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**河北建設集團股份有限公司**

**HEBEI CONSTRUCTION GROUP CORPORATION LIMITED**

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

**(Stock Code: 1727)**

**ANNOUNCEMENT OF INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

The board of directors (the “**Board**”) of Hebei Construction Group Corporation Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries for the six months ended 30 June 2024. This announcement complies with the relevant content requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in relation to preliminary announcements of interim results.

**PUBLICATION OF THE INTERIM RESULTS AND REPORT**

This interim results announcement is published on the HKEXnews website of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company’s website ([www.hebjs.com.cn](http://www.hebjs.com.cn)).

The 2024 interim report containing all information required under the Listing Rules will be published on the HKEXnews website of the Hong Kong Stock Exchange and the Company’s website as mentioned above, and will be dispatched to H Shareholders of the Company who have indicated that they wish to receive a printed version of the corporate communications of the Company.

By order of the Board

**Hebei Construction Group Corporation Limited**

**LI Baozhong**

*Chairman and Executive Director*

Hebei, the PRC  
26 August 2024

*As of the date of this announcement, the executive directors are Mr. LI Baozhong, Mr. SHANG Jinfeng, Mr. ZHAO Wensheng, Mr. TIAN Wei and Mr. ZHANG Wenzhong; the non-executive director is Mr. LI Baoyuan; and the independent non-executive directors are Ms. SHEN Lifeng, Ms. CHEN Xin and Mr. CHAN Ngai Sang Kenny.*

## **FINANCIAL HIGHLIGHTS**

As of 30 June 2024, our revenue amounted to RMB11,015 million, representing a decrease of 26% as compared with the corresponding period of 2023.

As of 30 June 2024, our net profit amounted to RMB121 million, representing an increase of 9% as compared with the corresponding period of 2023.

As of 30 June 2024, our earnings per Share amounted to RMB0.07, which was the same as that of the corresponding period of 2023.

## BUSINESS OVERVIEW

### Part I Overview of Company's Business

We are a leading non-state-owned construction group in China and are principally engaged in the following businesses:

- Construction contracting business. We provide construction project contracting services mainly as a general contractor for building construction projects and infrastructure construction projects.
- Other businesses. We are also engaged in service concession arrangements and other businesses.

A substantial majority of our revenue is generated from the construction contracting business, which mainly comprises of building construction business, infrastructure construction business and specialized and other construction contracting business. In the first half of 2024, our new contract value was RMB13,960 million, representing a decrease of 2.62% as compared with RMB14,335 million for the corresponding period of last year.

New contract value (by region):

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
<i>(RMB100 million)</i>	<b>139.60</b>	143.35
Share of Beijing-Tianjin-Hebei	<b>88.91%</b>	91.24%
Share of other regions	<b>11.09%</b>	8.76%

New contract value (by segment):

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
<i>(RMB100 million)</i>	<b>139.60</b>	143.35
Share of building construction	<b>55.98%</b>	53.54%
Share of infrastructure construction	<b>18.77%</b>	32.21%
Share of specialized and other construction	<b>25.25%</b>	14.25%

### ***Building Construction Business***

We provide construction contracting services for residential, public works, industrial and commercial construction projects. We undertake most of such construction projects as a general contractor. As a general contractor, we undertake all main aspects of construction projects, including building construction, foundation work, curtain wall construction, building decoration and fire engineering. We are also responsible for engaging subcontractors in providing construction services and the labor force for construction projects, coordinating the works of all parties, providing the major equipment and machinery, procuring raw materials and ensuring that construction projects are carried out on schedule. In the first half of 2024, the new contract value from the building construction business was RMB7,815 million, compared with RMB7,675 million for the corresponding period of last year.

New contract value of the building construction business (by segment):

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
<i>(RMB100 million)</i>	<b>78.15</b>	76.75
Share of residential construction	<b>34.54%</b>	27.18%
Share of public building construction	<b>46.87%</b>	50.97%
Share of industrial building construction	<b>18.59%</b>	21.74%
Share of commercial building construction	<b>0.00%</b>	0.11%

### ***Infrastructure Construction Business***

In addition to our core building construction business, we are also providing construction contracting services for municipal and transportation infrastructure projects, including facilities for water supply and treatment, gas and heating, urban pipelines, landscaping, roads, bridges and airport runways. We undertake most of such construction projects as a general contractor. Our infrastructure construction customers are primarily local governments. In the first half of 2024, the new contract value from the infrastructure construction business was RMB2,620 million, compared with RMB4,617 million for the corresponding period of last year.

New contract value of the infrastructure construction business (by segment):

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
<i>(RMB100 million)</i>	<b>26.20</b>	46.17
Share of municipal infrastructure construction	<b>62.43%</b>	69.91%
Share of transportation infrastructure construction	<b>37.57%</b>	30.09%

### ***Specialized and Other Construction Contracting Business***

We also undertake construction contracting projects by leveraging our qualifications and experience in specialized areas such as electrical and mechanical installation, construction of steel structures and decoration. Our electrical and mechanical installation works generally cover the supply, installation and maintenance of equipment for power plants, pipelines for heating and natural gas, as well as air-conditioning, mechanical ventilation and exhaust air systems. The construction of steel structures generally refers to the building of the structural supporting elements comprising steel columns, girders and beams of a construction project. Decoration usually refers to the decoration and fixture handling after the completion of the major construction of the building. In the first half of 2024, the new contract value from the specialized and other construction contracting business was RMB3,525 million, compared with RMB2,042 million for the corresponding period of last year.

New contract value of the specialized and other construction contracting business (by segment):

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
<i>(RMB100 million)</i>	<b>35.25</b>	20.42
Share of electrical and mechanical installation	<b>25.20%</b>	35.37%
Share of steel structures	<b>0.17%</b>	4.10%
Share of decoration	<b>5.25%</b>	23.73%
Share of other construction business	<b>69.38%</b>	36.79%

*Representative projects of new contracts*

<b>Business segment</b>	<b>Name of project</b>	<b>Contract value (RMB100 million)</b>	<b>Region</b>
Residential building	Shengtai Orchid Garden Project and Outdoor Supporting Facilities (晟泰蘭園項目及室外配套設施)	3.65	Hebei
	General Contracting of Phase III and Phase VI of Hengshui Yongjin Peninsula Project (衡水雍錦半島項目三期、六期總包工程)	7.45	Hebei
	General Contracting of Phase IV and Phase V of Hengshui Yongjin Peninsula Project (衡水雍錦半島項目四期、五期總包工程)	5.14	Hebei
Public building	EPC General Contracting for the Construction and Upgrading Project of Infrastructure and Related Supporting Facilities of Beiqingshan Scenic Area (北青山景區基礎設施及相關配套設施建設提升項目EPC工程總承包)	7.42	Hebei
	Supporting Infrastructure Construction Project of North China Electric Power University Science and Technology Industrial Park (General Contracting) (華北電力大學科技產業園配套基礎設施建設項目(工程總承包))	13.70	Hebei
	Civil Work of the Huailai Shangyun Big Data Center Project (懷來尚雲大數據中心項目土建工程)	3.60	Hebei
Electrical and mechanical installation	100,000-kilowatt Smart Operation Wind Storage Project in Wuji County (無極縣10萬千瓦智慧運營風儲項目)	5.80	Hebei
Water and electricity	Fu River Treatment Project (府河治理工程)	8.04	Hebei

*Representative projects of construction in progress*

<b>Business segment</b>	<b>Name of project</b>	<b>Executive contract value (RMB100 million)</b>	<b>Region</b>
Public building	Phase II Construction of Fuxing Campus of Affiliated Hospital of Hebei University of Engineering (河北工程大學附屬醫院復興院區二期工程施工)	7.03	Hebei
	Project of Baoding Hospital under China Academy of Chinese Medical Sciences Guang'anmen Hospital (中國中醫科學院廣安門醫院保定醫院項目)	19.43	Hebei
	Project of Overall Relocation of Wen'an County Hospital (文安縣醫院整體遷建工程)	6.57	Hebei
	General Contracting (EPC) of Design and Construction of the Construction Project of the New Campus of Shunping County Hospital (順平縣醫院新院區建設項目設計、施工總承包 (EPC))	6.07	Hebei
	General Contracting of Design and Construction for the Relocation Project of Dacheng County Hospital (大城縣醫院遷建項目設計施工總承包)	6.37	Hebei
	EPC General Contracting of Phase II Construction Project of Gu'an County People's Hospital New County Hospital (固安縣人民醫院新縣醫院二期建設項目EPC總承包)	4.33	Hebei
	Minfeng County Road and Railway Transport Logistics Park (Rural Revitalization Industry Base) Construction Project (EPC General Contracting Section) (民豐縣公鐵聯運物流園(鄉村振興產業基地)建設項目(EPC總承包標段))	4.33	Xinjiang Uygur Autonomous Region
	Construction Project of Phase II of the New Campus of Baoding Qingyuan District People's Hospital (保定市清苑區人民醫院新院區二期建設項目)	5.18	Hebei
	Construction of Area A of Diangu Financial Center (電谷金融中心A區施工)	6.82	Hebei

<b>Business segment</b>	<b>Name of project</b>	<b>Executive contract value (RMB100 million)</b>	<b>Region</b>
	Construction of 101 Medical General Building, Zhengding New District Hospital (North Phase I) of the No. 2 Hospital of Hebei Medical University (河北醫科大學第二醫院正定新區醫院(北區一期)101醫療綜合樓施工)	7.68	Hebei
	Cangzhou Economic and Trade Vocational Education Park Project – Cangzhou Polytechnic University (滄州市經貿職業教育園項目—滄州工貿學校)	4.32	Hebei
	Construction of Medical Complex Building, Scientific Research Building, Medical Isolation Building, etc. of the Relocation Project of Hohhot Second Hospital (呼和浩特市第二醫院遷建項目醫療綜合樓、科研樓、醫護隔離樓等工程施工)	7.11	Inner Mongolia Autonomous Region
	General Contracting for the Construction of the Inpatient Complex Project of the Affiliated Hospital of Hebei University (河北大學附屬醫院住院綜合樓項目施工總承包)	4.30	Hebei
	Construction of Outpatient Complex and Ophthalmology Building Project of the East Campus of Baoding No.1 Central Hospital (保定市第一中心醫院東院門診綜合樓和眼科大樓項目施工)	3.99	Hebei
	Tsinghua University Science Museum and Service Building Project (清華大學科學博物館及服務配套樓項目)	3.95	Beijing



<b>Business segment</b>	<b>Name of project</b>	<b>Executive contract value (RMB100 million)</b>	<b>Region</b>
Residential building	Gaoyang County Dongwangcaozhuang Shanty Town Renovation and Supporting Infrastructure Construction Project (Section II) (高陽縣東王草莊棚戶區改造及配套基礎設施建設項目(二標段))	5.61	Hebei
	General Contracting of Phase II of North Area of Hengshui Yongjin Peninsula Project (衡水雍錦半島北區II期項目總包工程)	6.23	Hebei
	Shengtai Orchid Garden Project and Outdoor Supporting Facilities (晟泰蘭園項目及室外配套設施)	3.65	Hebei
	General Contracting of the Zizaifengjing Project (自在峰璟工程總承包)	4.86	Hebei
	General Contracting of the Construction Project of South Zone of Lot A in the West Side of Beihu Core Area, Tianqiao District, Jinan (濟南市天橋區北湖核心區西側片區地塊A南區建設項目施工總承包工程)	10.97	Shandong
	General Contracting of the Construction of Yuqi Huixi Avenue Affordable Rental Housing Project (玉祁惠西大道保障性租賃住房工程項目施工總承包工程)	3.26	Jiangsu
	Commercial building	Construction Contract of Linzhi Red Star Macalline International Furniture Shopping Plaza Construction Project (林芝紅星美凱龍國際家居購物廣場建設項目施工合同)	1.41
Hengbai International Plaza Construction Project (衡百國際廣場建設項目)		2.35	Hebei

<b>Business segment</b>	<b>Name of project</b>	<b>Executive contract value (RMB100 million)</b>	<b>Region</b>
Industrial building	EPC General Contracting of Section One of Phase II of the Hebei Mancheng Economic Development Zone Infrastructure Transformation and Upgrade Project (河北滿城經濟開發區基礎設施改造提升項目二期一標段EPC總承包)	7.82	Hebei
	Civil Work of the Huailai Shangyun Big Data Center Project (懷來尚雲大數據中心項目土建工程)	3.60	Hebei
	Standardized Factory Project of Dangshan Economic Development Zone Modern Equipment Manufacturing Industrial Park (EPC) (陽山經濟開發區現代裝備製造產業園標準化廠房項目(EPC))	3.47	Anhui
	EPC General Contracting of the Dezhou Emergency Supplies Reserve and Cold Chain Logistics Supporting Base Project (德州市應急物資儲備及冷鏈物流保障基地項目EPC總承包)	3.00	Shandong
	General Contracting for Construction of Hua'an Industrial Baoding Hi-Tech Digital Intelligence Valley Project (華安產業保定高新數智谷項目施工總承包工程)	3.04	Hebei

<b>Business segment</b>	<b>Name of project</b>	<b>Executive contract value (RMB100 million)</b>	<b>Region</b>
Transportation infrastructure construction	Section Four of Construction of Runway and Underpass of Harbin Taiping International Airport Expansion Project (Phase II) (哈爾濱太平國際機場二期擴建工程場道及下穿通道工程施工四標段)	4.46	Heilongjiang
	New Hohhot Airport Airfield Runway Project (FXQ-CD-03) Section Construction (呼和浩特新機場飛行區場道工程(FXQ-CD-03)標段施工)	4.88	Inner Mongolia Autonomous Region
	Section 003 of the Airfield Project of T3B Terminal and Fourth Runway of Chongqing Jiangbei International Airport (重慶江北國際機場T3B航站樓及第四跑道工程飛行區場道工程003標段)	6.16	Chongqing
	Construction of Earthwork and Foundation Treatment Works in the Airfield of the Expansion Project of Xining Caojiabao Airport (Phase III) (Section One) (西寧曹家堡機場三期擴建工程飛行區土方及地基處理工程施工(一標段))	3.46	Qinghai
	Panzhou Guanshan Civil Airport Airfield Runway Engineering Construction Project (Section III) (盤州官山民用機場項目飛行區場道工程施工(三標段))	2.69	Guizhou
	Construction of Runway of Dongyang Hengdian General Airport Construction Project (東陽橫店通用機場建設項目場道工程)	2.67	Zhejiang

<b>Business segment</b>	<b>Name of project</b>	<b>Executive contract value (RMB100 million)</b>	<b>Region</b>
Municipal infrastructure construction	EPC General Contracting of the Innovative Manufacturing Industrial Park Infrastructure Construction Project (創新製造產業園基礎設施建設項目EPC總承包)	13.62	Hebei
	EPC General Contracting of Baoding South Second Ring Pipeline Network and Supporting Municipal Infrastructure Upgrading and Transformation Project (保定市南二環管網及配套市政基礎設施提升改造工程EPC工程總承包)	8.81	Hebei
	Section Two of General Contracting of Road Construction (Phase I) of the Baoding Culture and Sports New City and Supporting Infrastructure Construction Project (保定市文體新城及配套基礎設施工程建設項目道路(一期)工程施工總承包二標段)	3.49	Hebei
	Section Two of General Contracting of Design and Construction of Urban and Rural Integrated Pipeline Network and Ancillary Facilities Transformation Project in Jingxiu District of Baoding (保定市競秀區城鄉一體化管網及配套設施改造工程設計施工總承包二標段)	3.02	Hebei
	EPC General Contracting for Water Quality Upgrading and Ancillary Facilities Construction Project of Chengxi Sewage Plant in Laishui County (涞水縣城西污水廠水質提標及附屬設施建設工程EPC施工總承包)	1.47	Hebei

<b>Business segment</b>	<b>Name of project</b>	<b>Executive contract value (RMB100 million)</b>	<b>Region</b>
Electrical and mechanical installation	EPC General Contracting Project of Electromechanical Engineering of High-efficiency Solar Cell Material Project with Annual 5GW Output of Yingli Energy Development (Baoding) Co., Ltd. (英利能源發展(保定)有限公司年產5GW高效太陽能電池材料項目機電工程EPC總承包項目)	3.84	Hebei
Specialized and other construction business	Baoding City Major Water System Construction Project – Water Network Protection and Water Quality Improvement for Inflow to Baiyang Lake Work (General Contracting) (保定市大水系建設項目—水網防護及入澗水質提升工程(工程總承包))	11.60	Hebei
	General Contracting of Ecological and Greenery Engineering of the Baoding Shenzhen High-Tech Innovation Industrial Park Infrastructure Construction Project (保定深圳高新技術科技創新產業園基礎設施建設項目生態綠化工程工程總承包)	4.31	Hebei
	Fu River Treatment Project (府河治理工程)	8.04	Hebei
	Construction of New Surface Water Plant and Ancillary Works in Qingyuan District of Baoding (Water Supply Pipeline and Water Plant Foundation Treatment Work Section) (保定市清苑區新建地表水廠及配套工程施工(輸水管線和水廠地基處理工程部分))	1.70	Hebei

*Representative projects of completed projects*

<b>Business segment</b>	<b>Name of project</b>	<b>Executive contract value</b> <i>(RMB100 million)</i>	<b>Region</b>
Public building	Construction Project of International Student and Graduate Student Building of South Campus of Inner Mongolia University (內蒙古大學南校區留學生和研究生樓建設項目)	1.60	Inner Mongolia Autonomous Region
Residential building	2018 Shanty Town Renovation of Zhongshan Road East Area A Construction Project in Xiajin County (夏津縣2018年度棚戶區改造中山路以東片區A區建設項目)	8.70	Shandong
	Buildings 9# and 10# and Underground Parking Garage Construction of Pengjiashai Geological Community Project (彭家寨地質小區項目9#、10#樓及地下車庫建設工程)	1.46	Qinghai
Industrial building	Civil Construction Bid Section of 1208 Bulk Cargo Storage Work of the Dagang Phase III Iron Ore Processing and Bulk Cargo Storage Technical Renovation Project (大港三期鐵礦粉加工和散雜物倉儲技改項目1208場散雜物倉儲工程土建施工標段)	1.12	Jiangsu
Municipal infrastructure construction	Construction Project of Western China (Guangyuan) Green Home Industry Startup Zone (中國西部(廣元)綠色家居產業城啟動區建設項目)	10.50	Sichuan
Other construction business	Comprehensive Treatment of Baoding Fu River Water System (Phase II) – Huanghuagou Ecological Facility Comprehensive Improvement Project (General Contracting) (保定市府河水系綜合治理(二期)–黃花溝生態設施綜合提升工程(工程總承包))	9.06	Hebei

## **Part II Research and Development Achievements and Awards**

In the first half of 2024, the Company achieved remarkable results in various aspects of technology innovation, including implementation of technology research and development projects, construction and operation of technology platform and application and licensing of intellectual property.

1. Provincial science and technology projects: 8 of our projects were admitted by the Hebei Provincial Department of Housing and Urban-Rural Development as construction technology projects, 15 of our projects were admitted as new technology application demonstration projects, and 5 of our projects were admitted by Hebei Construction Industry Association as technology projects in 2024.
2. Enterprise level science and technology projects: in 2023, we incurred research and development expenses of RMB388 million for 359 enterprise level science and technology projects. In the first half of 2024, we initiated 213 enterprise level research and development projects and carried out research and development activities in an orderly manner.
3. Technology progress and awards: one of our project received 2023 Hebei Science and Technology Cooperation Award (Professor Cheng Shuiping of Tongji University), 28 of our projects received the Scientific and Technological Progress Awards for construction industry in Hebei Province in 2024, including 3 first-class awards; 15 new technology application demonstration projects, one green construction technology demonstration project and 4 technology research and development plan projects passed the acceptance inspection by the Hebei Provincial Department of Housing and Urban-Rural Development, and 10 achievements were assessed to be at an advanced level in China.
4. Construction and operation of technology platform: we exclusively approved as the postgraduate workstation for the construction industry in Hebei Province, carried out platform construction and operation with increased efforts, completed the relevant data reporting for national enterprise technology center, summarized and submitted the performance evaluation materials for the 2023 provincial technology innovation center of technology innovation center, and the assessment for admission and graduation of the postdoctoral workstations were carried out in an orderly manner.
5. Intellectual property: we patented our key technologies in a timely manner. As of the end of June 2024, we obtained 70 new patents (including 4 invention patents), and submitted 32 patent applications.

### **Part III Outlook**

In the first half of 2024, under the hard work of all our cadres and employees, the Company achieved steady development in all its businesses. Firstly, most of the units are operating smoothly, with plans and measures in place to achieve the annual economic targets. Secondly, the quality and scale of the projects undertaken by the Group in the market have steadily increased compared to the corresponding period of last year.

In the coming period, the Group as a whole will focus on solidly improving organizational construction and various system works, continuously improving its cash flow adequacy, so as to smoothly tide over the economic cycle, and embark on a new journey towards steady and long-term development.

Firstly, the Group will continue to develop existing regional and industrial markets by encouraging competition among companies. Relying on the regional organizations widely distributed across counties, districts, and cities in Hebei Province and all provinces and cities across the country, the Group obtains constant market information and accumulates ever-changing market resources, while adhering to stringent market undertaking requirements to ensure that high-quality projects are undertaken.

Secondly, the Group will strongly advocate for innovative and entrepreneurial organizations to explore new fields in the upstream and downstream industries. The Company encourages organizations at all levels and employees to leverage the broad platform of the Group, take advantage of government preferential policies, give full play to their own intelligence, resources and expertise to carry out innovation and entrepreneurship around the upstream and downstream industries, as well as also provide convenience and policy support for organizations and individuals who are brave enough to break out of their comfort zones. In particular, the Group fully supports young talents in leveraging their learning abilities and creativity on the Company's broad platform, through new perspectives, knowledge, and methods to identify market needs, solve "key-point" problems of customers, boldly become innovators and take the lead in innovation.

Thirdly, it is important to maintain a constant focus on safety and continuously improve the quality of project delivery. We will continue to effectively implement safety production standardization and VIS image construction at the construction site, actively build high-quality projects at all levels, and strive for projects that satisfy the basic conditions for excellence and applying for awards. In particular, we endeavour to cherish each opportunity to apply for awards outside the Hebei province in order to enhance our capabilities and brand awareness.

In the second half of the year, the Company will continue to uphold the work principles of "Improving Quality and Efficiency, and Achieving Stability for Sustainable Development", wholeheartedly focus on development, and deliver excellent performance to serve the society, reward our Shareholders and benefit our employees!



## FINANCIAL REVIEW

### Revenue, Cost of Sales and Gross Profit

The revenue for the six months ended 30 June 2024 amounted to RMB11,015 million, representing a decrease of approximately RMB3,933 million as compared with the corresponding period of last year, which was mainly due to the decrease in segment revenue from construction contracting of RMB3,894 million.

### Segment operating results of construction contracting business

	Six months ended 30 June 2024				Six months ended 30 June 2023			
	Revenue	Cost	Gross profit margin	Percentage	Revenue	Cost	Gross profit margin	Percentage
	<i>RMB100 million</i>	<i>RMB100 million</i>	%	%	<i>RMB100 million</i>	<i>RMB100 million</i>	%	%
Building construction business	69.84	66.28	5.1	64.6	94.30	89.85	4.7	64.2
Infrastructure construction business	30.99	28.80	7.1	28.7	41.09	38.46	6.4	27.9
Specialized and other construction business	7.25	6.86	5.4	6.7	11.63	11.09	4.6	7.9
Total	<u>108.08</u>	<u>101.94</u>	5.7		<u>147.02</u>	<u>139.40</u>	5.2	

The revenue from construction contracting business for the six months ended 30 June 2024 decreased by RMB3,894 million, which was mainly due to the decrease in the newly undertaken projects of the Group as compared to the same period of last year.

The change in revenue from construction contracting segment is analyzed as follows:

- (1) For building construction business, being the largest revenue contributor to construction contracting business, during the Reporting Period, affected by the macro-economic situation, the property market remained in the doldrums, with a decrease in new projects and a slowdown in construction progress. As a result, revenue from the building construction business decreased by RMB2,446 million as compared to the same period of last year;
- (2) The revenue from infrastructure construction business decreased by RMB1,010 million as compared to the same period of last year, which was mainly due to the slowdown in the growth rate of infrastructure investment and the decrease in new contract value as compared to the same period of last year;

- (3) In the first half of 2024, the revenue from specialized and other construction business decreased by RMB438 million as compared to the same period of last year. Such business mainly includes mechanical and electrical installation and steel structure, which has a shorter construction period. The number of new projects of specialized and other construction business secured during the Reporting Period was lower than that of the first half of 2023, resulting in lower revenue as compared to the same period of last year.

### **Selling and Distribution Expenses**

The selling and distribution expenses for January to June 2024 amounted to RMB0.97 million, representing a slight increase as compared to the same period of last year.

### **General and Administrative Expenses**

In the first half of 2024, the Group's general and administrative expenses amounted to RMB212 million, representing a decrease of RMB67.57 million as compared to the same period in 2023, which was mainly attributable to the decrease in employee benefits, welfare and social insurance fees in the current period.

### **Research and Development Expenses**

The research and development expenses of the Group for the first half of 2024 amounted to RMB33.22 million, representing a decrease of RMB36.10 million as compared to the corresponding period of 2023. The research and development expenses are mainly the costs incurred for research of special projects or production process by the Group, including the cost of materials utilised and salary of senior engineers involved in research and development. The decrease in research and development expenses was mainly due to fewer new research and development projects during the Reporting Period.

### **Impairment Losses of Credit Losses**

Impairment losses of credit losses for January to June 2024 amounted to RMB76.76 million, representing a decrease of RMB10.28 million as compared to the same period of 2023, which was mainly due to the decrease in individual bad debt provision for customers with significant risk of default in the current period based on the Group's assessment on customer's operating conditions and payment collection.

### **Impairment Losses on Assets**

The reversal of impairment losses on assets for January to June 2024 amounted to RMB36.78 million, as compared to the reversal of impairment losses on assets of RMB9.67 million incurred in the same period of 2023, which was mainly due to the decrease in revenue in the current period, resulting in a decrease in the original value of contract assets and a decrease in the newly accrued bad debt provision of contract assets.

### **Investment Loss**

The investment losses for January to June 2024 amounted to RMB1.90 million, as compared to the investment losses of RMB8.38 million for the same period of 2023, which was mainly due to the decrease in long-term equity investments loss under the equity method as compared to the same period of last year.

### **Income Tax Expenses**

The income tax expenses for January to June 2024 amounted to RMB35.09 million, representing a decrease of RMB10.69 million as compared to the same period of last year, which was mainly due to the utilisation of unrecognised deductible tax losses by some subsidiaries in the current period, resulting in a decrease in income tax expenses for the current period as compared to the previous period.

### **Net Profit**

Based on the above factors, net profit for the first half of 2024 was RMB121 million, representing an increase of approximately RMB9.69 million as compared with the same period of last year.

### **Liquidity, Financial Sources and Capital Structure**

The Group finances operations primarily through cash generated from operating activities and interest-bearing borrowings. As at 30 June 2024 and 31 December 2023, the Group had cash and cash equivalents of approximately RMB4,840 million and approximately RMB6,528 million, respectively. For the liquidity and capital structure of the funds of the Group, please refer to the “Financial Ratios” below.

### **Currency Funds**

As at 30 June 2024, the currency funds of the Group were RMB6,143 million, representing a decrease of RMB1,546 million as compared with that at the end of 2023, which was mainly due to the net cash outflows resulted from operating activities.

### **Financial Policy**

The Group regularly monitors cash flow and cash balances. Furthermore, it is dedicated to maintaining the optimal liquidity level required for working capital and keeping its business and multiple growth strategies at a stable and healthy level during the Reporting Period. In the future, the Group intends to finance operations through cash generated from operating activities and interest-bearing borrowings.

### **Long-term Equity Investments**

As at 30 June 2024, the long-term equity investments were RMB470 million, representing a decrease of RMB30.77 million as compared with that at the end of 2023, which was mainly due to the disposal of the long-term equity investments in Rongcheng County Hengda Construction Investment Co., Ltd. in the current period.

### **Accounts Receivable and Long-term Receivables**

As at 30 June 2024, the net value of accounts receivable was RMB7,164 million, representing a decrease of RMB314 million as compared with that at the end of 2023, and the overall change was insignificant.

The balance of long-term receivables (including the portion due within one year) was RMB219 million, representing a decrease of RMB2.58 million as compared with that at the end of 2023, and the overall change was insignificant.

### **Other Receivables**

As at 30 June 2024, the balance of other receivables was RMB2,408 million, representing an increase of approximately RMB110 million as compared to that at the end of last year, and the overall change was insignificant.

### **Contract Assets and Construction Services Contract Liabilities**

The net value of contract assets as at 30 June 2024 was RMB40,494 million, representing a decrease of approximately RMB1,614 million as compared with that at the end of 2023, which was mainly due to the decrease in revenue during the Reporting Period. Contract liabilities as at 30 June 2024 were RMB6,937 million, representing an increase of approximately RMB233 million as compared with that at the end of 2023, which was mainly due to certain new projects with receipt in advance undertaken in the current period.

### **Other Equity Instrument Investments**

The carrying value of other equity instrument investments as at 30 June 2024 was RMB594 million, representing an increase of approximately RMB5.40 million as compared with that at the end of 2023, which was mainly due to the increase in the fair value of certain other equity instrument investments held as a result of the impact of the market situation.

### **Borrowings**

The bank borrowings of the Group mainly include long-term and short-term borrowings from financial institutions.

As at 30 June 2024, the Group's interest-bearing borrowings were approximately RMB5,941 million (31 December 2023: approximately RMB5,736 million).

### **Bills and Accounts Payable**

The balance of accounts payable as at 30 June 2024 was RMB30,776 million, representing a decrease of RMB3,712 million as compared with that at the end of 2023. Such change was mainly due to the decrease in business volume which led to a corresponding decrease in procurement amount during the Reporting Period; in addition, affected by the economic downturn, downstream suppliers were under financial pressure and the proportion of cash paid for major materials and subcontracting increased. The balance of bills payable increased by RMB184 million compared with that at the end of the previous year, which was mainly due to the increase in the proportion of bill payment by the Group.

## Capital Expenditures

Capital expenditures in the first half of 2024 were approximately RMB15 million, representing a decrease of RMB36 million as compared to the same period of 2023, which was mainly due to no significant capital expenditures for procurement of fixed assets and construction in progress during the Reporting Period.

## Capital Commitment

As at 30 June 2024, the Group did not have any material capital commitment.

## Financial Ratios

	<b>30 June 2024</b>	31 December 2023
Current ratio (times) <sup>(1)</sup>	<b>1.1</b>	1.0
Quick ratio (times) <sup>(2)</sup>	<b>1.1</b>	1.0
Gearing ratio <sup>(3)</sup>	<b>93.5%</b>	92.1%
Return on assets <sup>(4)</sup> (not annualized)	<b>0.2%</b>	0.2%
Return on equity <sup>(5)</sup> (not annualized)	<b>1.9%</b>	2.6%

### Notes:

- (1) Current ratio (times) represents total current assets divided by total current liabilities as at the relevant date.
- (2) Quick ratio (times) represents total current assets minus inventory divided by total current liabilities as at the relevant date.
- (3) Gearing ratio represents total interest-bearing liabilities divided by equity as at the relevant date and multiplied by 100%.
- (4) Return on assets represents profit for the period divided by the average of total assets at the beginning and end of the period and multiplied by 100%.
- (5) Return on equity represents profit for the period divided by the average balance of total equity at the beginning and end of the period and multiplied by 100%.

## Significant Acquisition or Disposal

During the Reporting Period, the Group did not have any significant acquisition or disposal.

## Contingent Liabilities

As at 30 June 2024, the banking facilities granted to third parties subject to guarantees given to the banks by the Group were approximately RMB655 million, and contingent liabilities arising from pending litigation or arbitration amounted to RMB44 million.

## **RMB Exchange Rate Fluctuations and Exchange Risks**

Most of the Group's businesses and all bank loans have been traded in RMB, therefore, there is no significant foreign exchange fluctuation risk. The Board does not expect that fluctuations in the RMB exchange rate and exchange fluctuations of other foreign currencies will have a significant impact on the Group's business or results. The Group currently has no relevant foreign exchange risk hedging policies and therefore it has not carried out any hedging transactions to manage the potential risks of foreign currency fluctuations.

## **Significant Subsequent Events**

There has been no significant subsequent event of the Group as of the date of this announcement.

## **OTHER INFORMATION**

### **Dividend**

The Board does not recommend the distribution of interim dividend for the six months ended 30 June 2024.

### **Corporate Governance Practices**

The Company is committed to achieving and maintaining a high level of corporate governance to meet business needs and Shareholders' requirements.

To ensure that the Company is able to fully fulfill its obligations under the Listing Rules, the Company has established an effective corporate governance structure and is committed to continually improving its internal control and corporate governance mechanisms.

The Company also operates in strict accordance with the Articles of Association, the terms of reference of each of the committees under the Board, the Company Law of the People's Republic of China and the relevant laws, regulations and regulatory documents, as well as the relevant provisions of the Hong Kong Stock Exchange, and performs the information disclosure, investor relations management and service work of the Company in accordance with the law.

During the six months ended 30 June 2024, the Company had complied with all the code provisions as set out in the Corporate Governance Code and had adopted most of the recommended best practices as set out therein.

### **Securities Transactions by Directors and Supervisors**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as the code for all Directors and Supervisors to conduct transactions of the Company’s securities. The Company has made specific inquiries to all Directors and Supervisors, and they all confirmed that they have complied with the standards specified in the Model Code during the six months ended 30 June 2024.

### **Purchase, Sale or Redemption of Listed Securities of the Company**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company (including the sale of treasury Shares) during the Reporting Period. As at the end of the Reporting Period, neither the Company nor any of its subsidiaries held any treasury Shares.

### **Review of Interim Results by Audit Committee**

The members of the Audit Committee of the Company are Ms. Shen Lifeng (Chairwoman of the committee), Mr. Li Baoyuan, Ms. Chen Xin and Mr. Chan Ngai Sang Kenny. The Audit Committee of the Company has reviewed and confirmed the Group’s interim results announcement for the six months ended 30 June 2024 and the unaudited interim financial statements for the six months ended 30 June 2024 prepared in accordance with CASBE.

**INTERIM CONSOLIDATED BALANCE SHEET (UNAUDITED)**

30 June 2024

		<i>RMB'000</i>	
<b>Assets</b>	<i>Notes</i>	<b>30 June 2024 (Unaudited)</b>	31 December 2023
<b>Current assets</b>			
Cash and cash equivalents		<b>6,143,172</b>	7,688,715
Held-for-trading financial assets		<b>14,379</b>	15,329
Accounts receivable	2	<b>7,164,490</b>	7,478,973
Receivables at fair value through other comprehensive income		<b>196,947</b>	205,246
Prepayments		<b>744,242</b>	713,757
Other receivables		<b>2,407,945</b>	2,297,617
Inventories		<b>315,359</b>	190,400
Contract assets		<b>37,528,268</b>	39,123,239
Current portion of non-current assets		<b>48,192</b>	44,394
Other current assets		<b>560,497</b>	540,540
<b>Total current assets</b>		<b>55,123,491</b>	58,298,210
<b>Non-current assets</b>			
Long-term receivables	2	<b>171,187</b>	177,569
Long-term equity investments		<b>470,294</b>	501,063
Contract assets		<b>2,965,816</b>	2,984,797
Other equity instrument investments		<b>594,465</b>	589,069
Investment property		<b>99,100</b>	98,600
Fixed assets		<b>924,876</b>	948,472
Construction in progress		<b>173,528</b>	169,423
Right-of-use assets		<b>14,003</b>	19,004
Intangible assets		<b>93,021</b>	94,125
Deferred tax assets		<b>1,025,727</b>	1,005,265
<b>Total non-current assets</b>		<b>6,532,017</b>	6,587,387
<b>Total assets</b>		<b>61,655,508</b>	64,885,597



**INTERIM CONSOLIDATED BALANCE SHEET (UNAUDITED) (CONTINUED)**

30 June 2024

RMB'000

<b>Liabilities and owners' equity</b>	<i>Notes</i>	<b>30 June 2024 (Unaudited)</b>	31 December 2023
Current liabilities			
Short-term borrowings		2,444,963	2,469,425
Bills payable		1,219,222	1,035,601
Accounts payable	3	30,776,169	34,488,055
Contract liabilities		6,937,004	6,704,485
Employee benefits payable		256,995	283,365
Taxes payable		848,427	888,270
Other payables		5,657,845	5,706,782
Current portion of non-current liabilities		308,180	423,082
Other current liabilities		<u>3,650,184</u>	<u>3,796,630</u>
Total current liabilities		<u>52,098,989</u>	<u>55,795,695</u>
Non-current liabilities			
Long-term borrowings		3,194,059	2,849,897
Lease liabilities		<u>6,977</u>	<u>12,149</u>
Total non-current liabilities		<u>3,201,036</u>	<u>2,862,046</u>
Total liabilities		<u>55,300,025</u>	<u>58,657,741</u>
Owners' equity			
Share capital		1,761,384	1,761,384
Capital reserve		1,662,063	1,662,063
Other comprehensive income		40,356	33,608
Surplus reserve		600,053	600,053
Retained profit		<u>2,117,110</u>	<u>1,990,221</u>
Total equity attributable to owners of the Company		6,180,966	6,047,329
Non-controlling interests		<u>174,517</u>	<u>180,527</u>
Total owners' equity		<u>6,355,483</u>	<u>6,227,856</u>
Total liabilities and owners' equity		<u><u>61,655,508</u></u>	<u><u>64,885,597</u></u>

## INTERIM CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the period from 1 January 2024 to 30 June 2024

		<i>RMB'000</i>	
		<b>For the period from 1 January 2024 to 30 June 2024 (Unaudited)</b>	For the period from 1 January 2023 to 30 June 2023 (Unaudited)
	<i>Notes</i>		
Revenue	4	<b>11,015,171</b>	14,948,567
Less: Cost of sales		<b>10,365,625</b>	14,145,504
Taxes and surcharges		<b>26,481</b>	35,480
Selling and distribution expenses		<b>967</b>	488
General and administrative expenses		<b>212,043</b>	279,616
Research and development expenses		<b>33,224</b>	69,325
Finance costs		<b>178,624</b>	180,874
Including: Interest expenses		<b>192,878</b>	197,852
Interest income		<b>14,235</b>	15,659
Add: Other income		<b>16</b>	3,078
Investment income		<b>(1,900)</b>	(8,382)
Including: Share of income of joint ventures and associates		<b>(2,060)</b>	(7,583)
Income on derecognition of financial assets at amortised cost		<b>(2,298)</b>	(2,154)
Gains on fair value changes		<b>675</b>	2,365
Impairment losses of credit losses		<b>(76,763)</b>	(87,044)
Impairment losses on assets		<b>36,784</b>	9,672
Gains from disposal of assets		<b>63</b>	102
		<hr/>	<hr/>
Operating profit		<b>157,082</b>	157,071
Add: Non-operating income		<b>2,135</b>	1,072
Less: Non-operating expenses		<b>3,244</b>	1,167
		<hr/>	<hr/>
Total profit		<b>155,973</b>	156,976
Less: Income tax expenses	5	<b>35,094</b>	45,785
		<hr/>	<hr/>
Net profit		<b>120,879</b>	111,191
		<hr/> <hr/>	<hr/> <hr/>

**INTERIM CONSOLIDATED INCOME STATEMENT (UNAUDITED) (CONTINUED)**

For the period from 1 January 2024 to 30 June 2024

		<i>RMB'000</i>
	<i>Notes</i>	
	<b>For the period from 1 January 2024 to 30 June 2024 (Unaudited)</b>	For the period from 1 January 2023 to 30 June 2023 (Unaudited)
Classified by the continuity of operation		
Net profit from continuing operations		120,879      111,191
Classified by the ownership		
Net profit attributable to owners of the Company		126,889      116,796
Profit and loss attributable to non-controlling interests		(6,010)      (5,605)
Other comprehensive income, net of tax		9,748      (21,683)
Other comprehensive income, net of tax, attributable to owners of the parent		9,748      (21,683)
Other comprehensive income that cannot be reclassified to profit and loss		
Changes in fair value of other equity instrument investments		<u>9,297</u> <u>(22,645)</u>
Other comprehensive income that will be reclassified to profit and loss		
Changes in fair value of receivables at fair value through other comprehensive income		<u>451</u> <u>962</u>
Total comprehensive income		<u><u>130,627</u></u> <u><u>89,508</u></u>
Including:		
Total comprehensive income attributable to owners of the Company		136,637      95,113
Total comprehensive income attributable to non-controlling interests		(6,010)      (5,605)
Earnings per share (RMB/share)		
Basic and diluted earnings per share	6	<u><u>0.07</u></u> <u><u>0.07</u></u>

## NOTES TO FINANCIAL STATEMENTS

For the period from 1 January 2024 to 30 June 2024

RMB'000

### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements were prepared in accordance with the Accounting Standards for Business Enterprises No. 32 – Interim Financial Report by the Ministry of Finance and the disclosure requirements of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange. The financial statements do not include all the information and disclosures required for the annual financial statements and therefore need to be read together with the 2023 annual financial statements.

The financial statements have been prepared on a going concern basis.

### 2. ACCOUNTS RECEIVABLE AND LONG-TERM RECEIVABLES

The accounts receivable of the Group are mainly receivables for construction contracting business. The credit period of accounts receivable is generally one to three months. All accounts receivable are non-interest-bearing.

An ageing analysis of accounts receivable is as follows:

	<b>30 June 2024</b> <b>(Unaudited)</b>	31 December 2023
Within 1 year	<b>5,695,664</b>	6,323,895
1 to 2 years	<b>1,434,845</b>	1,246,093
2 to 3 years	<b>719,675</b>	668,913
Over 3 years	<b>837,989</b>	687,655
	<hr/>	<hr/>
	<b>8,688,173</b>	8,926,556
Less: Impairment allowance	<b>1,523,683</b>	1,447,583
	<hr/>	<hr/>
Total	<b>7,164,490</b>	7,478,973
	<hr/> <hr/>	<hr/> <hr/>

Except for project quality deposits receivable, the ageing of accounts receivable was calculated since the invoice date. The ageing of the project quality deposits receivable is calculated from the later of the invoice date and the expiry of the warranty period.

RMB'000

The Group's long-term receivables are mainly receivables for the provision of build-operate-transfer water supply services, which will be settled in installments during a period from 1 to 25 years.

	<b>30 June 2024</b> <b>(Unaudited)</b>	31 December 2023
Long-term concession project receivables	<b>207,640</b>	210,224
Project receivables	<b>12,533</b>	12,533
	<b>220,173</b>	222,757
Less: Bad debt allowance on long-term receivables	<b>794</b>	794
	<b>219,379</b>	221,963
Less: Long-term receivables due within one year	<b>48,192</b>	44,394
Total	<b>171,187</b>	177,569

The ageing of long-term receivables shall be calculated since the date upon satisfaction for the completion of concession project. As of 30 June 2024, the management of the Group made bad debt provisions of RMB794,000 for the long-term receivables based on the lifetime expected credit losses (31 December 2023: RMB794,000).

### 3. ACCOUNTS PAYABLE

Accounts payable are non-interest bearing.

The ageing analysis of accounts payable is as follows:

	<b>30 June 2024</b> <b>(Unaudited)</b>	31 December 2023
Within 1 year	<b>20,779,256</b>	23,269,785
1 to 2 years	<b>6,641,392</b>	8,134,270
2 to 3 years	<b>1,785,633</b>	1,714,512
Over 3 years	<b>1,569,888</b>	1,369,488
Total	<b>30,776,169</b>	34,488,055

The ageing of accounts payable was calculated since the date the procurement was made.

RMB'000

4. REVENUE

	<b>For the period from 1 January 2024 to 30 June 2024 (Unaudited)</b>	For the period from 1 January 2023 to 30 June 2023 (Unaudited)
Revenue from major business	<b>10,808,378</b>	14,702,101
Revenue from other business	<b>206,793</b>	246,466
Total	<b>11,015,171</b>	14,948,567

The revenue is as follows:

	<b>For the period from 1 January 2024 to 30 June 2024 (Unaudited)</b>	For the period from 1 January 2023 to 30 June 2023 (Unaudited)
Revenue from contracts with customers	<b>11,003,983</b>	14,937,119
Rental income	<b>11,188</b>	11,448
Total	<b>11,015,171</b>	14,948,567

RMB'000

Revenue from contracts with customers is set out as follows:

**For the period from 1 January 2024 to 30 June 2024 (Unaudited)**

<b>Reporting segment</b>	<b>Construction</b>	<b>Others</b>	<b>Total</b>
Major products			
Building construction	6,983,995	–	6,983,995
Infrastructure construction	2,601,019	498,624	3,099,643
Specialized and other construction	724,740	–	724,740
Sales of goods and others	110,776	67,179	177,955
Sewage and reclaimed water treatment	–	17,650	17,650
	<u>10,420,530</u>	<u>583,453</u>	<u>11,003,983</u>
Total	<u>10,420,530</u>	<u>583,453</u>	<u>11,003,983</u>
Major operating regions			
Mainland China (excluding Hong Kong, Macau and Taiwan)	10,396,579	583,453	10,980,032
Other countries and regions	23,951	–	23,951
	<u>10,420,530</u>	<u>583,453</u>	<u>11,003,983</u>
Total	<u>10,420,530</u>	<u>583,453</u>	<u>11,003,983</u>
Timing of revenue recognition			
At a point of time	110,776	67,179	177,955
Within a period of time	10,309,754	516,274	10,826,028
	<u>10,420,530</u>	<u>583,453</u>	<u>11,003,983</u>
Total	<u>10,420,530</u>	<u>583,453</u>	<u>11,003,983</u>

For the period from 1 January 2023 to 30 June 2023 (Unaudited)

<b>Reporting segment</b>	<b>Construction</b>	<b>Others</b>	<b>Total</b>
<b>Major products</b>			
Building construction	9,430,063	–	9,430,063
Infrastructure construction	3,695,584	413,808	4,109,392
Specialized and other construction	1,162,646	–	1,162,646
Sales of goods and others	146,648	68,775	215,423
Sewage and reclaimed water treatment	–	19,595	19,595
	<u>14,434,941</u>	<u>502,178</u>	<u>14,937,119</u>
<b>Total</b>	<b>14,434,941</b>	<b>502,178</b>	<b>14,937,119</b>
<b>Major operating regions</b>			
Mainland China (excluding Hong Kong, Macau and Taiwan)	14,402,166	502,178	14,904,344
Other countries and regions	32,775	–	32,775
	<u>14,434,941</u>	<u>502,178</u>	<u>14,937,119</u>
<b>Total</b>	<b>14,434,941</b>	<b>502,178</b>	<b>14,937,119</b>
<b>Timing of revenue recognition</b>			
At a point of time	146,648	68,775	215,423
Within a period of time	14,288,293	433,403	14,721,696
	<u>14,434,941</u>	<u>502,178</u>	<u>14,937,119</u>
<b>Total</b>	<b>14,434,941</b>	<b>502,178</b>	<b>14,937,119</b>

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

#### **Construction services**

The performance obligation is fulfilled within the time when the service is provided, and the contract price is usually settled within 90 days after the project payment is invoiced. Generally, the customer retains a certain percentage as the warranty money. The warranty money is usually settled after the warranty period expires, because according to the contract, the Group's right to receive the final payment depends on the customer's satisfaction with the service quality over a period of time.

#### **Sale of goods**

The performance obligation is fulfilled when the goods is delivered to the customer. For recurring customers, the contract price is usually settled within 90 days of delivery; for new customers, advance payment is usually required.

#### **Sewage and reclaimed water treatment**

The performance obligation is fulfilled within the period of provision of relevant services. The contract period for sewage and reclaimed water treatment is 25 years. The contract price is normally paid within 90 days after settlement.



RMB'000

5. INCOME TAX EXPENSES

	<b>For the period from 1 January 2024 to 30 June 2024 (Unaudited)</b>	For the period from 1 January 2023 to 30 June 2023 (Unaudited)
Current income tax expenses	57,793	71,214
Deferred income tax expenses	<u>(22,699)</u>	<u>(25,429)</u>
Total	<u><b>35,094</b></u>	<u>45,785</u>

Note: Provision for income tax of the Group has been made at 25% on the estimated taxable profit generated in the PRC.

6. EARNINGS PER SHARE

	<b>For the period from 1 January 2024 to 30 June 2024 RMB per share (Unaudited)</b>	For the period from 1 January 2023 to 30 June 2023 RMB per share (Unaudited)
Basic earnings per share		
Continuing operations	<u><b>0.07</b></u>	<u>0.07</u>

Basic earnings per share are calculated by dividing the net profit for the period attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares in issue. The number of newly issued ordinary shares is determined according to the specific terms of the issue contract and calculated from the date of consideration receivable (normally the stock issue date).

RMB'000

The calculation of the basic earnings per share and diluted earnings per share is as follows:

	<b>For the period from 1 January 2024 to 30 June 2024 (Unaudited) RMB'000</b>	For the period from 1 January 2023 to 30 June 2023 (Unaudited) RMB'000
Earnings		
Net profit for the period attributable to ordinary Shareholders of the Company		
Continuing operations	<u><u>126,889</u></u>	<u><u>116,796</u></u>
Shares		
Weighted average number of ordinary shares in issue of the Company	<u><u>1,761,383,500</u></u>	<u><u>1,761,383,500</u></u>

The Company had no dilutive potential ordinary shares, therefore diluted earnings per share equals to basic earnings per share.

## 7. DIVIDEND

No interim dividend was proposed for the six months ended 30 June 2024.

## DEFINITIONS

“Articles of Association”	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“CASBE”	Chinese Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC, as amended, supplemented or otherwise modified from time to time
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan
“Company”	Hebei Construction Group Corporation Limited, a joint stock company incorporated in the PRC with limited liability on 7 April 2017, whose H Shares were listed on the Main Board of the Hong Kong Stock Exchange on 15 December 2017 (Stock Code: 1727). Unless the context otherwise requires, it shall include its predecessor, Hebei Construction Group Co., Ltd. (河北建設集團有限公司) (a limited liability company established under the laws of the PRC on 29 September 1997)
“Corporate Governance Code”	Corporate Governance Code as set out in the Appendix C1 to the Listing Rules, as amended, supplemented or otherwise modified from time to time
“Director(s)”	the director(s) of the Company
“Group” or “we” or “us” or “our”	the Company and its subsidiaries (or the Company and any one or more of its subsidiaries, as the context may require), or (as the context may require) in respect of the period before the Company becomes the holding company of its present subsidiaries, such subsidiaries as if they were the Company’s subsidiaries at that time
“H Share(s)”	overseas listed foreign Shares in the ordinary Shares of the Company with a nominal value of RMB1.00 each, which are traded in HK dollars and are listed on the Hong Kong Stock Exchange
“HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Reporting Period”	the period of six months commencing on 1 January 2024 and ending on 30 June 2024
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholders(s)”	holder(s) of the Share(s) of the Company
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules, unless the context requires otherwise
“Supervisor(s)”	supervisors of the Company