.	Shanghai	Property development	27,200.00	-	100.00
BBMG GEM Real Estate Development Co., Ltd.	Beijing	Property development and operation, etc.	650,000.00	100.00	-
Beijing Jinyu Chaoxin Tiandi Property Investment Co., Ltd.	Beijing	Property development and property management, etc.	1,000.00	-	100.00
Beijing BBMG Changyang GEM Real Estate Development Co., Ltd.	Beijing	Property development and operation, etc.	237,254.90	-	100.00
Beijing BBMG Property Investment Co., Ltd.	Beijing	Sale of self-developed commercial housing	5,000.00	-	70.00
Inner Mongolia BBMG Property Investment Co., Ltd.	Inner Mongolia	Property development and operation, etc.	20,000.00	-	100.00
Tangshan BBMG Julong Property Development Co., Ltd.	Hebei	Property development and operation etc.	5,000.00	-	80.00
Beijing BBMG Chengyuan Property Development Co., Ltd.	Beijing	Property development and sale of commodity housing etc.	45,944.06	-	100.00
Beijing Xisanqi High Tech New Building Material City Management and Development Co., Ltd.	Beijing	Property rental and development etc.	6,129.76	-	100.00
Beijing BBMG Innovation and Technology Incubator Co., Ltd.	Beijing	Property management and technology enterprise incubating	170,000.00	100.00	-
BBMG Investment Property Management Co., Ltd.	Beijing	Hotel management	177,000.00	100.00	-
Beijing BBMG Culture Technology Development Co., Ltd.	Beijing	Technology development, transfer, consulting, service	3,000.00	-	68.00
BBMG Commercial Management Co., Ltd.	Beijing	Business management	1,000.00	-	100.00
BBMG Property Management Co., Ltd.	Beijing	Property management	5,000.00	-	100.00
Beijing Jinhaiyan Property Management Co., Ltd.	Beijing	Property management	1,370.00	-	100.00
Beijing Keshi Hardware Co., Ltd.	Beijing	Manufacture of new products such as construction hardware	30,000.00	-	100.00
BBMG Fengshan Hotel Co., Ltd.	Beijing	Accommodation and catering services, etc.	36,818.91	-	100.00
Beijing Jianji Asset Management Co., Ltd.	Beijing	Self-owned property rental, property management etc.	78,732.78	-	100.00
Beijing BBMG Xinggang Technology Development Co., Ltd.	Beijing	Manufacture and sales of aerated concrete panel	27,480.00	55.68	-
Beijing Woodworking Factory Co., Ltd.	Beijing	Manufacture and sale of wood-based panels, etc.	50,443.00	100.00	-
BBMG Finance Co., Ltd.	Beijing	Operation of finance business and financing advisory business etc.	300,000.00	100.00	-
BBMG Finance Lease Co., Ltd.	Tianjin	Finance lease business	(USD) 10,000.00	60.00	40.00
Beijing Tongda Refractory Engineering Technology Co., Ltd.	Beijing	R&D and manufacture of various new refractory materials, etc.	5,000.00	-	100.00
Gongyi Tongda Zhongyuan Refractory Technology Co., Ltd.	Henan	Manufacture and distribution of refractory materials	4,000.00	-	100.00
Yangquan BBMG Tongda Fire-resistant Materials Co., Ltd.	Shanxi	Manufacture and sale of refractory ceramic products, etc.	13,500.00	-	100.00

Notes to Unaudited Interim Financial Statements (Continued)

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Unit: RMB

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

	Place of principal business/ registration	Business nature	Registered capital (RMB'0'000)	Percentage of shareholding (%)	
Company				Direct	Indirect
Subsidiaries acquired through establishment or investment (Continued)					
Cheng'an BBMG Taihang Concrete Co., Ltd.	Hebei	Manufacture and sale of commodity concrete	2,500.00	-	100.00
Daming BBMG Taihang Concrete Co., Ltd.	Hebei	Sales of concrete and mortar	1,000.00	-	100.00
Guantao BBMG Yuzhen Concrete Co., Ltd.	Hebei	Sales of prefabricated part	1,000.00	-	100.00
Jinyu Han Chao (Hangzhou) Real Estate Development Co., Ltd.	Zhejiang	Property development and operation, etc.	5,000.00	-	100.00
Beijing Yucheng Real Estate Co., Ltd.	Beijing	Property development and operation, etc.	20,000.00	-	100.00
Beijing Jianyuan Hotel Co., Ltd.	Beijing	Accommodation and catering services	1,000.53	-	100.00
BBMG Badaling Hotel Co., Ltd.	Beijing	Room rental	65,420.00	-	100.00
Beijing Chengyuan Real Estate Co., Ltd.	Beijing	Property development	10,000.00	-	100.00
Tangshan Jinyu Tiancai Pipe Technology Co., Ltd.	Tianjin	Manufacturing and sales of steel and iron pipes	50,000.00	-	100.00
Huanbohai (Tianjin) International Economic and Trade Co., Ltd.	Tianjin	Import or export of goods or technologies	20,000.00	-	100.00
Tianjin Jinyu Jincheng Real Estate Development Co., Ltd.	Tianjin	Property development and operation, etc.	50,000.00	-	100.00
Beijing BBMG Wangjing Real Estate Co., Ltd.	Beijing	Property management	5,000.00	-	100.00
Beijing BBMG Hotel Management Co., Ltd.	Beijing	Hotel management	1,000.00	-	100.00
Chengde BBMG Real Estate Development Co., Ltd.	Hebei	Property development and operation	5,000.00	-	100.00
Ningbo BBMG Jingsheng Real Estate Development Co., Ltd.	Zhejiang	Property development and operation, etc.	96,000.00	-	100.00
Shaanxi Jinyu Aerated Assembly Parts Co., Ltd. (陝西金隅加氣装配式部品有限公司)	Shaanxi	Manufacture and sale of aerated concrete products etc.	21,628.93	-	100.00
Beijing Yutai Real Estate Development Co., Ltd. (北京隅泰房地產開發有限公司)	Beijing	Property development and operation, etc.	98,668.00	-	60.00
Nanjing Jinjiarui Real Estate Development Co., Ltd. (南京金嘉瑞房地產開發有限公司)	Jiangsu	Property development and operation, etc.	10,000.00	-	34.00
Zanhuang BBMG Cement Co., Ltd.	Hebei	Manufacture and sales of cement and clinker	70,000.00	-	100.00
BBMG Cement Trading Co., Ltd.	Beijing	Wholesale cement and cement products, etc.	50,000.00	-	100.00
Beijing BBMG International Supply Chain Service Co., Ltd. (北京金隅國際供應鏈服務有限公司)	Beijing	Supply chain management services, etc.	130,000.00	-	100.00
Chongqing Jinyu Xintuo Hotel Management Co., Ltd. (重慶金隅新拓酒店管理有限公司)	Chongqing	Accommodation services, etc.	10,000.00	-	100.00
Nanjing Jinjiazhuo Decoration Co., Ltd. (南京金嘉卓裝飾有限公司)	Jiangsu	Building decoration and decoration services, etc.	200.00	-	34.00
Beijing Yuyang Real Estate Development Co., Ltd. (北京隅陽房地產開發有限公司)	Beijing	Property development and operation	10,000.00	-	100.00
Beijing Nanyuan Jiasheng Real Estate Co., Ltd. (北京南苑嘉盛置業有限公司)	Beijing	Real estate	60,000.00	-	100.00
Shanghai BBMG Jingpu Real Estate Development Co., Ltd.	Shanghai	Real estate	256,500.00	-	100.00
Liaoning Jinzhong New Material Industry Group Co., Ltd. (遼寧金中新材料產業集團有限公司)	Liaoning	Road transportation	180,000.00	50.00	-
Jinyu Energy-saving Technology (Tianjin) Co., Ltd. (金隅節能科技(天津)有限公司)	Tianjin	Manufacture of chemical raw materials and chemical products	10,000.00	-	100.00
Shanghai Jinyu Jingyang Real Estate Development Co., Ltd. (上海金隅京揚房地產開發有限公司)	Shanghai	Real estate development and operation, residential interior decoration	10,000.00	-	100.00
Suzhou Jinbaoyue Real Estate Development Co., Ltd. (蘇州金保悅房地產開發有限公司)	Jiangsu	Real estate development and operation	150,000.00	-	60.00
Hebei Jinyu Jidong Supply Chain Co., Ltd. (河北金隅冀東供應鏈有限公司)	Hebei	Sale of building materials; sale of cement products, etc.	10,000.00	-	100.00
Henan Jinyu Jidong Supply Chain Co., Ltd. (河南金隅冀東供應鏈有限公司)	Henan	Supply chain management services; sale of building materials, etc.	5,000.00	-	100.00
Beijing Yuxin Real Estate Development Co., Ltd. (北京隅新房地產開發有限公司)	Beijing	Real estate development and operation, residential interior decoration	10,000.00	-	100.00
Beijing Yutong Real Estate Co., Ltd. (北京隅通置業有限公司)	Beijing	Real estate development and operation	40,000.00	-	100.00
Beijing Xingfang New Building Materials Co., Ltd. (北京興房新型建材有限公司)	Beijing	Manufacture of cement products; leasing of machinery and equipment, etc.	3,000.00	-	100.00

Notes to Unaudited Interim Financial Statements (Continued)

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Unit: RMB

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

	Place of principal business/ registration	Business nature	Registered capital (RMB'0'000)	Percentage of shareholding (%)	
Company				Direct	Indirect
Subsidiaries acquired through establishment or investment (Continued)					
Shijiazhuang Jinyu Jinlong Concrete Co., Ltd. (石家莊金隅金龍混凝土有限公司)	Hebei	Manufacture of cement products; sale of cement products, etc.	3,000.00	-	100.00
Shijiazhuang Jinyu Lutong Concrete Co., Ltd. (石家莊金隅鹿砦混凝土有限公司)	Hebei	Manufacture of cement products; sale of cement products, etc.	3,000.00	-	100.00
Beijing Haiyu Jianye Real Estate Development Co., Ltd. (北京海隅建業房地產開發有限公司)	Beijing	Real estate development and operation, residential interior decoration, etc.	2,000.00	-	100.00
Subsidiaries acquired in business combination not under common control					
Tianjin BBMG Concrete Co., Ltd.	Tianjin	Concrete project construction and manufacturing, etc.	39,590.51	-	100.00
Beijing BBMG Xingfa Science and Technology Co., Ltd.	Beijing	Manufacture of cement and clinker, etc.	131,500.00	95.70	-
Jinyu Jingti (Beijing) Sports Culture Co., Ltd.	Beijing	Project operation of sports	300.00	66.67	-
Beijing Doors and Windows Co., Ltd.	Beijing	Manufacture and process of plastics-steel doors and windows	100.00	100.00	-
Guantao BBMG Taihang Concrete Co., Ltd.	Hebei	Manufacture and sale of commodity concrete	4,000.00	-	100.00
Jidong Development Group Co., Ltd.	Hebei	Building materials industry	247,950.41	55.00	-
Tangshan Jidong Cement Co., Ltd. (Note 1)	Hebei	Manufacture and sales of cement, clinker, relevant building materials and cement equipment, etc.	265,821.28	44.34	17.22
Jidong Sand Gravel Aggregate Co., Ltd.	Hebei	Aggregate	25,000.00	-	100.00
Tangshan High Voltage Porcelain Insulator Co., Ltd.	Hebei	Manufacture and sales of high voltage porcelain insulator	38,000.00	-	100.00
Hebei Building Material Industry Design & Research Institution	Hebei	Building materials industry engineering design	4,500.00	-	100.00
Tangshan Qixin Cement Industry Museum	Hebei	Cultural relic collection and exhibition to promote national culture, etc.	15,624.00	-	100.00
Tangshan Qixin Jiye Property Services Co., Ltd.	Hebei	Property service, retail of daily necessities, etc	500.00	-	100.00
Tangshan Jidong Equipment & Engineering Co., Ltd. (Note 1)	Hebei	Machinery equipment and spare parts and civil installation	22,700.00	-	30.00
Tangshan Jidong Development Machinery and Equipment Manufacturing Co., Ltd.	Hebei	Manufacture and sales of machinery equipment and accessories	97,000.00	-	100.00
Jinyu Rizhang Fan Energy-Conserving Technology (Hebei) Co., Ltd. (formerly known as Jidong Rizhang Energy-Conserving Fan Manufacture Co., Ltd.)	Hebei	State-owned enterprise (machinery manufacturing industry)	21,400.00	-	100.00
Tangshan Jidong Development Construction Technology Co., Ltd. (formerly known as Tangshan Jidong Development Yan Dong Construction Co., Ltd.)	Hebei	Construction industry	50,000.00	-	59.00
Jidong Development International Trading Co., Ltd.	Beijing	Import and export and bulk commodity trade	63,000.00	-	100.00
Jidong Development (HK) International Co., Ltd.	Hong Kong	Commodities trading	(USD) 2,000.00	-	100.00
Tangshan Dunshi Real Estate Development Co., Ltd.	Hebei	Real estate	87,500.00	-	100.00
Tangshan Jidong Cement Nanhu Property Development Co., Ltd.	Hebei	Real estate	75,000.00	-	100.00
Tangshan Jidong Property Services Co., Ltd.	Hebei	Property service	300.00	-	100.00
Huahai Wind Power Development Co., Ltd.	Hebei	Wind power equipment manufacturing	15,000.00	-	100.00
Tangshan Qixin Building Materials Co., Ltd.	Hebei	Manufacture of cement and cement products	16,747.00	-	100.00
Tangshan Qixin Cement Co., Ltd.	Hebei	Manufacture of limestone, cement and cement clinker, etc.	23,544.00	-	100.00
Jidong Development Group Tangshan Xinxing Knitting Co., Ltd.	Hebei	Knitting processing	915.98	-	100.00
BBMG Jidong Caofeidian Supply Chain Management Co., Ltd.	Hebei	Supply chain management service	20,000.00	-	90.00
Tangshan Jinyu Dunshi Real Estate Development Co., Ltd.	Hebei	Real estate development and operation and property management services	35,000.00	-	100.00
Tianjin Building Materials Group (Holding) Co., Ltd.	Tianjin	Manufacture and sales of building and decorative materials, etc.	508,222.35	83.21	-
Tianjin Jianyu Energy Development Co., Ltd.	Tianjin	Building materials and commerce and logistics	20,000.00	-	51.00
Tianjin Tiancai Hengye Building Materials Co., Ltd.	Tianjin	Building materials and commerce and logistics	16,526.32	-	100.00
Huanbohai Jin'an (Tianjin) Group Holding Co., Ltd. (Note 1)	Tianjin	Property investment management	19,634.40	-	51.66
Tianjin Xincai Property Development Co., Ltd.	Tianjin	Real estate	32,549.81	-	100.00
Tianjin Tiancai Xingchen Building Material Co., Ltd.	Tianjin	Property investment management	42,798.30	-	100.00
Tianjin Stone Mine Co., Ltd.	Tianjin	Property investment management	44,081.24	-	100.00

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For the period from 1 January 2025 to 30 June 2025

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VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

	Place of principal business/ registration	Business nature	Registered capital (RMB'000)	Percentage of shareholding (%)	
Company				Direct	Indirect
Subsidiaries acquired in business combination not under common control (Continued)					
Beijing Bengpu Construction Machinery Operation Co., Ltd.	Beijing	Professional contracting; construction general contracting	6,450.00	-	100.00
Tianjin Binhai New Area Haoyu Investment Co., Ltd.	Tianjin	Real estate development and operation; property management	10,000.00	-	100.00
Beijing Mingzhu Glass Products Co., Ltd.	Beijing	Manufacturing, design and installment of glass products	50.00	-	100.00
Jinyu Concrete Group Co., Ltd. (formerly known as Jinyu Jidong (Tangshan) Concrete Environmental Protection Technology Group Co., Ltd.)	Hebei	Manufacturing and sale of concrete and concrete-based products	401,584.26	55.00	45.00
Beijing Jidong Haiqiang Concrete Co., Ltd.	Beijing	Ready-mix commodity concrete, etc.	2,980.00	-	70.00
Beijing Hanxin Concrete Co., Ltd.	Beijing	Production of concrete, etc.	4,509.97	-	70.00
Beijing Hengkun Concrete Co., Ltd.	Beijing	Special goods transportation (in tank), etc.	15,000.00	-	100.00
Tianjin Jidong Haifeng Concrete Co., Ltd.	Tianjin	Wholesale and retail of commodity concrete, etc.	2,500.00	-	100.00
Tianjin Jidong Jinpujiye Concrete Co., Ltd.	Tianjin	Processing, sales and pouring of ready-mixed concrete, etc.	4,405.00	-	100.00
Jidong Concrete (Tianjin) Co., Ltd.	Tianjin	Production, processing and sale of ready-mixed concrete, etc.	6,520.00	-	100.00
Tangshan Jidong Cement Xujian Concrete Co., Ltd.	Hebei	Production of ready-mixed concrete, etc.	3,500.00	-	70.00
Tangshan Qianxi Jidong Concrete Co., Ltd.	Hebei	Production of commodity concrete etc.	1,200.00	-	100.00
Tangshan Jidong Xingang Concrete Co., Ltd.	Hebei	Manufacture and sales of commercial concrete, etc.	3,360.00	-	100.00
Chengde Jidong Hengsheng Concrete Co., Ltd.	Hebei	Construction equipment templates lease, etc.	2,000.00	-	100.00
Hohhot Jidong Cement Concrete Co., Ltd.	Inner Mongolia	Special goods transportation (in tanks)	6,000.00	-	100.00
Jilin Jidong Concrete Co., Ltd.	Jilin	Production of concrete components and products, etc.	2,000.00	-	100.00
Chongqing Jushi New Building Materials Co., Ltd.	Chongqing	Class III Qualification for ready-mixed commodity concrete professional contracting, etc.	2,100.00	-	100.00
Xinxingzhan (Chongqing) Building Materials Co., Ltd.	Chongqing	Manufacture and sale of commodity concrete	7,563.07	-	100.00
Jidong Cement (Chongqing) Concrete Co., Ltd.	Chongqing	Special goods transportation (in tank), etc.	3,000.00	-	100.00
Baoji Jidong Dunshi Concrete Co., Ltd.	Shaanxi	Ready-mixed concrete and pouring projects, etc.	6,000.00	-	100.00
Shenzhou Jidong Concrete Co., Ltd.	Hebei	Manufacture and sales of ready-mixed commercial concrete	3,000.00	-	100.00
Datong Dunshi Concrete Co., Ltd.	Shanxi	Sales and transportation of ready mixed concrete, etc	3,600.00	-	100.00
Datong Jinlong Commodity Concrete Co., Ltd.	Shanxi	Sales and transportation of ready-mixed concrete, etc.	3,000.00	-	100.00
Changchun Jidong Cement & Concrete Co., Ltd.	Jilin	Production of concrete, etc.	3,000.00	-	100.00
Huanghua BBMG Jidong Concrete Co., Ltd.	Hebei	Sales and transportation of ready-mixed concrete, etc.	2,500.00	-	100.00
Cangzhou Lingang BBMG Jidong Concrete Co., Ltd.	Hebei	Sales and transportation of ready-mixed concrete, etc.	2,500.00	-	100.00
Shijiazhuang BBMG Concrete Co., Ltd.	Hebei	Sales and transportation of ready-mixed concrete, etc.	20,000.00	-	100.00
Tianjin Binhai BBMG Concrete Co., Ltd.	Tianjin	Manufacturing and sale of cement based products, etc.	12,000.00	-	100.00
Jiayu Shangpin Property Management (Tianjin) Co., Ltd.	Tianjin	Property management, etc.	1,000.00	-	100.00
Hebei BBMG Dingxin Cement Co., Ltd.	Hebei	Manufacture and sales of cement and clinker, etc.	131,700.00	-	100.00
Jinyu Thermal Processing Tangshan Co., Ltd.	Hebei	Ferrous metal casting and sales of metal structure, etc.	39,125.00	-	85.00
Beijing BBMG Decoration Engineering Co., Ltd. (北京金隅裝飾工程有限公司)	Beijing	Construction and design of construction work and sales of building decoration materials, etc.	5,882.35	-	100.00
Beijing Huanke Environmental Protection Technology Co., Ltd. (北京環科環保技術有限公司)	Beijing	Sales of environmental protection equipment, pollution treatment and technical services, etc.	1,574.16	-	100.00
Beijing Jingcai Talent Development Center Co., Ltd. (北京京才人才開發中心有限公司)	Beijing	Human resources services, labor dispatch and intermediary services for studying abroad, etc.	12,953.80	100.00	-
Beijing Wuhu Sihai Human Resources Co., Ltd. (北京五湖四海人力資源有限公司)	Beijing	Human resources services, information consultation services, etc.	440.00	-	100.00
Handan Dongfang Risheng Commercial Concrete Co., Ltd. (邯鄲市東方日盛商品混凝土有限公司)	Hebei	Manufacture and sale of concrete	2,500.00	-	90.00
Beijing Jingu Zhitong Lulian Technology Co., Ltd. (北京金谷智通綠鏈科技有限公司)	Beijing	Logistics information technology development; logistics data technology services, etc.	15,333.33	-	85.00
Handan BBMG Taihang Cement Co., Ltd.	Hebei	Cement manufacturing	66,434.29	-	92.04
Laishui BBMG Jidong Environmental Protection Technology Co., Ltd. (涑水金隅冀東環保科技有限公司)	Hebei	Eco-friendly technology development, technical services, technical consultation; solid waste treatment, etc.	37,000.00	-	100.00
Shaanxi Qinhan Hengsheng New Building Materials Technology Co., Ltd. (陝西秦漢恆盛新型建材科技有限責任公司)	Shaanxi	Non-metallic mineral products industry	10,000.00	-	51.00

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

	Place of principal business/ registration	Business nature	Registered capital (RMB'000)	Percentage of shareholding (%)	
Company				Direct	Indirect
Subsidiaries acquired in business combination not under common control (Continued)					
Shuangyashan New Era Cement Co., Ltd. (雙鴨山新時代水泥有限公司)	Heilongjiang	Manufacture of cement products; manufacture of plastic products, etc.	10,618.50	-	100.00
Zhejiang Jinyu Hangjia Green Building Technology Co., Ltd. (浙江金隅杭加綠建科技有限公司)	Zhejiang	Technical services; technology development, technical consulting, technical exchange, technology transfer, technology promotion, etc.	60,000.00	-	54.00
Tianjin Longda Health Consulting Services Co., Ltd. (天津市龍達健康諮詢服務有限公司)	Tianjin	Health-consulting services (excluding medical diagnosis and treatment); conference and exhibition services	5,257.08	-	100.00
Tianjin New Building Materials Architectural Design & Research Institute Co., Ltd. (天津市新型建材建築設計研究院有限公司)	Tianjin	Construction engineering design; engineering general contracting for building construction and municipal infrastructure projects.	2,928.99	-	100.00
Tangshan Hongde Haisheng Mineral Products Co., Ltd. (唐山鴻德海升礦產品有限責任公司)	Tangshan	Mineral washing and processing; sale of recycled resources; sale of non-ferrous metal alloys; sale of coal and coal products, etc.	16,700.00	-	70.00
Liaoning Liaoyang Hongguang Mining Co., Ltd. (遼寧省遼陽市弘光礦業有限公司)	Liaoning	Exploitation of limestone for construction stone within the business scope; processing of construction stone, etc.	500.00	-	70.00
Benxi Yongxing New Building Materials Co., Ltd. (本溪永星新型建材有限公司)	Liaoning	Processing and sale of water-quenched slag and new building materials, etc.	1,700.00	-	100.00
Liaoning Hengwei Cement Group Co., Ltd. (遼寧恆威水泥集團有限公司)	Liaoning	Cement production; exploitation of non-coal mineral resources, etc.	18,000.00	-	100.00
Yantai Runshuo Co., Ltd. (煙台潤碩有限公司)	Shandong	Sale of advanced ceramic materials; sale of architectural ceramic products; sale of specialty ceramic products, etc.	3.00	-	100.00
Handan Yongnian District Hongpeng Commercial Concrete Co., Ltd. (邯鄲市永年區宏鵬商砼有限公司)	Hebei	Ready-mixed concrete production and sales, etc.	1,100.00	-	90.00
Shanghai ABM Rock Wool Co.,Ltd. (上海新型建材岩棉有限公司)	Shanghai	New mineral-wool thermal-insulation materials, decorative materials and other mineral-wool products, ancillary materials and construction services for mineral-wool products, etc.	40,816.30	-	70.00
Baoding Dongdayang Building Materials Co., Ltd. (保定市東大洋建材有限公司)	Hebei	Manufacture of cement products; sale of cement products; sale of non-metallic minerals and their products, etc.	4,000.00	-	100.00
Subsidiaries acquired in business combination under common control					
Beijing Building Decoration and Design Engineering Co., Ltd.	Beijing	Design of projects' decoration and furniture decoration, etc.	20,000.00	-	100.00
Beijing BBMG Doudian Technology Corporate Management Co., Ltd.	Beijing	Manufacture of energy-saving and insulation building materials, etc.	15,037.66	-	100.00
Beijing BBMG Property Development Group Co., Ltd.	Beijing	Property development and operation	1,371,500.00	100.00	-
Haikou Dacheng Property Investment Co., Ltd.	Hainan	Property development, etc.	1,600.00	-	100.00
BBMG Dacheng Property Management Co., Ltd.	Beijing	Property management	1,000.00	-	100.00
BBMG Hongye Ecological Science and Technology Co., Ltd.	Beijing	Rental and property management, etc.	200.00	-	100.00
BBMG Hong Kong Limited	Hong Kong	Rental of properties held	(HK\$) 100.00	100.00	-
Beijing Yanshui Asset Management Co., Ltd.	Beijing	Production of concrete	6,266.85	100.00	-
Beijing BBMG Tongda Fire-resistant Technology Co., Ltd.	Beijing	R&D and manufacture of various new refractory materials, etc	28,517.14	100.00	-
Jidong Cement Tongchuan Co., Ltd.	Shaanxi	Manufacturing and sale of cement and cement-based products	130,000.00	-	100.00

Note 1: Among the subsidiaries of the Group, Beijing BBMG Tiantan Furniture Co., Ltd., Tangshan Jidong Cement Co., Ltd., Jidong Equipment, Huanbohai Jinan (Tianjin) Group Holding Co., Ltd. and Beijing Building Materials Testing Academy Co., Ltd. are joint stock companies (股份有限公司), and other subsidiaries are limited liability companies (有限責任公司).

Note 2: Due to the large number of subsidiaries of the Group, the above tables only list the subsidiaries that have a significant impact on income statement or equity attributable to the shareholders, and do not list all subsidiaries one by one.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in the subsidiaries (Continued)

Subsidiaries with significant minority interests are as follows:

January to June 2025

Unit: RMB

Company	Percentage of minority shareholding	Profit or loss attributable to minority shareholder	Dividend payment to minority shareholders	Accumulated equity attributable to minority shareholders at the end of the period
Tianjin Building Materials Group (Holding) Co., Ltd.	16.79%	(29,776,700.01)	18,982,537.92	1,987,959,750.20
Tangshan Jidong Cement Co., Ltd.	46.19%	(104,651,637.02)	150,618,330.61	15,083,360,219.24

2024

Unit: RMB

Company	Percentage of minority shareholding	Profit or loss attributable to minority shareholder	Dividend payment to minority shareholders	Accumulated equity attributable to minority shareholders at the end of the year
Tianjin Building Materials Group (Holding) Co., Ltd.	16.79%	(57,195,921.06)	9,491,268.96	2,036,718,988.13
Tangshan Jidong Cement Co., Ltd.	46.19%	(629,927,401.77)	8,128,725.20	15,338,630,186.87

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in the subsidiaries (Continued)

The following table sets forth the major financial information of the above-mentioned subsidiaries. Relevant figures represent amounts before intragroup offsetting:

30 June 2025

Unit: RMB

Items	Tianjin Building Materials Group (Holding) Co., Ltd.	Tangshan Jidong Cement Co., Ltd.
Current assets	8,083,750,277.70	14,284,505,140.79
Non-current assets	11,474,795,268.66	45,537,298,070.23
Total assets	19,558,545,546.36	59,821,803,211.02
Current liabilities	11,897,005,143.90	17,491,107,959.96
Non-current liabilities	1,381,727,028.33	12,992,322,805.01
Total liabilities	13,278,732,172.23	30,483,430,764.97
Operating revenue	6,032,742,527.59	11,760,778,239.96
Net profits	(248,128,452.09)	(179,602,759.51)
Total comprehensive income	(147,970,172.95)	(193,168,250.28)
Net cash flows generated from operating activities	290,141,325.63	1,287,211,399.28

31 December 2024

Unit: RMB

Items	Tianjin Building Materials Group (Holding) Co., Ltd.	Tangshan Jidong Cement Co., Ltd.
Current assets	8,202,677,186.14	14,624,936,901.19
Non-current assets	11,393,549,311.26	47,651,694,583.43
Total assets	19,596,226,497.40	62,276,631,484.62
Current liabilities	11,675,246,919.50	16,459,355,154.99
Non-current liabilities	1,461,411,068.75	14,569,134,038.25
Total liabilities	13,136,657,988.25	31,028,489,193.24
Operating revenue	10,885,023,339.41	25,272,597,849.89
Net profits	(466,856,116.64)	(1,282,875,855.45)
Total comprehensive income	(467,104,116.64)	(1,316,891,226.74)
Net cash flows generated from operating activities	81,153,530.31	3,205,040,475.65

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures and associates

	Place of registration/ principal business	Business nature	Registered capital (thousand)	Percentage of shareholding (%)	
Company				Direct	Indirect
Joint ventures					
STAR-USG Building Materials Co., Ltd.	Dachang County	Production of mineral wool acoustic board, etc.	(USD) 54,520.00	50.00	-
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	Baoji	Manufacture and sales of cement and clinker, etc.	489,875.00	-	48.11
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	Xianyang	Manufacture and sales of cement and clinker, etc.	458,960.00	-	50.00
Tangshan Caofeidian Dunshi New Building Material Co., Ltd.	Tangshan	Manufacture and sales of slag fine powder and by-product	200,000.00	-	50.00
Anshan Jidong Cement Co., Ltd.	Anshan	Manufacture and sales of cement and clinker, etc.	300,000.00	-	50.00
Cross Point Trading 274 (Pty) Ltd (RF)	South Africa	Investment in building materials industry, etc.	(ZAR) 300,000.00	-	56.10
Hebei Xiongan Zhitong Technology Co., Ltd.	Baoding	New material technology promotion service and concrete technology development, etc.	20,000.00	-	51.00
Beijing Qiyuan Development and Construction Co., Ltd. (北京啟苑開發建設有限公司)	Beijing	Property development and operation, etc.	1,000.00	-	90.00
Dahongmen (Beijing) Construction Development Co., Ltd. (大紅門(北京)建設發展有限公司)	Beijing	Property development and sale of self-developed commercial housing	1,000,000.00	-	60.00
Beijing Jinyu Vanke Real Estate Development Co., Ltd. (北京金隅萬科房地產開發有限公司)	Beijing	Property development and sale of self-developed commercial housing	190,000.00	-	51.00
Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司)	Beijing	Property development and operation	100,000.00	-	49.00
Associates					
Zehnder (China) Indoor Climate Co., Ltd.	Beijing	Production of radiators, etc.	(USD) 27,500.00	26.73	-
OCV Reinforcements (Beijing) Co., Ltd.	Beijing	Complete non-standard control of concrete and pumping	276,003.00	20.00	-
Beijing Sinobaide Technology Co., Ltd.	Beijing	Design and production of equipment	10,000.00	-	23.00
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	Chengde	Technology research and testing for comprehensive utilization of solid waste, etc.	53,739.00	-	44.18
Tangshan Conch Profiles Co., Ltd.	Tangshan	Manufacture and sales of architectural profiles	160,000.00	40.00	-
Beijing Chenyu Real Estate Development Co., Ltd.	Beijing	Property development and operation, etc.	5,500,000.00	-	49.00
Toto Machinery (Beijing) Company Limited	Beijing	Production of sanitary ceramics, etc.	(USD) 24,000.00	20.00	-
Jidong Cement Fufeng Transportation Co., Ltd.	Baoji	Automobile transportation, etc.	16,000.00	-	23.75
Jilin Changjitu Investment Co., Ltd.	Jilin	Service industry, etc.	500,000.00	-	30.00
Tianjin Yaopi Glass Co., Ltd.	Tianjin	Manufacture and sale of various types of plate glass, etc.	736,166.00	-	22.74
Beijing Innovation Industry Investment Co., Ltd.	Beijing	Investment management, asset management, etc.	2,000,000.00	10.00	-
Nanjing Huayu Real Estate Development Co., Ltd. (南京鉅隅房地產開發有限公司)	Nanjing	Property development and sale of self-developed commercial housing	1,000,000.00	-	50.00
Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司)	Beijing	Property development and sale of self-developed commercial housing, etc.	1,830,000.00	-	35.00
Beijing Jinhaicheng Management Consulting Partnership LLP (北京金海誠管理諮詢合夥企業(有限合夥))	Beijing	Business management	2,000.00	-	30.00
Beijing Jinhaicheng Technology Innovation Investment Partnership LLP (北京金海誠科技創投資合夥企業(有限合夥))	Beijing	Asset management, investment consultation	198,000.00	-	50.51
Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司)	Beijing	Cultural industry investment, project development and operation	1,000,000.00	10.00	-
Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司)	Beijing	Property development and operation; sale of self-developed commercial housing	100,000.00	-	34.00
Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司)	Baoding	Manufacture and sales of cement products, etc.	100,000.00	-	12.00
Beijing Jinzhu Xingye Real Estate Development Co., Ltd.	Beijing	Property development and operation	1,500,000.00	-	49.00
Easyhome New Retail Group Corporation Limited	Wuhan	Sales of general merchandise and daily necessities	6,287,288.00	10.00	-
CAIC BBMG Intelligent Manufacturing Workshop REIT	Note 1	Closed-end fund	1,135,600.00	35.00	-

The Group adopts the equity method for interests in joint ventures and associates.

Note 1: The fund was issued and listed on the Shanghai Stock Exchange.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures and associates (Continued)

The following table sets forth the consolidated financial information on joint ventures and associates which are not individually significant to the Group:

Items	Unit: Yuan Currency: RMB	
	January to June 2025	2024
Joint ventures:		
Total carrying amount of investments	1,729,884,515.55	1,689,931,024.72
Total amount calculated based on shareholding		
Net profits	90,414,881.78	102,205,398.21
Total comprehensive income	105,627,266.44	105,064,325.29
Associates:		
Total carrying amount of investments	7,855,897,015.38	7,668,475,720.72
Total amount calculated based on shareholding		
Net profits	(181,675,749.14)	262,453,298.15
Total comprehensive income	(181,675,749.14)	262,453,298.15
Total carrying amount	9,585,781,530.93	9,358,406,745.44
Total investment gains	(91,260,867.36)	364,658,696.36
Total comprehensive income	(76,048,482.70)	367,517,623.44

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS

1. Financial instruments risks

The Group is exposed to various types of risks from financial instruments during its ordinary course of business, mainly including credit risk, liquidity risk and market risk. Risks related to these financial instruments and the Group's risk management policies are described as follows.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who request to trade on credit terms are subject to credit verification procedures. In addition, balances of accounts receivable are monitored on an ongoing basis to ensure that the Group's exposure to bad debt is not significant. For transactions that are not settled 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 of the Group.

As the counterparties of cash and bank balances and bank acceptance bills receivable are mainly banks with good reputations and higher credit ratings, these financial instruments have lower credit risk.

The credit risk of the Group's other financial assets, which comprise other receivables, long-term receivables and debt investments, etc. arises from default of the counterparty, with a maximum exposure equal to the carrying amounts 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 XII. 2. Contingencies.

The maximum credit risk exposure of the Group on each balance sheet date is the total amount charged to customers less the amount after deducing impairment provision.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's accounts receivable are widely dispersed in different sectors and industries. The Group does not hold any collateral or other credit enhancements over the balances of accounts receivable.

Criteria for judging significant increase in credit risk

The Group assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each balance sheet date. The Group determines the significant increase in credit risk mainly based on the criteria that if there are any significant changes in one or more of the following indicators: the material adverse changes in the business environment, internal and external credit rating, actual or expected operating results of the debtor.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

1. Financial instruments risk (Continued)

Definition of credit-impaired asset

The primary criterion of the Group to determine credit impairment is the overdue period exceeding 180 days. However, in certain circumstances, if internal or external information indicates that the contract amount may not be fully recovered before taking into account any credit enhancements, the Group also considers it is credit-impaired.

The credit impairment on a financial asset may be caused by the combined effect of multiple events and may not be necessarily due to a single event.

The assessment of a significant increase in credit risk and the calculation of ECL both involve forward-looking information. Through the analysis of historical data, the Group identifies the key economic indicators that affect the credit risk and ECL of various business types.

Liquidity risk

The Group's objective is to maintain a balance between continuity and flexibility of financing through the use of various financing methods, such as bank borrowings, perpetual bonds, bonds payable and short-term financing bonds payable.

The liquidity of the Group is primarily dependent on adequate cash inflows from operations to meet its debt obligations as they fall due and external financing to meet its committed future capital expenditure. The table below summarises the maturity analysis of financial liabilities and lease liabilities based on the undiscounted contractual cash flows:

30 June 2025

Unit: RMB

Items	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Short-term loans	30,523,933,520.52	-	-	-	30,523,933,520.52
Bills payable	4,848,148,855.83	-	-	-	4,848,148,855.83
Accounts payable	19,307,362,069.13	-	-	-	19,307,362,069.13
Other payables	6,582,347,209.12	-	-	-	6,582,347,209.12
Short-term financing bonds payable	5,069,223,561.64	-	-	-	5,069,223,561.64
Long-term borrowings	17,823,584,402.15	24,036,865,864.62	25,728,973,817.20	6,047,847,533.78	73,637,271,617.75
Bonds payable	4,384,807,309.94	7,230,078,647.70	7,676,838,767.12	4,671,614,794.52	23,963,339,519.28
Lease liabilities	148,261,705.38	144,575,025.08	166,216,767.47	279,193,236.83	738,246,734.76
Long-term payables	135,334,921.94	112,392,720.17	210,584,901.96	119,169,876.61	577,482,420.68
Other non-current liabilities	40,430,800.00	40,430,800.00	217,292,400.00	2,075,745,007.12	2,373,899,007.12
Total	88,863,434,355.65	31,564,343,057.57	33,999,906,653.75	13,193,570,448.86	167,621,254,515.83

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

1. Financial instruments risk (Continued)

Liquidity risk (Continued)

31 December 2024

Unit: RMB

Items	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Short-term loans	28,750,156,523.65	-	-	-	28,750,156,523.65
Bills payable	3,055,166,040.97	-	-	-	3,055,166,040.97
Accounts payable	20,944,153,978.57	-	-	-	20,944,153,978.57
Other payables	6,052,409,352.62	-	-	-	6,052,409,352.62
Short-term financing bonds payable	6,078,723,287.67	-	-	-	6,078,723,287.67
Long-term borrowings	9,979,773,755.17	15,969,766,532.70	30,319,945,425.73	9,852,188,035.90	66,121,673,749.50
Bonds payable	10,686,586,603.49	5,155,282,219.18	6,688,817,123.29	4,734,369,726.03	27,265,055,671.99
Lease liabilities	197,263,403.95	155,591,245.54	147,356,294.40	301,594,018.89	801,804,962.78
Long-term payables	161,419,475.33	138,264,608.38	101,518,196.52	19,818,200.00	421,020,480.23
Total	85,905,652,421.42	21,418,904,605.80	37,257,637,039.94	14,907,969,980.82	159,490,164,047.98

Market risk

Interest rate risk

The Group's exposure to the changes in market interest rates is mainly related to the floating-rate long-term liabilities of the Group. The Group manages its interest cost by maintaining an appropriate mix of fixed- and floating-rate debts. The Group manages interest rate risk by closely monitoring the changes in interest rates and reviewing borrowings on a regular basis.

The table below demonstrates the sensitivity analysis of interest rate risk that reflects the impact on net profit or loss for the year (through the impact on floating-rate borrowings) and on shareholders' equity when a reasonably possible change in interest rates occurs, with all other variables held constant.

Unit: RMB

Items	Increase/(decrease) in basis points	Increase/(decrease) in net profit or loss	Increase/(decrease) in total shareholders' equity
30 June 2025	50.00	(94,471,975.31)	(94,471,975.31)
31 December 2024	50.00	(71,166,918.39)	(71,166,918.39)

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

1. Financial instruments by category (Continued)

Market risk (Continued)

Foreign exchange risk

The Group is exposed to transactional foreign exchange risk. This risk arises from sales or purchases conducted by operating units in currencies other than their functional currency.

The table below demonstrates the sensitivity analysis of foreign exchange risk that reflects the impact on net profit or loss and net other comprehensive income after tax when a possible change in the exchange rate of USD and ZAR against RMB occurs, with all other variables held constant.

January to June 2025

Unit: RMB

Items	Increase/(decrease) in exchange rate %	Increase/(decrease) in net profit or loss	Increase/(decrease)	
			in net other comprehensive income after tax	Increase/(decrease) in total shareholders' equity
RMB depreciation against USD	1.00	3,302,822.28	-	3,302,822.28
RMB appreciation against USD	1.00	(3,302,822.28)	-	(3,302,822.28)
RMB depreciation against ZAR	1.00	1,055,076.76	-	1,055,076.76
RMB appreciation against ZAR	1.00	(1,055,076.76)	-	(1,055,076.76)

2024

Unit: RMB

Items	Increase/(decrease) in exchange rate %	Increase/(decrease) in net profit or loss	Increase/(decrease)	
			in net other comprehensive income after tax	Increase/(decrease) in total shareholders' equity
RMB depreciation against USD	1.00	717,347.36	-	717,347.36
RMB appreciation against USD	1.00	(717,347.36)	-	(717,347.36)
RMB depreciation against ZAR	1.00	955,437.50	-	955,437.50
RMB appreciation against ZAR	1.00	(955,437.50)	-	(955,437.50)

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

2. Capital management

The main objective of the Group's capital management is to ensure the Group's ability to operate on a going concern basis and maintain healthy capital ratios so as to support business growth and maximise shareholder value.

The Group manages its capital structure and makes adjustments in response to changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the distribution of profits to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. As at 30 June 2025 and 31 December 2024, there was no change in the capital management objectives, policies or procedures.

The Group controls its capital using debt ratio, which is calculated by dividing total liabilities by total assets. As at the balance sheet date, the debt ratio of the Group was as follows:

Items	Unit: RMB	
	30 June 2025	31 December 2024
Total liabilities	181,075,549,945.22	171,878,399,570.89
Total assets	272,135,854,578.45	263,995,720,701.11
Debt ratio	66.54%	65.11%

3. Hedging

Fair value hedge

The Group is engaged in trading of commodities such as non-ferrous metals and ferrous metals (including copper, iron ore, steel billet, coking coal futures). The industrial products held by the Group are subject to the risk of price changes. Therefore, the Group uses futures contracts of futures exchanges to manage its exposure to commodity price risks arising from all industrial products it holds. The standard indicators for the industrial products sold by the Group are the same as the corresponding delivery grades in the futures contract. The basic variables of the hedging instrument (futures contract) and the hedged item (standard parameters of the bulk commodities held by the Group) are all standard parameter prices. Through qualitative analysis, the Group determines that the ratio of the number of hedging instruments to the number of hedged items was 1:1. The ineffective portion of hedging mainly arose from the basis risk, the risk of changes in supply and demand in the spot or futures market, and other risks of uncertainties in the spot or futures market. The amount of ineffective hedges recognized during the period was not significant. The Group adopted fair value hedge for such hedging.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

3. Hedging (Continued)

Fair value hedge (Continued)

The time distribution and average price of the nominal amount of the hedging instruments are as follows:

January to June 2025

Items	Unit: RMB
	Within 6 months
Nominal amount of copper futures	290,901,749.49
Average price of copper futures (Unit: RMB/ton)	78,728.48
Nominal amount of iron ore futures	658,077,044.32
Average price of iron ore futures (Unit: RMB/ton)	710.67
Nominal amount of steel billet futures	41,731,855.96
Average price of steel billet futures (Unit: RMB/ton)	3,073.04
Nominal amount of coking coal futures	146,674,644.00
Average price of coking coal futures (Unit: RMB/ton)	809.19

January to June 2024

Items	Unit: RMB
	Within 6 months
Nominal amount of copper futures	116,505,700.30
Average price of copper futures (Unit: RMB/ton)	77,670.47
Nominal amount of iron ore futures	266,191,428.87
Average price of iron ore futures (Unit: RMB/ton)	831.85

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

3. Hedging (Continued)

Fair value hedge (Continued)

Changes in the carrying amount and fair value of the hedging instruments are as follows:

January to June 2025

Unit: RMB

Item	Nominal amounts of the hedging instruments	Carrying amounts of the hedging instruments		Items on the balance sheet that contain hedging instruments	Changes in fair value of hedging instruments used as a basis for recognizing the ineffective portion of hedging for the period
		Assets	Liabilities		
Commodity price risk - inventories	1,137,385,293.77	1,148,978,517.34	-	Inventories	-

January to June 2024

Unit: RMB

Item	Nominal amounts of the hedging instruments	Carrying amounts of the hedging instruments		Items on the balance sheet that contain hedging instruments	Changes in fair value of hedging instruments used as a basis for recognizing the ineffective portion of hedging for the period
		Assets	Liabilities		
Commodity price risk - inventories	382,697,129.17	361,292,419.13	-	Inventories	-

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

3. Hedging (Continued)

Fair value hedge (Continued)

The carrying amount of hedged items and related adjustments are as follows:

January to June 2025

Unit: RMB

Item	Carrying amount of hedged items Assets	Cumulative amount of adjustments to fair value hedge of hedged items (included in carrying amount of hedged items) Assets	Items on the balance sheet that contain hedging instruments	Changes in fair value of hedging instruments used as a basis for recognizing the ineffective portion of hedging for the period
Commodity price risk - inventories	1,104,833,175.00	10,658,925.00	Inventories	-

January to June 2024

Unit: RMB

Item	Carrying amount of hedged items Assets	Cumulative amount of adjustments to fair value hedge of hedged items (included in carrying amount of hedged items) Assets	Items on the balance sheet that contain hedging instruments	Changes in fair value of hedging instruments used as a basis for recognizing the ineffective portion of hedging for the period
Commodity price risk - inventories	368,525,942.41	(21,664,673.76)	Inventories	-

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

3. Hedging (Continued)

Fair value hedge (Continued)

The ineffective portion of hedging in the changes in fair value of hedging instruments is set out below:

January to June 2025

Unit: RMB

Item	Ineffective portion of hedging included in profit or loss	Ineffective portion of hedging included in other comprehensive income	Items on the income statement that contain ineffective portion of hedging
Inventory price risk	-	-	-

January to June 2024

Unit: RMB

Item	Ineffective portion of hedging included in profit or loss	Ineffective portion of hedging included in other comprehensive income	Items on the income statement that contain ineffective portion of hedging
Inventory price risk	-	-	-

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

4. Transfers of financial assets

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition	Basis for determining derecognition
Endorsement of bills/bill discounting	Bills receivable	292,982,203.98	Not derecognised	Retained substantially all risks and rewards, including default risks associated
Endorsement of bills/bill discounting	Receivables financing	5,241,921,921.63	Derecognised	Transferred substantially all risks and rewards
Factoring	Accounts receivable	24,266,210.76	Not derecognised	Retained substantially all risks and rewards, including default risks associated
Factoring	Accounts receivable	80,237,505.78	Derecognised	Transferred substantially all risks and rewards
Asset securitization	Accounts receivable	917,941,384.26	Derecognised	Transferred substantially all risks and rewards
Supply chain financing	Accounts receivable	383,213,316.27	Derecognised	Transferred substantially all risks and rewards
Supply chain financing	Accounts receivable	913,601,137.72	Not derecognised	Retained substantially all risks and rewards, including default risks associated
Total	/	7,854,163,680.40	/	

As at 30 June 2025, the financial assets derecognised due to transfer are as follows:

Unit: RMB

Items	Transfer method of financial assets	Amount of financial assets derecognized	Gains or losses related to derecognition
Receivables financing	Endorsement of bills/bill discounting	5,241,921,921.63	-
Accounts receivable	Factoring	80,237,505.78	-
Accounts receivable	Asset securitization	917,941,384.26	14,717,913.73
Accounts receivable	Supply chain financing	383,213,316.27	-
Total		6,623,314,127.94	14,717,913.73

Financial assets transferred but not yet fully derecognised

As at 30 June 2025, the Group endorsed or discounted bank acceptance bills and commercial acceptance bills with a carrying amount of RMB75,358,255.05 and RMB217,623,948.93 (31 December 2024: RMB90,876,462.23 and RMB226,577,905.13), respectively. The Group is of the opinion that the Group has retained substantially all their risks and rewards, including the default risk associated, the Group continues to recognise them in full and the settled accounts payable or short-term borrowings associated therewith. After the endorsement or discount, the Group no longer reserves the rights to use these financial assets, including the rights to sell, transfer or pledge to any other third parties. As at 30 June 2025, the carrying amount of accounts payable settled by these financial assets or short-term borrowings amounted to RMB292,982,203.98 (31 December 2024: RMB317,454,367.36) in total.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

4. Transfers of financial assets (Continued)

Transferred financial assets fully derecognised but with continuing involvement

As at 30 June 2025, the carrying amount of bank acceptance bills endorsed to its suppliers for settlement of accounts payable or discounted to the banks by the Group was RMB5,241,921,921.63 (31 December 2024: bank acceptance bills of RMB6,406,717,625.70). As at 30 June 2025, the maturities ranged from 1 to 12 months. Pursuant to relevant provisions of the “Law of Negotiable Instruments”, the holders of commercial instruments shall have the right of recourse against the Group (“Continuing Involvement”) if the relevant acceptance bank defaults. As the Group is of the opinion that the Group has transferred substantially all their risks and rewards, the Group has derecognised them and the carrying amount of the settled accounts payable associated therewith. The maximum exposure to loss from the Continuing Involvement and repurchase and the undiscounted cash flows equal to their carrying amounts. The Group is of the opinion that the fair value of the Continuing Involvement is insignificant.

From January to June 2025, no gains or losses were recognised on their dates of transfer by the Group (2024: Nil). No income or expenses were recognised for the current year or on an accumulative basis as a result of the Group’s Continuing Involvement. Endorsements were incurred basically evenly during the period.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

IX. DISCLOSURE OF FAIR VALUE

1. Assets and liabilities measured at fair value

30 June 2025

Unit: RMB

Items	Inputs used for the measurement of fair value			Total
	Quoted price	Significant	Significant	
	in active market (Level 1)	observable input (Level 2)	unobservable inputs (Level 3)	
Continuous measurement at fair value				
Financial assets held for trading	20,290,600.00	1,715,573,167.09	-	1,735,863,767.09
Receivables financing	-	965,953,833.74	-	965,953,833.74
Other non-current financial assets	551,150,391.45	-	-	551,150,391.45
Investment in other equity instruments	373,629,056.16	-	247,779,381.98	621,408,438.14
Investment properties	-	1,234,719,700.00	43,794,094,322.34	45,028,814,022.34
Total	945,070,047.61	3,916,246,700.83	44,041,873,704.32	48,903,190,452.76

31 December 2024

Unit: RMB

Items	Inputs used for the measurement of fair value			Total
	Quoted price	Significant	Significant	
	in active market (Level 1)	observable input (Level 2)	unobservable inputs (Level 3)	
Continuous measurement at fair value				
Financial assets held for trading	19,658,100.00	1,152,935,304.61	-	1,172,593,404.61
Receivables financing	-	885,835,186.93	-	885,835,186.93
Other non-current financial assets	489,561,240.56	-	-	489,561,240.56
Investment in other equity instruments	405,982,715.50	-	248,504,108.06	654,486,823.56
Investment properties	-	1,234,446,171.56	41,688,405,377.29	42,922,851,548.85
Total	915,202,056.06	3,273,216,663.10	41,936,909,485.35	46,125,328,204.51

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

2. Valuation of fair value

Management has assessed that the fair values of the short-term financial assets and financial liabilities, such as cash and bank balances, bills receivable, accounts receivable, receivables financing, other receivables, short-term loans, short-term financing bonds payable, bills payable, accounts payable, other payables and non-current liabilities due within one year, approximate their carrying amounts due to the short residual term of these instruments.

The Group's finance team is led by the manager of the finance and capital department, and is responsible for formulating policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the chief financial officer and the Audit Committee. As at each balance sheet date, the finance team analyses changes in the values of financial instruments and determines the main inputs applicable to the valuation, and the valuation must be reviewed and approved by the chief accountant. For the purpose of preparing interim and annual financial statements, the finance team meets the Audit Committee twice a year to discuss the valuation process and results.

The fair value of financial assets and financial liabilities is determined based on the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction, instead of the amount under forced sale or under liquidation. The following methods and assumptions are used to estimate the fair value:

The fair values of long-term receivables, long-term loans, bonds payable, lease liabilities and long-term payables are calculated by discounting the future cash flows using market yields currently available for other financial instruments with similar contractual terms, credit risk and residual term as the discount rate. As at 30 June 2025, the Group's exposure to non-performance risk associated with the long-term borrowings, bonds payable, lease liabilities and long-term payables is assessed as insignificant.

The fair values of listed equity instruments are determined on the basis of market prices.

3. Level 2 fair value measurement

The Group has entered into derivative financial instrument contracts with various counterparties, mainly of which are financial institutions with high credit ratings. Derivative financial instruments, including foreign exchange forward contracts and interest rate swaps, are measured using valuation techniques similar to forward pricing and swap models and present value methods. The model covers multiple inputs observable in markets, including counterparty's credit quality, spot and forward rates and interest rate curves. The carrying value of foreign exchange forward contracts and interest rate swaps is the same as the fair value. As at 30 June 2025, the mark to market value of derivative financial assets is the net value after offsetting the credit valuation adjustment attributable to the default risk of derivative instrument counterparties. The change of counterparty's credit risk has no significant impact on the evaluation of hedging effectiveness of designated derivative instruments in hedging relationship and other financial instruments measured at fair value.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

3. Level 2 fair value measurement (Continued)

The fair value of investment properties is determined using the market comparison approach, with reference to the recent unit area sales prices of similar or comparable real estate properties available in the local market in the valuation.

The following table sets forth the changes in Level 2 and Level 3 fair value of the investment properties of the Group for January to June 2025:

Items	Commercial properties Level 2	Commercial properties Level 3
31 December 2024	1,234,446,171.56	41,688,405,377.29
Transfer from inventories/fixed assets/construction in progress	-	2,691,349,223.76
Disposal for the period	-	(786,560,350.03)
Transfer-out of investment properties	-	(1,906,534.71)
Changes in fair value	273,528.44	202,806,606.03
30 June 2025	1,234,719,700.00	43,794,094,322.34

Details of transfer-out of investment properties are set out in Note V. 17.

From January to June 2025, there was no change between different fair value levels of investment properties of the Group.

The following sets forth the valuation method and key inputs used for the valuation of fair value of the investment properties for January to June 2025:

Valuation method	Significant unobservable inputs	Range of variation
Income approach	Unit rental (RMB/sq.m./day)	1.45-12.09
	Return on investment within the lease term	2.00%-6.50%
	Return on investment beyond the lease term	2.50%-7.00%

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Information on adjustment of persistent measurement of level-3 fair value and sensitivity analysis of unobservable inputs

The Group's finance team is led by the manager of the finance and capital department, and is responsible for formulating policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the chief financial officer and the Audit Committee. As at each balance sheet date, the finance team analyses changes in the values of financial instruments and determines the main inputs applicable to the valuation, and the valuation must be reviewed and approved by the chief financial officer. For the purpose of preparing interim and annual financial statements, the finance team meets the Audit Committee twice a year to discuss the valuation process and results.

Investments in unlisted equity instruments are estimated at fair value using the market approach based on unobservable market prices or interest rate assumptions. The Group needs to determine comparable public companies based on industry, size, leverage and strategy, and calculates an appropriate market multiplier, such as enterprise value multiplier, price to earnings multiplier, for each comparable public company identified. Adjustments are made based on specific facts and circumstances of the Company, taking into account factors such as differences in liquidity and size between comparable public companies. The Group believes that the fair value and its changes estimated using valuation techniques is reasonable and the most appropriate value as of the balance sheet date. For the fair value of investment in unlisted equity instrument, the Group estimated the potential impact of using other reasonable and probable assumptions as inputs to the valuation model.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Information on adjustment of persistent measurement of level-3 fair value and sensitivity analysis of unobservable inputs (Continued)

Information on adjustment of persistent measurement of level-3 fair value is as follows:

January to June 2025

Items	Opening balance	Transfer into level 3	Transfer out of level 3	Total profit or loss for the current period		Purchase	Sale	Closing balance
				Included in profit or loss	Included in other comprehensive income			
Equity instrument investment	248,504,108.06	-	-	-	(724,726.08)	-	-	247,779,381.98
Investment properties	41,688,405,377.29	2,691,349,223.76	(1,906,534.71)	202,806,606.03	-	-	(786,560,350.03)	43,794,094,322.34
Total	41,936,909,485.35	2,691,349,223.76	(1,906,534.71)	202,806,606.03	(724,726.08)	-	(786,560,350.03)	44,041,873,704.32

2024

Items	Opening balance	Transfer into level 3	Transfer out of level 3	Total profit or loss for the current year		Purchase	Sale	Closing balance
				Included in profit or loss	Included in other comprehensive income			
Equity instrument investment	190,457,572.12	-	-	-	57,701,135.94	345,400.00	-	248,504,108.06
Investment properties	39,484,369,743.91	2,826,625,917.46	(1,156,799,904.09)	642,574,246.23	-	42,501,194.21	(150,865,820.43)	41,688,405,377.29
Total	39,674,827,316.03	2,826,625,917.46	(1,156,799,904.09)	642,574,246.23	57,701,135.94	42,846,594.21	(150,865,820.43)	41,936,909,485.35

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent company

Name of parent company	Place of registration	Business nature	Registered capital RMB0'000	Over the Company	
				Proportion of shareholding (%)	Proportion of votes (%)
BSCOMC	Beijing	Investment and investment management, assets management, as well as the organization of the restructuring or merger of assets of enterprises	5,000,000.00	45.28	45.28

2. Subsidiaries

For details of the subsidiaries, please refer to Note VII. 1. Interests in the subsidiaries.

3. Joint ventures and associates

For details of the joint ventures and associates, please refer to Note VII. 2, and the related party transactions below are presented on a consolidated basis of each entity.

4. Major transactions between the Group and related parties

(1) Transactions concerning goods and services with related parties

Purchase of goods and receipt of services from related parties

Unit: RMB			
Company	Contents of transactions	January to June 2025	January to June 2024
Transactions with joint ventures and associates			
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	Purchase of goods/receipt of services	26,847,800.50	2,725,995.20
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	Purchase of goods/receipt of services	23,890,094.06	5,059,545.41
Tangshan Conch Profiles Co., Ltd.	Purchase of goods/receipt of services	4,144,578.22	356,371.97
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	Purchase of goods/receipt of services	1,648,348.06	1,091,428.10
Beijing Chenyu Real Estate Development Co., Ltd.	Receipt of services	294,560.16	-
STAR-USG Building Materials Co., Ltd.	Purchase of goods	14,912.60	-
Jidong Cement Fufeng Transportation Co., Ltd.	Purchase of goods	243.54	965,492.94
Zehnder (China) Indoor Climate Co., Ltd.	Receipt of services	-	252.26
Total		56,840,537.14	10,199,085.88

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Major transactions between the Group and related parties (Continued)

(1) Transactions concerning goods and services with related parties (Continued)

Sale of goods and rendering of services to related parties

Unit: RMB

Company	Contents of transactions	January to June 2025	January to June 2024
Transactions with joint ventures and associates			
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	Sale of goods/rendering of services	108,540,262.79	120,024,481.52
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	Sale of goods/rendering of services	102,051,581.08	116,342,817.39
Anshan Jidong Cement Co., Ltd.	Sale of goods/rendering of services	26,818,542.46	29,878,624.58
Tangshan Caofeidian Dunshi New Building Material Co., Ltd.	Sale of goods/rendering of services	3,888,429.32	9,807,246.29
Cross Point Trading 274 (Pty) Ltd (RF)	Sale of goods/rendering of services	1,644,370.12	3,581,595.70
Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司)	Rendering of services	830,783.10	-
Toto Machinery (Beijing) Company Limited	Sale of goods/rendering of services	592,373.55	-
Zehnder (China) Indoor Climate Co., Ltd.	Rendering of services	502,075.47	248,807.34
Jidong Cement Fufeng Transportation Co., Ltd.	Sale of goods/rendering of services	213,275.29	468,329.70
Beijing Jinzhu Xingye Real Estate Development Co., Ltd.	Sale of goods	199,712.28	-
Beijing Chenyu Real Estate Development Co., Ltd.	Sale of goods	123,048.68	-
Nanjing Huayu Real Estate Development Co., Ltd. (南京鉐隅房地產開發有限公司)	Sale of goods	40,826.95	2,226,213.33
Tianjin Yaopi Glass Co., Ltd.	Sale of goods	29,426.42	-
OCV Reinforcements (Beijing) Co., Ltd.	Sale of goods	17,798.24	26,007.08
Dahongmen (Beijing) Construction Development Co., Ltd. (大紅門(北京)建設發展有限公司)	Sale of goods	1,769.91	9,402.65
Nanjing Huayu Decoration Engineering Co., Ltd. (南京鉐隅裝飾工程有限公司)	Sale of goods	-	2,600,018.51
Total		245,494,275.66	285,213,544.09

Purchase/sale of goods and receipt/rendering of services from/to related parties by the Group are negotiated and determined based on market price, and carried out according to the agreed terms entered into between the Group and related parties.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Major transactions between the Group and related parties (Continued)

(2) Leases with related parties

As lessor

Name of the lessee	Category of leased assets	January to June 2025	Unit: RMB January to June 2024
		Rental income	Rental income
STAR-USG Building Materials Co., Ltd.	Building	7,418,309.49	5,962,199.34
Easyhome New Retail Group Corporation Limited	Mall facilities	12,960,955.35	-
Total		20,379,264.84	5,962,199.34

As lessee

Name of the lessor	Category of leased assets	January to June 2025	Unit: RMB January to June 2024
		Leasing expenses	Leasing expenses
Easyhome New Retail Group Corporation Limited	Building	10,926,250.36	18,798,032.38
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	Building	212,092.17	142,857.12
Total		11,138,342.53	18,940,889.50

The rentals from the assets leased out to or leased from related parties by the Group are negotiated and determined by making reference to market price, and carried out according to the agreed terms entered into between the Group and related parties.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Major transactions between the Group and related parties (Continued)

(3) Guarantees received from/provided to related parties

Guarantees provided to related parties

January to June 2025

Unit: RMB

Guarantor	Guaranteed party	Amount guaranteed	Starting date	Maturity date	Completion of performance of guarantee or not
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	15,000,000.00	15 October 2024	14 October 2025	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	10,000,000.00	15 November 2024	14 November 2025	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	15,000,000.00	16 December 2024	16 December 2025	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	20,000,000.00	16 May 2025	14 May 2026	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	10,000,000.00	17 June 2025	15 June 2026	No
BBMG	Nanjing Huayu Real Estate Development Co., Ltd. (南京鐸隅房地產開發有限公司)	210,000,000.00	11 October 2024	23 September 2029	No
Total		280,000,000.00			

January to June 2024

Unit: RMB

Guarantor	Guaranteed party	Amount guaranteed	Starting date	Maturity date	Completion of performance of guarantee or not
Beijing BBMG Real Estate Development Group Co., Ltd.	Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司)	1,942,165.09	11 October 2022	10 October 2025	No
BBMG	Nanjing Huayu Real Estate Development Co., Ltd. (南京鐸隅房地產開發有限公司)	377,236,600.00	21 March 2022	21 March 2025	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	5,000,000.00	10 July 2023	9 July 2024	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	10,000,000.00	27 October 2023	26 October 2024	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	25,000,000.00	27 November 2023	23 November 2024	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	15,000,000.00	15 December 2023	15 December 2024	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	20,000,000.00	27 May 2024	26 May 2025	No
Tangshan Jidong Cement Co., Ltd.	Anshan Jidong Cement Co., Ltd.	5,000,000.00	28 June 2024	28 June 2025	No
Total		459,178,765.09			

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Major transactions between the Group and related parties (Continued)

(4) Borrowing from/lending to related parties

Borrowings:

January to June 2025

Unit: RMB

Related parties	Balance	Commencement date	Maturity date
BSCOMC	120,550,000.00	2 December 2024	2 December 2025
BSCOMC	300,760,000.00	26 December 2024	25 December 2025
BSCOMC	60,000,000.00	1 April 2025	1 April 2026
BSCOMC	110,000,000.00	27 June 2025	27 June 2026
Total	591,310,000.00		

January to June 2024

Unit: RMB

Related parties	Balance	Commencement date	Maturity date
BSCOMC	70,000,000.00	22 September 2023	22 September 2024
BSCOMC	20,550,000.00	20 October 2023	20 October 2024
BSCOMC	60,000,000.00	1 April 2024	1 April 2025
BSCOMC	110,000,000.00	28 June 2024	27 June 2025
BSCOMC	300,760,000.00	28 December 2023	26 December 2024
Total	561,310,000.00		

Lending:

As at 30 June 2025, the balance of outstanding lending by the Group to Cross Point Trading 274 (Pty) Ltd (RF) amounted to RMB59,863,960.27, and the interest rate was 10.75%-11.25% per annum (2024: RMB83,520,004.34 at an annual interest rate of 11.25%-11.75%).

As at 30 June 2025, the balance of outstanding lending by the Group to Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) amounted to RMB348,908,000.00, with an annual interest rate of 6.00% (2024: RMB233,758,000.00 at an annual interest rate of 6.00%).

As at 30 June 2025, the balance of outstanding lending by the Group to Nanjing Huayu Real Estate Development Co., Ltd. (南京鉅隅房地產開發有限公司) amounted to RMB226,916,913.00, with an annual interest rate of 6.00% (2024: RMB301,916,913.00 at an annual interest rate of 6.00%).

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Major transactions between the Group and related parties (Continued)

(4) Borrowing from/lending to related parties (Continued)

Interest income from lending

Unit: RMB

Related parties	January to June 2025	January to June 2024
Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司)	8,574,520.11	6,689,301.26
Nanjing Huayu Real Estate Development Co., Ltd. (南京鉾隅房地產開發有限公司)	4,494,166.64	3,774,980.85
Cross Point Trading 274 (Pty) Ltd (RF)	3,250,575.22	6,117,095.14
STAR-USG Building Materials Co., Ltd.	-	343,531.42
Total	16,319,261.97	16,924,908.67

Interest expenses from borrowing

Unit: RMB

Related party	January to June 2025	January to June 2024
BSCOMC	5,513,496.04	7,755,799.07

Other related party transaction

Unit: RMB

Related party	January to June 2025	January to June 2024
Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司)	1,328,131.18	-

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Balances of receivables from and payment to related parties

Receivables financing

Unit: RMB

Related parties	30 June 2025	31 December 2024
Due from associates		
Jidong Cement Fufeng Transportation Co., Ltd.	87,579.00	74,702.00
Subtotal	87,579.00	74,702.00
Due from joint ventures		
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	7,174,298.91	3,860,205.90
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	4,357,829.64	-
Anshan Jidong Cement Co., Ltd.	2,408,204.17	-
Tangshan Caofeidian Dunshi New Building Material Co., Ltd.	250,644.77	-
Subtotal	14,190,977.49	3,860,205.90
Total	14,278,556.49	3,934,907.90

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Balances of receivables from and payment to related parties (Continued)

Accounts receivable

Unit: RMB

Related parties	30 June 2025		31 December 2024	
	Balance of carrying amount	Provision for bad debts	Balance of carrying amount	Provision for bad debts
Due from associates				
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	18,870,391.07	13,275,989.47	18,386,287.44	10,272,749.11
Nanjing Huayu Decoration Engineering Co., Ltd. (南京鐸隅裝飾工程有限公司)	1,858,418.20	1,119.68	1,858,418.20	-
Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司)	1,712,505.00	417,562.50	1,712,505.00	103,896.25
Beijing Jinzhu Xingye Real Estate Development Co., Ltd.	1,226,988.00	182,380.00	1,081,893.00	125,426.25
Nanjing Huayu Real Estate Development Co., Ltd. (南京鐸隅房地產開發有限公司)	682,237.64	49,555.52	3,773,731.74	-
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	607,230.00	57,798.50	493,515.00	24,955.75
Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司)	425,085.60	16,467.57	-	-
Zhongfang Huarui (Tangshan) Real Estate Co., Ltd.	142,377.45	56,950.98	142,377.45	32,108.21
Jidong Cement Fufeng Transportation Co., Ltd.	129,690.29	-	1,664,084.96	-
Beijing Sinobaide Technology Co., Ltd.	42,432.97	424.33	42,432.97	-
Tianjin Yaopi Glass Co., Ltd.	31,192.00	1,247.68	-	-
Toto Machinery (Beijing) Company Limited	-	-	13,560.00	-
Easyhome New Retail Group Corporation Limited	23,090,500.54	-	12,318,591.86	-
Subtotal	48,819,048.76	14,059,496.23	41,487,397.62	10,559,135.57
Due from joint ventures				
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	17,500,962.25	-	8,263,344.22	-
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	10,336,297.00	-	11,328,150.95	427,999.99
Anshan Jidong Cement Co., Ltd.	6,691,293.45	123.35	2,080,220.62	-
Cross Point Trading 274 (Pty) Ltd (RF)	2,057,343.45	1,633,003.12	6,963,704.40	1,562,764.76
Tangshan Caofeidian Dunshi New Building Material Co., Ltd.	1,997,825.27	-	2,682,508.55	-
STAR-USG Building Materials Co., Ltd.	15,140.00	366.40	-	-
Subtotal	38,598,861.42	1,633,492.87	31,317,928.74	1,990,764.75
Total	87,417,910.18	15,692,989.10	72,805,326.36	12,549,900.32

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Balances of receivables from and payment to related parties (Continued)

Prepayments

Unit: RMB

Related parties	30 June 2025		31 December 2024	
	Balance of carrying amount	Provision for bad debts	Balance of carrying amount	Provision for bad debts
Prepayments to associates				
Zehnder (China) Indoor Climate Co., Ltd.	28,971.78	292.64	17,707.20	-
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	15,000.00	-	-	-
Subtotal	43,971.78	292.64	17,707.20	-
Prepayments to joint ventures				
Anshan Jidong Cement Co., Ltd.	524,267.76	-	-	-
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	411,429.78	-	698,220.38	-
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	176,659.52	-	7,426,676.17	-
STAR-USG Building Materials Co., Ltd.	40,883.35	-	-	-
Tangshan Caofeidian Dunshi New Building Material Co., Ltd.	33,986.18	-	23,489.19	-
Subtotal	1,187,226.59	-	8,148,385.74	-
Total	1,231,198.37	292.64	8,166,092.94	-

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)**5. Balances of receivables from and payment to related parties (Continued)***Other receivables*

Unit: RMB

Related parties	30 June 2025		31 December 2024	
	Balance of carrying amount	Provision for bad debts	Balance of carrying amount	Provision for bad debts
Due from associates				
Zhongfang Huarui (Tangshan) Real Estate Co., Ltd.	440,735,133.00	4,416,649.57	440,355,531.95	4,416,649.57
Beijing Xinyuan Concrete Co., Ltd.	97,732,500.43	97,630,638.43	97,732,500.43	97,630,638.43
Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司)	58,763,998.09	-	-	-
Nanjing Huayu Real Estate Development Co., Ltd. (南京鐸隅房地產開發有限公司)	56,881,481.00	-	41,891,154.14	-
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	10,770,874.80	10,353,438.84	10,474,191.25	10,353,438.84
Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司)	4,944,349.19	-	3,618,080.01	-
Tianjin Shengxiang Plastic Pipes Industry Co., Ltd.	106,278,131.00	104,943,131.00	106,278,131.00	104,943,131.00
Nanjing Huayu Decoration Engineering Co., Ltd. (南京鐸隅裝飾工程有限公司)	685,607.08	-	-	-
Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司)	539,893.42	228,800.00	520,000.00	228,800.00
Beijing Sinobaide Technology Co., Ltd.	460,000.00	-	230,000.00	-
Jidong Cement Fufeng Transportation Co., Ltd.	451,250.00	-	-	-
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	218,936.70	13,101.37	285,672.26	2,856.72
Tangshan Conch Profiles Co., Ltd.	1,000.00	10.00	1,000.00	10.00
Beijing Chenyu Real Estate Development Co., Ltd.	-	-	265,632.15	-
Subtotal	778,463,154.71	217,585,769.21	701,651,893.19	217,575,524.56
Due from joint ventures				
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	64,552,260.00	-	1,275,260.00	-
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	46,044,844.00	-	1,408,644.00	-
Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司)	6,013,376.00	-	-	-
Dahongmen (Beijing) Construction Development Co., Ltd.	1,000,000.00	-	1,000,000.00	-
Hebei Xiongan Zhitong Technology Co., Ltd.	384,379.60	-	2,066,643.43	-
Tangshan Caofeidian Dunshi New Building Material Co., Ltd.	80,000.00	-	440,000.00	-
Anshan Jidong Cement Co., Ltd.	58,585.00	-	34,560.00	-
Subtotal	118,133,444.60	-	6,225,107.43	-
Total	896,596,599.31	217,585,769.21	707,877,000.62	217,575,524.56

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Balances of receivables from and payment to related parties (Continued)

Long-term receivables (including the amount due within one year)

Unit: RMB

	30 June 2025		31 December 2024	
	Balance of carrying amount	Provision for bad debts	Balance of carrying amount	Provision for bad debts
Related parties				
Due from associates				
Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司)	348,908,000.00	2,337,580.00	233,758,000.00	2,337,580.00
Nanjing Huayu Real Estate Development Co., Ltd. (南京鉅隅房地產開發有限公司)	226,916,913.00	1,319,169.13	301,916,913.00	1,319,169.13
Easyhome New Retail Group Corporation Limited	119,856,062.82	-	133,610,855.94	-
Subtotal	695,680,975.82	3,656,749.13	669,285,768.94	3,656,749.13
Due from joint ventures				
Cross Point Trading 274 (Pty) Ltd (RF)	59,863,960.27	-	83,520,004.34	-
Total	755,544,936.09	3,656,749.13	752,805,773.28	3,656,749.13

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Balances of receivables from and payment to related parties (Continued)

Accounts payable

Unit: RMB

Related parties	30 June 2025	31 December 2024
Due to associates		
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	15,216,052.41	14,933,496.65
Easyhome New Retail Group Corporation Limited	3,694,795.51	741,057.19
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	3,281,453.86	3,889,086.05
Beijing Sinobaide Technology Co., Ltd.	828,176.33	245,337.28
Beijing Chenyu Real Estate Development Co., Ltd.	786,439.84	-
Tianjin Shengxiang Plastic Pipes Industry Co., Ltd.	185,326.14	185,326.14
Zehnder (China) Indoor Climate Co., Ltd.	95,000.00	95,000.00
Tangshan Conch Profiles Co., Ltd.	13,317.73	1,017,955.21
Jidong Cement Fufeng Transportation Co., Ltd.	-	1,009.44
Subtotal	24,100,561.82	21,108,267.96
Due to joint ventures		
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	779,920.33	479,204.70
STAR-USG Building Materials Co., Ltd.	246,742.21	388,533.04
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	-	2,615,484.97
Anshan Jidong Cement Co., Ltd.	-	1,639,027.94
Subtotal	1,026,662.54	5,122,250.65
Total	25,127,224.36	26,230,518.61

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Balances of receivables from and payment to related parties (Continued)

Contract liabilities

Unit: RMB

Related parties	30 June 2025	31 December 2024
Associates		
Toto Machinery (Beijing) Company Limited	81,450.00	162,932.55
Beijing Chenyu Real Estate Development Co., Ltd.	76,905.43	46,143.26
Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司)	46,180.39	46,175.65
Zehnder (China) Indoor Climate Co., Ltd.	30,760.00	47,010.00
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	1,126.70	1,126.70
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	-	66,692.38
Subtotal	236,422.52	370,080.54
Joint ventures		
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	7,684,866.52	26,337.96
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	7,618,227.49	3,721,298.27
Anshan Jidong Cement Co., Ltd.	-	1,417,699.12
Subtotal	15,303,094.01	5,165,335.35
Total	15,539,516.53	5,535,415.89

Receipts in advance

Unit: RMB

Related parties	30 June 2025	31 December 2024
Associate		
Toto Machinery (Beijing) Company Limited	79,828.40	1,314,285.68
Joint venture		
Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司)	155,646.39	-
Total	235,474.79	1,314,285.68

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Balances of receivables from and payment to related parties (Continued)

Bills payable

Unit: RMB

Related parties	30 June 2025	31 December 2024
STAR-USG Building Materials Co., Ltd.	-	6,365,400.00
Total	-	6,365,400.00

Other payables

Unit: RMB

Related parties	30 June 2025	31 December 2024
Due to associates		
Beijing Chenyu Real Estate Development Co., Ltd.	465,627,660.02	416,500,000.00
Beijing Jinzhu Xingye Real Estate Development Co., Ltd.	269,533,954.04	73,533,954.04
Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司)	197,200,000.00	197,200,000.00
Tianjin Shengxiang Plastic Pipes Industry Co., Ltd.	1,386,323.95	1,386,323.95
Tianjin Xingye Longxiang Construction Engineering Co., Ltd.	294,357.66	96,282.52
OCV Reinforcements (Beijing) Co., Ltd.	134,200.00	5,000.00
Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd.	30,000.00	100,000.00
Easyhome New Retail Group Corporation Limited	4,200,000.00	4,200,000.00
Subtotal	938,406,495.67	693,021,560.51
Due to joint ventures		
BBMG Vanke Property Development Co., Ltd.	25,752,358.12	25,752,358.12
Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司)	650,697.15	-
Dahongmen (Beijing) Construction Development Co., Ltd.	286,704.24	-
Hebei Xiongan Zhitong Technology Co., Ltd.	190,923.09	-
Jidong Heidelberg (Jingyang) Cement Co., Ltd.	104,612.15	104,000.00
Jidong Heidelberg (Fufeng) Cement Co., Ltd.	100,448.91	100,000.00
Subtotal	27,085,743.66	25,956,358.12
Total	965,492,239.33	718,977,918.63

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Balances of receivables from and payment to related parties (Continued)

Short-term loans

Unit: RMB

Related parties	30 June 2025	31 December 2024
BSCOMC	591,310,000.00	591,310,000.00

As at 30 June 2025, except for short-term loans and the amount due from STAR-USG Building Materials Co., Ltd. in other receivables, and long-term receivables, other amounts due from and due to related parties are interest free, unsecured and have no fixed terms of repayment.

6. Remuneration for key management personnel

Unit: RMB

Item	January to June 2025	January to June 2024
Remuneration for key management personnel	12,202,298.40	9,830,631.06

XI. SHARE-BASED PAYMENTS

1. Equity instruments

Unit: RMB

Category of grantees	Granted during the period		Exercised during the period		Unlocked during the period		Lapsed during the period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Directors, senior management, core technical personnel and core business personnel of Tangshan Jidong Cement Co., Ltd. and its holding subsidiaries	26,580,000.00	90,637,800.00	-	-	-	-	-	-
Total	26,580,000.00	90,637,800.00	-	-	-	-	-	-

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XI. SHARE-BASED PAYMENTS (CONTINUED)

2. Equity-settled share-based payments

Unit: RMB

Determination method of fair value of equity instruments as at the grant date	Calculated as the closing price of the restricted shares on the grant date minus the grant price of the restricted shares.
Significant parameters on fair value of equity instruments as at the grant date	Closing price of the restricted shares on the grant date and the grant price of the restricted shares
Basis for determining quantity of exercisable equity instruments	At each balance sheet date during the vesting period, the Group estimates based on latest available subsequent information such as the change in the number of incentive participants who are entitled to exercise and the completion status of performance targets.
Reasons for significant discrepancies between estimate for the period and the previous period	N/A
Accumulated amount of equity-settled share-based payments	710,213.18
Total expenses recognised for equity-settled share-based payments for the period	710,213.18

Pursuant to the approval at the 2025 second extraordinary general meeting of Tangshan Jidong Cement Co., Ltd. held on 4 June 2025 and the Resolution in relation to Granting Restricted Shares to Incentive Participants Under the 2025 Restricted Share Incentive Scheme passed at the sixteenth meeting of the tenth session of the board of directors convened on 4 June 2025, Tangshan Jidong Cement Co., Ltd. will implement a restricted share incentive scheme for directors, senior management, core technical personnel and core business personnel of Tangshan Jidong Cement Co., Ltd. and its holding subsidiaries by repurchasing A-share ordinary shares from the secondary market. The number of restricted shares to be granted is 26,580,000 shares, and the grant price is RMB3.41 per share. The restricted shares granted to incentive participants under the incentive scheme will be subject to lock-up periods of 24 months, 34 months and 48 months from the date on which the registration of the corresponding relevant restricted shares are completed. Upon fulfillment of the specified performance vesting conditions, the release ratios will be 33%, 33% and 34% respectively. After the restrictions are released, Tangshan Jidong Cement Co., Ltd. will handle the release procedures for incentive participants who satisfy the release conditions, and the restricted shares held by incentive participants who fail to satisfy the release conditions will be repurchased and canceled by Tangshan Jidong Cement Co., Ltd.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XI. SHARE-BASED PAYMENTS (CONTINUED)

3. Share-based payment expense for the period

Unit: RMB

Category of grantees	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Directors, senior management, core technical personnel and core business personnel of Tangshan Jidong Cement Co., Ltd. and its holding subsidiaries	710,213.18	-

XII. COMMITMENTS AND CONTINGENCIES

1. Important commitments

Unit: RMB

Items	30 June 2025	31 December 2024
Asset acquisition or construction contracts entered into but not completed	228,810,460.29	617,694,269.02
Property development contracts entered into and being executed or will be executed	4,205,215,063.72	3,304,521,419.90
Total	4,434,025,524.01	3,922,215,688.92

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XII. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Contingencies

		Unit: RMB	
Items		30 June 2025	31 December 2024
Provision of guarantee on housing mortgage to third parties	Note 1	3,185,750,841.82	5,389,952,018.45
Provision of guarantee on loans and others to third parties	Note 2	660,000,000.00	700,000,000.00
Provision of guarantee on loans and others to related parties	Note 3	280,000,000.00	738,918,425.70
Total		4,125,750,841.82	6,828,870,444.15

Note 1: Certain customers of the Group have purchased the commodity housing developed by the Group by way of bank mortgage (secured loans). According to the bank requirement in respect of the secured loans of the individual purchase of housing, the Group has provided guarantees to secure the periodical and joint obligation of such secured loans granted by banks for home buyers. These guarantees will be released upon obtaining building ownership certificates and completion of formalities of mortgage by the home buyers. The management is of the opinion that in the event of default in payments, the net realizable value of the relevant properties is sufficient to cover the outstanding mortgage principals together with the accrued interests and penalties, and therefore no provision for the guarantees has been made in the financial statements.

Note 2: On 30 June 2025, Jidong Development Group Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on the borrowings of RMB660,000,000.00 for Tangshan Culture & Tourism Investment Group Co., Ltd. (唐山市文化旅遊投資集團有限公司). The guarantee will expire in May 2029.

Note 3: The Company provided a secured guarantee for the bank loan projects of Nanjing Huayu Real Estate Development Co., Ltd. (南京鉅隅房地產開發有限公司), an associate of the Group, amounting to RMB210,000,000.00. The guarantee will expire on 23 September 2029. Tangshan Jidong Cement Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on five borrowings of RMB15,000,000.00, RMB10,000,000.00, RMB15,000,000.00, RMB20,000,000.00 and RMB10,000,000.00, respectively, for Anshan Jidong Cement Co., Ltd., which will expire on 14 October 2025, 14 November 2025, 16 December 2025, 14 May 2026 and 15 June 2026, respectively.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIII. OTHER SIGNIFICANT MATTERS

1. Segment reporting

For management purposes, the Group is organised into business units based on their products and services, and has two segments, namely modern green building materials segment and property development and operation segment.

The management manages the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results are evaluated based on the segment profits reported. It represents the indicator after adjustments have been made to total profit, and other than the exclusion of overheads attributable to the headquarters, the indicator is consistent with the Group's total profit.

Segment assets and segment liabilities exclude unallocated assets and liabilities of the headquarters as these assets and liabilities are under the unified management of the Group.

Pricing for transfer between operating segments is agreed upon by both parties of transactions with reference to the fair price quoted from transactions with third parties.

For the six months ended 30 June 2025

Unit: RMB

Items	Modern green building materials	Property development and operation	Unallocated assets/liabilities/ expenses of the headquarters	Adjustments and elimination	Total
Revenue from external transactions	40,132,661,668.82	5,433,053,412.27	-	-	45,565,715,081.09
Revenue from intersegment transactions	824,855,880.96	68,542,111.05	-	(893,397,992.01)	-
Total	40,957,517,549.78	5,501,595,523.32	-	(893,397,992.01)	45,565,715,081.09
Gains on investment in joint ventures and associates	89,026,241.91	(180,287,109.27)	-	-	(91,260,867.36)
Asset impairment losses	(21,024,528.19)	(41,492,623.81)	-	-	(62,517,152.00)
Credit impairment losses	(47,182,116.97)	(3,824,909.04)	-	-	(51,007,026.01)
Depreciation and amortisation	2,290,533,209.40	293,564,946.54	20,158,561.01	-	2,604,256,716.95
Total profits	543,259,958.18	(1,503,562,043.50)	(249,248,629.41)	(120,824,374.76)	(1,330,375,089.49)
Income tax expense	307,594,427.63	363,412,904.38	(62,312,157.35)	(30,206,093.69)	578,489,080.97
Total assets	130,480,589,517.89	175,874,831,400.56	172,361,067.18	(34,391,927,407.18)	272,135,854,578.45
Total liabilities	84,183,535,212.37	102,935,728,669.06	28,178,618,808.99	(34,222,332,745.20)	181,075,549,945.22
Long-term equity investment in joint ventures and associates	1,470,752,310.06	8,115,029,220.87	-	-	9,585,781,530.93
Increase in other non-current assets, excluding long-term equity investments	3,672,331,414.84	1,010,063,190.00	-	-	4,682,394,604.84

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIII. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment reporting (Continued)

For the six months ended 30 June 2024

Unit: RMB

Items	Modern green building materials	Property development and operation	Unallocated assets/liabilities/ expenses of the headquarters	Adjustments and elimination	Total
Revenue from external transactions	34,662,777,153.73	10,899,630,178.06	-	-	45,562,407,331.79
Revenue from intersegment transactions	801,136,117.11	86,332,565.22	-	(887,468,682.33)	-
Total	35,463,913,270.84	10,985,962,743.28	-	(887,468,682.33)	45,562,407,331.79
Gains on investment in joint ventures and associates	18,589,380.25	117,018,768.25	-	-	135,608,148.50
Asset impairment losses	(53,195,185.62)	(260,432,520.07)	-	(17,000,000.00)	(330,627,705.69)
Credit impairment losses	(8,776,983.44)	(49,004,048.70)	-	-	(57,781,032.14)
Depreciation and amortisation	2,380,258,325.96	238,686,413.46	18,199,687.38	-	2,637,144,426.80
Total profits	(1,001,517,588.34)	341,975,451.38	(288,846,833.37)	(122,064,755.28)	(1,070,453,725.61)
Income tax expense	146,849,833.41	634,967,103.74	(72,211,708.35)	(30,516,188.82)	679,089,039.98
Total assets	116,334,740,728.94	176,933,755,503.60	717,041,422.87	(23,527,619,804.81)	270,457,917,850.60
Total liabilities	71,334,855,974.70	130,577,565,643.48	24,524,563,561.73	(49,703,690,159.29)	176,733,295,020.62
Long-term equity investment in joint ventures and associates	1,467,737,226.37	7,705,293,043.97	-	-	9,173,030,270.34
Increase in other non-current assets, excluding long-term equity investments	3,624,922,492.05	644,862,919.79	-	-	4,269,785,411.84

Other information

Information on products and labour services

Operating revenue by product/service is set out in Note V. 53.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIII. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment reporting (Continued)

Other information (Continued)

Geographic information

Unit: RMB

Region	January to June 2025	January to June 2024
Asia	45,557,393,152.19	45,554,453,218.77
Africa	8,321,928.90	7,954,113.02
Total	45,565,715,081.09	45,562,407,331.79

Revenues from external transactions are attributable to the geographic locations where the customers are located.

Major non-current assets of the Group are located in the PRC.

Information about major customers

From January to June 2025 and January to June 2024, none of the sales income arising from any single customer of the Group exceeds 10% of the Group's revenues.

2. Remuneration for key management personnel

Directors' and supervisors' remuneration for the period, disclosed pursuant to the Listing Rules of Hong Kong Stock Exchange and the Hong Kong Companies Ordinance, was as follows:

Unit: RMB

Items	January to June 2025	January to June 2024
Fees	300,000.00	300,000.00
Salaries, allowances and benefits in kind	1,176,900.00	1,238,682.00
Performance related bonuses	4,042,578.25	2,074,190.60
Pension scheme contributions	338,716.80	325,353.60
Total	5,858,195.05	3,938,226.20

Note: The remuneration for key management personnel for the period includes performance-based salary during the tenure.

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIII. OTHER SIGNIFICANT MATTERS (CONTINUED)

2. Remuneration for key management personnel (Continued)

(1) Independent non-executive directors

The fees paid to independent non-executive directors during the period are as follows:

Unit: RMB

Directors	January to June 2025	January to June 2024
Mr. Yu Fei	75,000.00	75,000.00
Mr. Liu Taigang	75,000.00	75,000.00
Mr. Hong Yongmiao	75,000.00	75,000.00
Mr. Tam Kin Fong	75,000.00	75,000.00
Total	300,000.00	300,000.00

(2) Executive directors, non-executive directors and supervisors

The remuneration details of each director and supervisor from January to June 2025 are disclosed as follows:

Unit: RMB

Directors	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
Executive directors					
Mr. Jiang Yingwu	-	124,296.00	800,028.48	33,871.68	958,196.16
Mr. Gu Yu	-	124,296.00	195,607.57	33,871.68	353,775.25
Mr. Zheng Baojin	-	105,654.00	691,552.63	33,871.68	831,078.31
Mr. Jiang Changlu	-	105,654.00	687,112.57	33,871.68	826,638.25
Total	-	459,900.00	2,374,301.25	135,486.72	2,969,687.97
Non-executive directors					
Mr. Gu Tiemin	-	-	-	-	-
Ms. Hao Liwei	-	156,000.00	146,325.00	33,871.68	336,196.68
Total	-	156,000.00	146,325.00	33,871.68	336,196.68
Supervisors					
Mr. Gao Jinliang	-	102,000.00	312,912.00	33,871.68	448,783.68
Mr. Qiu Peng	-	150,000.00	254,300.00	33,871.68	438,171.68
Mr. Wang Guijiang	-	105,000.00	329,608.00	33,871.68	468,479.68
Mr. Gao Junhua	-	102,000.00	312,912.00	33,871.68	448,783.68
Ms. Yu Yuehua	-	-	-	-	-
Mr. Fan Qinghai	-	102,000.00	312,220.00	33,871.68	448,091.68
Total	-	561,000.00	1,521,952.00	169,358.40	2,252,310.40

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIII. OTHER SIGNIFICANT MATTERS (CONTINUED)

2. Remuneration for key management personnel (Continued)

(3) Five highest paid employees

The remuneration details of the five highest paid employees for the period are as follows:

Items	Unit: RMB	
	January to June 2025	January to June 2024
Salaries, allowances and benefits in kind	972,815.57	883,720.00
Performance related bonuses	3,165,183.71	3,992,490.54
Pension scheme contributions	169,358.40	112,268.08
Total	4,307,357.68	4,988,478.62

The remuneration distribution of the non-director highest paid employees was as follows:

Remuneration amount of employees	Unit: RMB	
	January to June 2025	January to June 2024
Nil - HK\$500,000	-	-
HK\$500,000 - HK\$1,000,000	4	-
HK\$1,000,000 – HK\$1,500,000	1	5
Total	5	5

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

1. Other receivables

Unit: RMB		
Items	30 June 2025	31 December 2024
Interests receivable	682,830,559.41	2,156,740,736.50
Dividends receivable	123,585,496.36	80,333,159.14
Amounts due from subsidiaries	64,349,863,800.57	64,219,692,715.20
Other current account	191,457,706.96	243,721,020.30
Subtotal	65,347,737,563.30	66,700,487,631.14
Less: Provision for bad debts of other receivables	14,492,366.62	14,492,366.62
Total	65,333,245,196.68	66,685,995,264.52

An aging analysis of other receivables is as follows:

Unit: RMB		
Items	30 June 2025	31 December 2024
Within 1 year	23,862,297,745.59	21,884,393,715.24
1 to 2 years	9,116,848,917.00	16,269,912,705.99
2 to 3 years	9,807,204,033.89	1,298,932,104.02
3 to 4 years	1,255,334,500.00	7,187,608,090.20
4 to 5 years	6,538,099,509.01	7,956,072,849.66
Over 5 years	14,767,952,857.81	12,103,568,166.03
Subtotal	65,347,737,563.30	66,700,487,631.14
Less: Provision for bad debts of other receivables	14,492,366.62	14,492,366.62
Total	65,333,245,196.68	66,685,995,264.52

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Other receivables (Continued)

The movements in provision for bad debts of other receivables measured based on the lifetime expected credit loss are as follows:

Unit: RMB

Items	Stage one Expected credit loss for the next 12 months	Stage two Lifetime expected credit loss (Non credit-impaired)	Stage three Lifetime expected credit loss (Credit- impaired)	Total
Opening balance	-	-	14,492,366.62	14,492,366.62
Closing balance	-	-	14,492,366.62	14,492,366.62

As at 30 June 2025, the top five of other receivables were as follows:

Unit: RMB

Entity name	Closing balance	Proportion (%)	Nature	Aging
First	11,425,585,313.58	17.48	Amounts due from subsidiaries	Within 1 year, 1-2 years, 2-3 years
Second	7,424,753,998.67	11.36	Amounts due from subsidiaries	Within 1 year, 1-2 years, 2-3 years, 4-5 years, over 5 years
Third	6,428,678,158.77	9.84	Amounts due from subsidiaries	Within 1 year
Fourth	5,899,954,091.88	9.03	Amounts due from subsidiaries	Within 1 year
Fifth	3,952,838,256.62	6.05	Amounts due from subsidiaries	Within 1 year, 3-4 years, over 5 years
Total	35,131,809,819.52	53.76		

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Other receivables (Continued)

As at 31 December 2024, the top five of other receivables were as follows:

Unit: RMB

Entity name	Closing balance	Proportion (%)	Nature	Aging
First	10,773,847,353.15	16.15	Amounts due from subsidiaries	1-2 years
Second	6,386,192,679.16	9.57	Amounts due from subsidiaries	2-3 years, 4-5 years
Third	6,375,084,792.03	9.56	Amounts due from subsidiaries	Within 1 year
Fourth	5,731,986,888.05	8.59	Amounts due from subsidiaries	2-3 years, 3-4 years
Fifth	3,592,126,634.23	5.39	Amounts due from subsidiaries	2-3 years, over 5 years
Total	32,859,238,346.62	49.26		

2. Other current assets

Unit: RMB

Items	30 June 2025	31 December 2024
Entrusted loans	730,253,209.82	728,088,929.83
Total	730,253,209.82	728,088,929.83

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments

Cost method:

Unit: RMB

Company	Opening balance	Increase/decrease for the period	Closing balance	Percentage of shareholding (%)	Percentage of voting right (%)	Cash dividends for the period
Beijing BBMG Real Estate Development Group Co., Ltd.	14,323,721,838.38	-	14,323,721,838.38	100.00	100.00	-
Tangshan Jidong Cement Co., Ltd.	9,535,955,770.27	-	9,535,955,770.27	44.34	44.34	117,864,505.70
BBMG New Building Materials Industrialization Group Co., Ltd.	6,776,459,192.79	64,645,200.00	6,841,104,392.79	100.00	100.00	-
BBMG GEM Real Estate Development Co., Ltd.	6,165,138,411.45	-	6,165,138,411.45	100.00	100.00	-
Tianjin Building Materials Group (Holding) Co., Ltd.	6,098,120,595.40	-	6,098,120,595.40	83.21	83.21	-
Jidong Development Group Co., Ltd.	5,225,000,000.00	-	5,225,000,000.00	55.00	55.00	-
BBMG Investment Property Management Co., Ltd.	3,936,329,327.93	-	3,936,329,327.93	100.00	100.00	-
BBMG Finance Co., Ltd.	3,000,000,000.00	-	3,000,000,000.00	100.00	100.00	-
Beijing BBMG Innovation and Technology Incubator Co., Ltd.	1,700,000,048.47	-	1,700,000,048.47	100.00	100.00	-
Beijing BBMG Xingfa Science and Technology Co., Ltd.	1,421,740,918.29	-	1,421,740,918.29	95.70	95.70	-
BBMG Concrete	1,419,515,156.27	-	1,419,515,156.27	55.00	55.00	-
Beijing BBMG Finance Lease Co., Ltd. (北京金隅融資租賃有限公司)	800,000,000.00	-	800,000,000.00	100.00	100.00	24,000,000.00
Beijing BBMG Tongda Fire-resistant Technology Co., Ltd.	537,421,261.73	-	537,421,261.73	100.00	100.00	-
Beijing Doors and Windows Co., Ltd.	430,370,700.00	-	430,370,700.00	100.00	100.00	-
BBMG Finance Lease Co., Ltd.	393,876,000.00	-	393,876,000.00	60.00	60.00	18,000,000.00
Beijing Woodworking Factory Co., Ltd.	342,001,954.50	-	342,001,954.50	100.00	100.00	-
BBMG Hong Kong Limited	288,057,387.91	-	288,057,387.91	100.00	100.00	-
Beijing Building Materials Academy of Sciences Research Co., Ltd. (北京建築材料科學研究總院有限公司)	246,317,784.68	-	246,317,784.68	100.00	100.00	-
Beijing BBMG Xinggang Technology Development Co., Ltd.	166,166,021.38	-	166,166,021.38	55.68	55.68	1,866,837.83
Beijing Jingcai Talent Development Center Co., Ltd. (北京京才人才開發中心有限公司)	141,480,261.00	-	141,480,261.00	100.00	100.00	-
Beijing Building Materials Testing Academy Co., Ltd.	68,139,760.78	-	68,139,760.78	39.43	39.43	2,440,983.00
Beijing Yanshui Asset Management Co., Ltd.	32,707,342.45	-	32,707,342.45	100.00	100.00	-
Beijing BBMG Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅智造工場管理有限公司)	1,000,000.00	(1,000,000.00)	-	-	-	26,198,102.74
Beijing BBMG Xisanqi Intelligent Manufacturing Workshop Management Co., Ltd. (北京金隅西三旗智造工場管理有限公司)	1,000,000.00	(1,000,000.00)	-	-	-	-
Total under cost method	63,050,519,733.68	62,645,200.00	63,113,164,933.68			190,370,429.27

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

Equity method:

								Unit: RMB
Company	Opening balance	Increase investment	Decrease investment	Investment profit or loss under equity method	Other comprehensive income	Cash dividend declared	Provision for impairment	Carrying value at the end of the period
Joint venture								
STAR-USG Building Materials Co., Ltd.	63,875,126.51	-	-	5,859,305.03	-	-	-	69,734,431.54
Associates								
Easyhome New Retail Group Corporation Limited	2,283,820,505.23	-	-	18,962,127.81	-	-	-	2,302,782,633.04
CAMC BBMG Intelligent Manufacturing Workshop REIT	-	397,460,000.00	-	7,843,172.69	-	-	-	405,303,172.69
Beijing Innovation Industry Investment Co., Ltd.	253,982,993.36	-	-	3,636,414.66	-	(2,105,260.00)	-	255,514,148.02
Tangshan Conch Profiles Co., Ltd.	152,891,205.36	-	-	(576,732.41)	-	-	-	152,314,472.95
Toto Machinery (Beijing) Company Limited	152,344,457.61	-	-	(59,550,142.08)	-	-	-	92,794,315.53
Zehnder (China) Indoor Climate Co., Ltd.	68,437,800.98	-	-	(1,012,419.48)	-	-	-	67,425,381.50
OCV Reinforcements (Beijing) Co., Ltd.	87,102,135.17	-	-	537,173.92	-	(25,359,862.55)	-	62,279,446.54
Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司)	4,714,639.02	-	-	(468,887.54)	-	-	-	4,245,751.48
Subtotal for associates	3,003,293,736.73	397,460,000.00	-	(30,629,292.43)	-	(27,465,122.55)	-	3,342,659,321.75
Total under equity method	3,067,168,863.24	397,460,000.00	-	(24,769,987.40)	-	(27,465,122.55)	-	3,412,393,753.29

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Investment properties

Measured subsequently through fair value model:

Items	Unit: RMB	
	Buildings	
Opening balance	14,047,090,149.39	
Changes in fair value	140,127,899.03	
Closing balance	14,187,218,048.42	

All the above investment properties are located in the PRC, and leased out in form of operating leases.

As at 30 June 2025, there was no investment property for which the procedures for obtaining title certificates were incomplete.

5. Operating revenue and cost

Items	January to June 2025		January to June 2024	
	Revenue	Cost	Revenue	Cost
Rental income	431,951,237.68	52,669,302.76	443,115,986.76	46,249,306.08
Others	1,534,313.66	767,156.83	1,524,722.48	-
Total	433,485,551.34	53,436,459.59	444,640,709.24	46,249,306.08

Notes to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

6. Investment gains

Unit: RMB

Items	January to June 2025	January to June 2024
Gains from long-term equity investments under cost method	190,370,429.27	537,200,000.00
Investment gains from disposal of subsidiaries	357,290,531.45	(23,007,215.87)
Investment gains from financial assets at fair value through profit or loss during the holding period	2,312,868.41	3,152,571.32
Gains from long-term equity investments under equity method	(24,769,987.40)	70,722,616.97
Total	525,203,841.73	588,067,972.42

XV. EVENTS AFTER BALANCE SHEET DATE

As at the date of approval of this financial report, the Group did not have any event after balance sheet date required to be disclosed.

Supplementary Information to Unaudited Interim Financial Statements

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

SUPPLEMENTARY INFORMATION

1. Breakdown of Non-recurring Profit and Loss Item

Items	Unit: RMB Amount
Profit or loss from disposal of non-current assets, including the part written off for provision for impairment on assets	208,357,290.13
Government grants recognised through profit or loss for the current period (excluding those closely related to the Company's ordinary business operations, in line with national policies and entitled in accordance with established standard, and having a continuous impact on profit or loss	218,174,996.37
Profit or loss from change in fair value of financial assets and financial liabilities held by non-financial enterprises, as well as profit or losses from disposal of financial assets and financial liabilities, other than effective hedging business relating to the ordinary business operations of the Company	(27,473,874.72)
Capital occupancy fee from non-financial enterprises recognized through profit or loss for the current period	3,250,575.22
Reversal of provisions for impairment of receivables that are individually tested for impairment	59,880,978.43
Profit or loss from debt restructuring	1,972,253.05
Profit or loss from fair value change of investment properties measured subsequently through fair value mode	203,080,134.47
Gains arising from investment costs for acquisition of the subsidiaries, associates and joint ventures by the enterprise being less than its share of fair value of identifiable net assets of the investee on acquisition	14,346,710.40
Other non-operating income and expenses other than the above items	85,650,945.13
Other profit or loss items falling within the definition of non-recurring profit or loss	274,947,011.18
Impact of income tax	(260,546,754.93)
Impact of minority interests (after tax)	(77,302,989.72)
Total	704,337,275.01

Note 1: The Group recognised items of non-recurring profit or loss in accordance with provisions under the "Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public - Non-recurring Profit or Loss (公開發行證券的公司信息披露解釋性公告第1號—非經常性損益)" (CSRC Announcement [2023] No. 65). Items not listed in the "Explanatory Announcement No.1 on Information Disclosure for Companies Offering Securities to the Public - Non-recurring Profit or Loss (公開發行證券的公司信息披露解釋性公告第1號—非經常性損益)" but identified as items of non-recurring profit or loss with significant amount and items categorised as items of recurring profit or loss but listed as non-recurring profit or loss in the provisions are set out as below:

Supplementary Information to Unaudited Interim Financial Statements (Continued)

For the period from 1 January 2025 to 30 June 2025

Unit: RMB

SUPPLEMENTARY INFORMATION (CONTINUED)

1. Breakdown of Non-recurring Profit and Loss Item (Continued)

Unit: RMB

Items	Amount	Reason
Value-added tax refund income	89,898,859.96	In line with national policies and occurring on an ongoing basis
Gains from changes in fair value	11,649,161.07	Business within the operation scope of the finance company
Gains from hedging instruments	368,491.44	Business within the operation scope
Heating subsidies	3,876,300.00	In line with national policies and occurring on an ongoing basis

2. Return on Net Assets and Earnings per Share

January to June 2025

Items	Weighted average return on net assets (%)	Earnings per share Basic and diluted
After deducting other equity instrument indicators:		
Net profit attributable to ordinary shareholders of the Company	(4.76)	(0.19)
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss	(6.42)	(0.26)
Before deducting other equity instrument indicators:		
Net profit attributable to ordinary shareholders of the Company	(2.07)	(0.14)
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss	(3.05)	(0.21)

January to June 2024

Items	Weighted average return on net assets (%)	Earnings per share Basic and diluted
After deducting other equity instrument indicators:		
Net profit attributable to ordinary shareholders of the Company	(2.96)	(0.12)
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss	(5.73)	(0.24)
Before deducting other equity instrument indicators:		
Net profit attributable to ordinary shareholders of the Company	(1.11)	(0.08)
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss	(2.82)	(0.19)

In calculating the weighted average return on net assets and earnings per share excluding other equity instruments, the Company has excluded declared and provisioned dividends of perpetual bonds.

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