



中國建築國際集團有限公司

CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 03311

EXERCISE CAUTION IN
**DETAILS AND
IMPLEMENTATION**

BUILD A STRONG
FOUNDATION TO SEEK
**GREATER
SUCCESS**



ANNUAL REPORT
2025

Vision

The Group adheres to its core values of **Customer-oriented, Quality Assurance, Value Creation**

and inherits the business concept of “Exercising Caution in Details and Implementation; Building a Strong Foundation to Seek Greater Success”, strictly abides by the industry standard, upholds the heart of dedication, consciously shoulders the corporate mission of “We Manage Happiness”, and strives for growth and continuous innovation. With the continuous enhancement of individuals’ values and the perfect release of team creative energy, the Group aims to developing into an international enterprise and becoming a new role model of “harmonious and win-win” with shareholders, employees and society in the new era. The Group will continuously move towards the goal of becoming a worldclass comprehensive enterprise integrating “Technology, Investment, Construction and Asset Operation”.



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CORPORATE STRUCTURE



Corporate Structure (continued)

**CHINESE
MAINLAND**

- Construction Related Investment
- General Contracting and Prefabricated Construction
- Operation of Infrastructure Assets
- Other Construction Related Business

**HONG
KONG**

- Building Construction
- Civil Engineering Works
- Foundation Engineering Works
- Mechanical and Electrical Engineering Works
- Investment-driven Contracting Business
- Other Construction Related Business

MACAU

- Building Construction
- Civil Engineering Works
- Foundation Engineering Works
- Mechanical and Electrical Engineering Works
- Investment-driven Contracting Business
- Other Construction Related Business

OTHERS

- Curtain Wall System*
- Operation Management Business*

* Operate through a listed subsidiary, China State Construction Development Holdings Limited (Stock Code: 00830)



BOARD OF DIRECTORS AND COMMITTEES

BOARD OF DIRECTORS

Chairman and Executive Director

Zhang Haipeng

Non-executive Directors

Yan Jianguo

Ye Nan

Executive Directors

Wang Xiaoguang (*Chief Executive Officer*)

Hung Cheung Shew

Independent Non-executive Directors

Wong Wai Ching

Chan Tze Ching Ignatius

Chan Fan

COMMITTEES

Audit Committee

Wong Wai Ching (*Chairlady*)

Chan Tze Ching Ignatius

Chan Fan

Remuneration Committee

Chan Fan (*Chairman*)

Wong Wai Ching

Chan Tze Ching Ignatius

Nomination Committee

Chan Tze Ching Ignatius (*Chairman*)

Wong Wai Ching

Chan Fan

Sustainability Committee

Wang Xiaoguang (*Chairman*)

Zhang Haipeng

Wong Wai Ching

Chan Tze Ching Ignatius

Chan Fan

CORPORATE INFORMATION

AUTHORISED REPRESENTATIVES

Zhang Haipeng
Yan Jianguo

COMPANY SECRETARY

Ko Hiu Fung

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
Building D, P. O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong
Telephone: (852) 2980 1333
Facsimile: (852) 2810 8185
E-mail: is-enquiries@vistra.com

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

28th Floor, China Overseas Building
139 Hennessy Road, Wanchai
Hong Kong

INVESTOR RELATIONS

Telephone : (852) 2823 7888
Facsimile : (852) 2671 9477
E-mail : csci.ir@cohl.com

PUBLIC RELATIONS

Telephone : (852) 2823 7888
Facsimile : (852) 2671 9477
E-mail : csci.pr@cohl.com

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
under the Accounting and Financial Reporting Council Ordinance

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.
BNP Paribas Hong Kong Branch
China Construction Bank Corporation
China Development Bank Corporation
Hang Seng Bank Limited
Industrial and Commercial Bank of China Ltd.
The Hongkong and Shanghai Banking Corporation Limited

LISTING

The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and certain debt securities issued by the Company and/or its subsidiaries are listed on the Stock Exchange and/or other exchanges.

STOCK CODE

Shares

Stock Exchange: 03311
Bloomberg: 3311:HK
Reuters: 3311.HK

WEBSITE

www.csci.com.hk



Corporate Information (continued)

FINANCIAL CALENDAR

Interim Results Announcement

20 August 2025

Record date – Interim Dividend

17 September 2025

Payment date – Interim Dividend

10 October 2025

Final Results Announcement

26 March 2026

Closure of Register of Members – Annual General Meeting

9 June 2026 to 12 June 2026 (both days inclusive)

Annual General Meeting

12 June 2026

Record date – Proposed Final Dividend

18 June 2026

Payment date – Proposed Final Dividend

10 July 2026

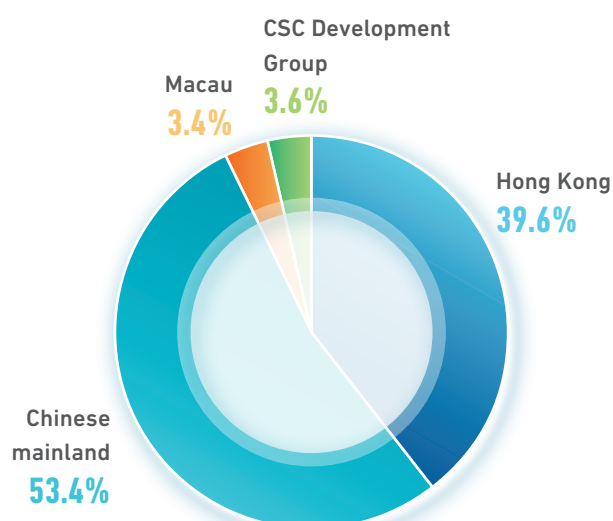
FINANCIAL HIGHLIGHTS

	For the year ended 31 December				
	2021 (restated)	2022 (restated)	2023 (restated)	2024 (restated)	2025
Results (RMB'000)					
Revenue	63,857,741	87,596,752	101,678,208	105,322,671	100,448,500
EBITDA (Note)	10,312,749	12,419,243	14,448,442	15,663,854	15,316,433
Profit attributable to owners of the Company	5,617,526	6,834,956	8,192,656	8,565,331	8,588,443
Financial Ratios					
Net margin (%)	8.8	7.8	8.1	8.1	8.6
Current ratio (times)	1.23	1.25	1.26	1.35	1.41
Financial Information Per Share					
Earnings (RMB)	1.12	1.36	1.63	1.70	1.64
Dividend (RMB cents)	33.45	41.23	50.06	56.27	57.38
Net assets (RMB)	10.67	11.84	13.38	14.11	15.22
Other Information					
Value of incomplete contracts at 31 December (RMB billion)	228.46	259.19	317.85	359.48	364.68

Note: EBITDA represents profit before tax, interest expenses, depreciation and amortisation charged to the consolidated income statement during the year.

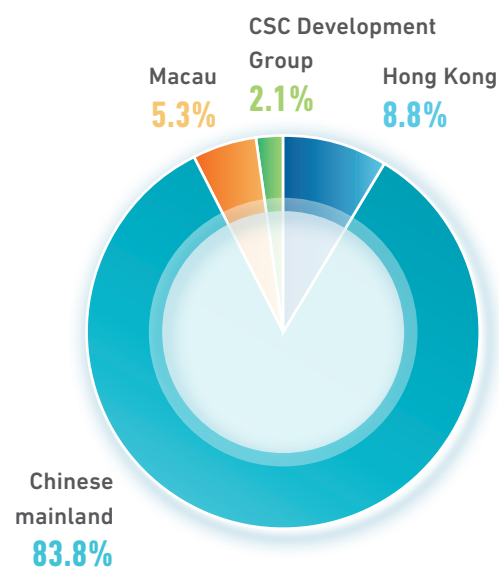
Breakdown of Segment Revenue

for the year ended 31 December 2025



Breakdown of Segment Results

for the year ended 31 December 2025



MAJOR EVENTS OF THE YEAR

JAN

On 3 January, China State Construction International Investments Limited ("CSCIIL"), a subsidiary of China State Construction International Holdings Limited (the "Company", together with its subsidiaries, the "Group"), won the bid for the Zhoushan Yongdong Digital Marine Industrial Park Project. As a core project among the "Eight High-Level Development Platforms" under Zhoushan's "985" Action Plan, the project undertakes the important tasks of driving innovation in the city's digital marine industry and promoting high-level industry-city integration.



On 17 January, China State Construction Engineering (Hong Kong) Limited ("CSHK"), a subsidiary of the Group, was invited to attend the "HKICBIM Award 2025" Presentation Ceremony organised by the Hong Kong Institute of Civil and Building Information Management ("HKICBIM"), and received multiple awards including the highest honour "Diamond Award".

Major Events of the Year (continued)

FEB

In February, the office building facade works for the West New Territories Landfill Extension Project, undertaken by Far East Facade (Hong Kong) Limited ("Far East Facade (Hong Kong)") and Far East Green Energy Technology (Guangdong) Co., Ltd. ("Far East Green Energy Technology"), both subsidiaries of China State Construction Development Holdings Limited ("CSC Development"), commenced power generation, marking the official launch of the Group's first photovoltaic building facade project in Hong Kong.



On 14 February, Transcendence Company Limited ("Transcendence"), a subsidiary of CSHK, held a "Smart Safety" promotion event at the project of Yuen Long Barrage and Nullah Improvement Schemes. Under the theme "Work Smart & Build Safety", the event promoted the application of innovative safety technologies at construction sites. Ms Bernadette Linn, Secretary for Development of the Hong Kong SAR Government, attended the event as the officiating guest.

Major Events of the Year (continued)

FEB

On 25 February, CSHK held the launching ceremony for Hong Kong's first hydrogen energy application in the construction industry, together with a sharing session on three hydrogen energy applications by CSHK. Mr. TSE Chin Wan, Secretary for Environment and Ecology of the Hong Kong SAR Government, Mr. Poon Kwok-ying, Director of Electrical and Mechanical Services, and other guests attended the event as officiating guests.



On 28 February, China State Construction International Investments (Anhui) Limited, a subsidiary of CSCIL, jointly with China State Construction Hailong Technology Company Limited ("CSC Hailong"), won the bid for the "Smart Construction – MiC" project for the new comprehensive buildings of Lu'an Road Primary School (China Railway International City Campus) and Hongxing Road Primary School (International Division Campus) in Luyang District, Hefei.

Major Events of the Year (continued)

MAR

On 14 March, the Fuyang Automotive Electronics Industry Base and Supporting Works Project in Hangzhou, undertaken by China State Construction International Investments (Zhejiang) Limited, a subsidiary of CSCILL, officially commenced construction. As a major project under Zhejiang Province's "1,000 Projects & Trillion Investment" initiative, the project, upon completion, will improve the automotive electronics industry chain ecosystem in Fuyang, enhance industrial output and agglomeration effect, and support the sustainable economic and social development of the region.



On 14 March, the Group introduced China Orient Asset Management (International) Holding Limited ("Orient International") as its strategic shareholder. Orient International completed the subscription of 244,600,000 shares of the Group pursuant to the subscription agreement, at a subscription price of HK\$12.26 per share. On 22 March, Mr. Ye Nan, Chief Financial Officer of Orient International, was appointed as a non-executive Director of the Company.

On 18 March, the opening ceremony of the Hong Kong Baptist University Jockey Club Creative Campus, constructed by CSHK, was held. Christine Choi Yuk-lin, Secretary for Education of the Hong Kong SAR Government, Mrs Ann Kung Yeung Yun Chi, Steward of the Hong Kong Jockey Club, Wong Ying-ho, Chairman of the Council and the Court of Hong Kong Baptist University, and Professor Alexander Ping-Kong Wai, President and Vice-Chancellor of Hong Kong Baptist University, attended the event.





Major Events of the Year (continued)

MAR

On 21 March, the topping-out ceremony for Buildings 8 and 9 (wet laboratories) of Phase 1 of the Hong Kong-Shenzhen Innovation and Technology Park, constructed by CSHK, was successfully completed. John Lee Ka-chiu, Chief Executive of the Hong Kong SAR Government, Michael Wong Wai-lun, Acting Financial Secretary, and Sun Dong, Secretary for Innovation, Technology and Industry, attended the ceremony.



On 21 March, China Construction Portugal Limited, a subsidiary of China Construction Engineering (Macau) Company Limited ("CCE Macau") under the Group, as vice-chairman and secretary-general unit of the Portuguese Chinese Enterprises Association, hosted the 2025 Portuguese-Chinese Enterprises Association Situation Seminar. Zhao Bentang, then Chinese Ambassador to Portugal, attended the event.

On 26 March, CSHK was invited to attend the presentation ceremony of the "Hong Kong Construction Association Hong Kong Construction Environmental Awards 2024" and won five major awards for its outstanding environmental management performance.



Major Events of the Year (continued)

MAR



On 28 March, the Group's 3rd Informatisation Conference themed "Act with Good Faith and Deliver with Integrity" was held in Zhuhai. Three major achievements, namely 14 AI employees, "Shanshan Assistant" and "Yaoyao Factory", were grandly released at the conference.

In March, Nanjing Changjiang Second Bridge Company Limited ("Nanjing Second Bridge Company"), a subsidiary of China State Construction International Asset Management Limited ("CSCI Asset Management") under the Group, was awarded the Grand Prize of the Top-Quality Project in the 3rd Highway Maintenance Engineering Innovation Competition by the Highway Maintenance and Management Branch of the Chinese Highway Association.



Major Events of the Year (continued)

APR

On 1 April, CSCIL won the bid for the Smart Sensing Innovation Base Project in Jiaxing Economic and Technological Development Zone. As a major project under Zhejiang Province's "1,000 Projects & Trillion Investment" initiative, the project will provide solid support for Jiaxing to build itself into a "strong city of intelligent manufacturing and innovation" and serve as a demonstration for the layout of the intelligent manufacturing industry in the Yangtze River Delta region.



On 3 April, the Modular Integrated Construction ("MiC") building of the Talent Apartment at Qingdao Optoelectronic Industrial Park, constructed by CSCIL, was fully capped, setting a new record for high-rise construction using concrete "Smart Construction — MIC Technology" in northern China.

On 28 April, CSC Development signed a strategic cooperation framework agreement with the People's Government of Kunshan. Over the next five years, the two parties will promote the implementation of Building-Integrated Photovoltaic ("BIPV") projects with a total scale of no less than RMB10 billion, build a demonstration city for green buildings, and drive the transformation of the construction industry toward green development.



Major Events of the Year (continued)

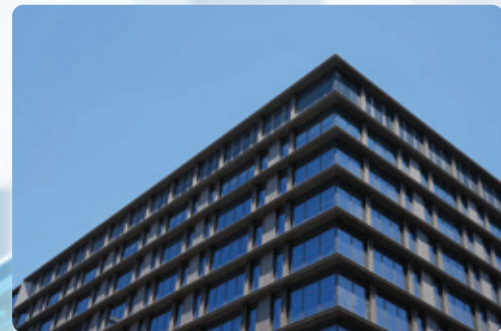
MAY

From 12 to 14 May, the Global Water Summit was held in Paris, France. The Phase 1 Project of the Hong Kong Tseung Kwan O Desalination Plant, delivered by CSHK in the integrated Design-Build-Operate (DBO) model, won the “Desalination Plant of the Year” at the Global Water Awards 2025 for its outstanding performance in smart operation, green development and low-carbon practices.



From 21 to 24 May, the 5th BEYOND International Science and Technology Innovation Expo (“BEYOND Expo 2025”) themed “Empower Asia, Connect the World” was held in Macau. For the third consecutive year, the Group made a remarkable appearance with innovative products, showcasing its scientific and technological achievements, project cases and market strengths, including “Smart Construction – MiC Technology”, “Green Construction – BIPV Technology” and the “C-SMART Engineering Management Digital Platform”, upholding its mission of serving the people and society through scientific and technological innovation.

On 25 May, the Beijing Zhonghai Financial Center, where the office building BIPV project was constructed by Far East Green Energy Technology, a subsidiary of CSC Development, was grandly opened. The project meets three major international green building certification standards, making it Beijing’s first zero-carbon commercial office building and a demonstration project for integrated “PEDF” (photovoltaic, energy storage, direct current and flexibility) technologies.



On 28 May, the commencement ceremony for the “Aotun No. 1” shield machine on the east side of Station ES6 for the Macao Light Rail Transit East Line Southern Section project, constructed by CCE Macau, was held. Lam Wai Hou, Director of the Public Works Bureau of Macao, and Sim Wing Chan, Deputy Director, attended the event.

Major Events of the Year (continued)

JUN

On 28 June, the Group held the 3rd “CSCI Scholarship for Employees’ Children” Award Ceremony, with more than 40 award-winning families participating both online and offline.



On 30 June, Far East Facade (Singapore) Pte. Ltd., a subsidiary of CSC Development, won the facade contract for the “Hotel Indigo Changi Airport” at Changi Airport, Singapore. This marks the Company’s first overseas BIPV project, representing a substantial breakthrough in its global layout in green building technologies.

Major Events of the Year (continued)

AUG

On 5 August, in recognition of its outstanding performance in environmental, social and governance (“ESG”) sustainable development, the Group was upgraded to a BBB ESG rating by MSCI Inc. (“MSCI”), a leading international rating agency, ranking first in China’s construction and engineering industry¹.

Note: ¹ Based on the A-share industry classification for Construction (Code E) and the Hong Kong stock industry classification for Construction (Code 6020).

**CHINA STATE CONSTRUCTION
INTERNATIONAL HOLDINGS LIMITED
(3311)**
Construction & Engineering | HK



On 6 August, the Group held its 5th “Celebrating the Birthday of Master Lu Ban, Promoting Happiness for All” event in care of construction workers. Tang Ping-keung, Secretary for Security of the Hong Kong SAR Government, Xu Weigang, Director of the Economic Affairs Department of the Liaison Office of the Central People’s Government in the Hong Kong SAR, and Li Kiu-yin, Director of Architectural Services of the Hong Kong SAR Government, attended the event as officiating guests to show care and support for construction workers.

On 29 August, the Group held the CSC Community Emergency Volunteer Team Commendation Ceremony in Hong Kong to thank volunteer colleagues for their selfless dedication. Alice Mak, Secretary for Home and Youth Affairs of the Hong Kong SAR Government, Starry Lee, Member of the Standing Committee of the National People’s Congress and Member of the Legislative Council of Hong Kong, Ms. TO Kit Lai, Director of Home Affairs of the Hong Kong SAR Government, and Johnny Chan, Deputy Secretary for Development of the Hong Kong SAR Government attended the ceremony as officiating guests.



Major Events of the Year (continued)

AUG

In August, the second “Build the Future • CSHK Hong Kong Youth Development Scheme – Construction Technology Exploration Tour” organised by CSHK came to a successful conclusion. A total of 32 outstanding students majoring in architecture-related fields from the University of Hong Kong, Hong Kong University of Science and Technology, The Hong Kong Polytechnic University and City University of Hong Kong were selected to participate in a four-day study tour in Shanghai.



獲獎類別/名稱	獲獎者	獲獎作品	獎項	獲獎地
建築師學會 建築師學會 建築師學會	吳國光建築師事務所 2025	吳國光建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
	廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會
廣安建築師事務所 2025	廣安建築師事務所	中國建築師學會	中國建築師學會	

In August, the 5G Factory of Far East Intelligent Manufacturing (Zhuhai) Co., Ltd., (“Far East Intelligent Manufacturing Zhuhai Base”, formerly known as Far East Facade (Zhuhai) Ltd.), a subsidiary of CSC Development, was selected into the 2025 5G Factory Directory by the Ministry of Industry and Information Technology.

Major Events of the Year (continued)

SEP

On 10 September, the Guangzhou Nansha Dachong Resettlement Housing Project, constructed by China State Construction International Investments (Guangdong) Limited, a subsidiary of CSCIL, which is China's first modular building project to receive a 6% floor area ratio incentive, completed the hoisting of the first modular unit, marking the project's shift from main civil construction to modular construction stage.



On 12 September, the Group was awarded dual certification of the ISO37301 international standard and the GB/T 35770-2022 national standard, signifying the Company's excellent performance in internal management and risk control, effective response to external supervision and judicial investigations, enhancement of business trust and improvement of market competitiveness.

On 23 September, the Ministry of Housing and Urban-Rural Development of the People's Republic of China released the Announcement on Approving the Ninth Batch of Construction Enterprise Qualifications for 2025 on its official website. China State Construction International Engineering Co., Ltd. ("CSCIE") was successfully upgraded to the Special Grade qualification for General Contracting of Construction Engineering, and simultaneously obtained Grade A qualifications for Architectural Industry (Construction Engineering) and Grade A professional qualifications for Architectural Industry (Civil Air Defense Engineering) in engineering design.



Major Events of the Year (continued)

SEP

On 28 September, the BIPV project of Qianhai Snow World, constructed by Far East Green Energy Technology, a subsidiary of CSC Development, was completed, accepted and connected to the grid for power generation. The project was selected as a Shenzhen Green Building Demonstration Project, supporting the achievement of China's "Dual Carbon" goals through technology, promoting the green transformation of the construction industry, and providing replicable low-carbon building solutions for the world.



On 30 September, the Tianlin Road Urban Renewal Project in Xuhui District, Shanghai, constructed by CSCII, was fully topped out. The project is the first concrete modular construction project in Shanghai and the largest urban renewal project adopting modular construction methods in China.

Major Events of the Year (continued)

OCT

On 8 October, in the 2025 Global Awards of the Council on Tall Buildings and Urban Habitat (CTBUH), The Henderson, a commercial building at 2 Murray Road, Central, Hong Kong, in which Far East Facade (Hong Kong), a subsidiary of CSC Development, participated in construction, won several international awards, including the “Best Tall Building, by Region, Asia” and the “Facade Award”.



On 20 October, the opening ceremony of the Headquarters Project of the International Court of Mediation, designed and built by CSHK, was solemnly held in Hong Kong. Nearly 200 people, including representatives from more than 30 contracting and signatory states to the International Court of Mediation Convention and people from various sectors of the Hong Kong Special Administrative Region, gathered at the scene to witness the revitalisation of this century-old heritage. Hua Chunying, Vice Minister of Foreign Affairs, attended the event and delivered a speech.

On 24 October, the first unit panel installation was completed for the curtain wall project of Tower C of Shenzhen Bay Super Headquarters Base, constructed by Far East Lijin Facade (Shanghai) Limited (“Far East Facade (Shanghai)”), a subsidiary of CSC Development. Designed by Zaha Hadid Architects, the project is currently the tallest linked twin tower in China and one of Shenzhen’s first national pilot projects for intelligent construction.



Major Events of the Year (continued)

NOV

On 2 November, Transcendence, a subsidiary of CSHK, officially launched Version 3.0 of the Happy Worker APP.



On 20 November, the Ministry of Housing and Urban-Rural Development issued the Announcement on Approving the Eleventh Batch of Construction Enterprise Qualifications for 2025. China Overseas Construction Company Limited ("COCCL") was successfully upgraded to the Special Grade qualification for General Contracting of Construction Engineering, and simultaneously obtained Grade A qualifications for Architectural Industry (Construction Engineering) and Grade A professional qualifications for Architectural Industry (Civil Air Defense Engineering) in engineering design.

Major Events of the Year (continued)

NOV

On 25 November, the award ceremony of the 21st China Global Awards for Excellence in Public Relations was held in Beijing. CSHK won two gold awards and three silver awards for its outstanding communication works in sustainable development, corporate culture development and other fields, ranking first among all Hong Kong participating institutions in the total number of awards.



On 25 November, the first oversized bow-shaped unit was installed for the facade project of Shenzhen Oppo Building, known as the “ceiling” of hyperbolic facade construction difficulty, undertaken by Far East Facade (Hong Kong) and Far East Facade (Shanghai), both subsidiaries of CSC Development.

Major Events of the Year (continued)

DEC

On 4 December, the 2025 “New Civil Engineer” (“NCE”) ceremony was held in London, UK. The Relocation of Shatin Sewage Treatment Works to Caverns project, jointly constructed by CSHK and Alchmex International Construction Limited (“Alchmex International”), won the 2025 NCE “Tunnelling Project of the Year”. Meanwhile, the project team formed by CSHK together with the Drainage Services Department of Hong Kong and AECOM, a engineering consultancy firm, also won the 2025 NCE “Tunnelling Project Team of the Year” for the first time.



On 8 December, the structural topping-out was fully completed for the reconstruction project of Building 28, Sanlihe District 1, Xicheng District, constructed by CSCIL. It took only about 46 days from the installation of the first building modules to the topping-out of the six-storey residential building, fulfilling the wish of 54 households to live in quality houses at their original addresses.

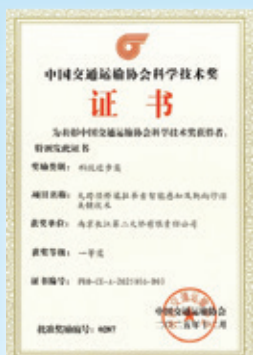
On 10 December, the China Institute of Internal Audit released the results of the 2025 internal audit theoretical research. The Company’s paper “Exploration on the Qualitative Application of Intelligent Auditing Based on the ‘KMA’ Framework – Empowering Investment and Construction Enterprises to Improve Audit Supervision Quality and Efficiency with AI Employee Intelligence” was selected as an excellent paper and will be compiled into the “Collection of Excellent Papers on Internal Audit Theoretical Research 2025 by China Institute of Internal Audit”.



Major Events of the Year (continued)

DEC

On 12 December, CSCI Investment (Zhuhai) Limited, a subsidiary of CCE Macau, held the commencement ceremony for the Hengqin Guangdong-Macao In-Depth Cooperation Zone Campus of the University of Macau. Sam Hou Fai, Chief Executive of the Macao SAR, and Huang Liuquan, Deputy Director of the Liaison Office of the Central People's Government in the Macao Special Administrative Region, attended the ceremony.



On 15 December, the 2025 Science and Technology Award list of the China Communications and Transportation Association was announced. The project "Key Technologies for Intelligent Sensing and Targeted Diagnosis and Treatment of Stay Cables on Long-Span Bridges", participated by Nanjing Second Bridge Company under CSCI Asset Management, won the First Prize of the Science and Technology Award of the China Communications and Transportation Association.

On 21 December, the Yau Ma Tei section of the Hong Kong Central Kowloon Bypass, constructed by CSHK, was officially opened to traffic, marking important progress in the construction of Central Kowloon Bypass, a strategic transportation infrastructure project in Hong Kong, which will effectively enhance east-west traffic connectivity in Kowloon.



Major Events of the Year (continued)

DEC

In December, CSCI Investment (Guizhou) Co., Ltd., a subsidiary of CSCIL, won the First Prize of the "Science and Technology Progress Award" at the 6th Safety Science and Technology Award of the China Association of Work Safety for its achievement "Prediction, Prevention and Control Technologies for High Stress Hazards in Hard Rock Masses of Deep-Buried Projects and Applications".



In December, the Ministry of Industry and Information Technology officially released the list of the ninth batch of national manufacturing single champion enterprises. Far East Intelligent Manufacturing Zhuhai Base under CSC Development was successfully selected with its core product "Digitally Intelligent Manufactured Free-Form Facade".

CHAIRMAN'S STATEMENT

In the year, the Group secured

189 NEW CONTRACTS

with attributable contract
value of approximately

RMB **170,214** million.



Mr. Zhang Haipeng
Chairman and Executive Director



Chairman's Statement (continued)

REVIEW OF OPERATION

In 2025, economic trends in major countries and regions around the world remained divergent, and geopolitical tensions continued to occur frequently. The US government's large-scale "reciprocal tariff" policies have intensified the rise of trade protectionism, disrupted the stability of global supply chains, hindered international economic circulation, dampened global market expectations and investment confidence, and heightened economic uncertainty and market volatility. Against this backdrop and facing complex internal and external changes, China has unswervingly implemented the new development philosophy. The national economy pushed forward with innovation-led and high-quality development despite mounting economic pressure. New achievements had been made in high-quality development and economic growth steadily achieved the targets set at the beginning of the year. In Hong Kong, goods exports recorded notable growth, financial markets remained vibrant, and consumption and investment picked up moderately. In Macau, cross-border transport became more convenient, with various visitor promotion measures yielding satisfactory results. The tourism sector maintained a recovery trend, supporting steady economic growth.

Over the past year, the Group had adhered to its technology-empowered strategy of competitive differentiation. Its business structure was further optimised, key operating indicators remained solid, and operating cash flow stayed positive for the fourth consecutive year, representing encouraging achievements.

As of 31 December 2025, the audited revenue of the Group amounted to RMB100,449 million, with an operating profit of RMB14,172 million. The profit attributable to the owners of the Company increased by 0.3% to RMB8,588 million, with basic earnings per share of RMB1.64 and net asset value per share of RMB15.22. The Board recommended the distribution of a final dividend of HK28.5 cents per share for the year of 2025. The total dividend distributed throughout the year amounted to HK62.5 cents, representing a year-on-year increase of 1.6%.

Hong Kong and Macau Markets

The Group is rooted in Hong Kong and Macau and deeply engaged in major livelihood projects and the development of key regions. During the year, the Group won the bids for two public housing projects on Kam Sheung Road in Yuen Long, New Territories. By adopting construction technologies such as MiC and Modular Integrated Mechanical, Electrical and Plumbing, the Group provided faster and better services to Hong Kong citizens. Leveraging its strong technical capabilities in civil engineering, the Group secured all four awarded contracts for the Sha Tin Cavern projects. The Group

actively participated in the development of the Northern Metropolis in Hong Kong. During the year, the Group also won the bids for the projects including the Hung Shui Kiu Effluent Polishing Plant Phase 1. The total contract value of the Group's projects in the Northern Metropolis exceeded HK\$100 billion, maintaining its leading position in the market. The favourable momentum of Macau's tourism industry accelerated the launch of construction projects in hotel fitting-out, renovation, expansion and other sectors. Benefiting from this trend, CCE Macau, a subsidiary of the Group, won the bids for large-scale projects including the Galaxy Macau's Phase 4 – Stage 2. During the year, newly signed contracts in the Hong Kong and Macau market amounted to RMB56,763 million.

Chinese mainland Market

The Group has always prioritised investment quality and proactively focused its business on high-potential regions. During the year, the Group successfully launched projects in multiple provincial capital cities, improving quality while maintaining stability of its investment business. Two subsidiaries, namely COCCL and CSCIE, successfully obtained the Special Class Qualification for General Contracting of Construction Engineering Projects, further enhancing the overall competitiveness. For the full year, newly signed contracts by the Group in Chinese mainland amounted to RMB106,911 million, representing a year-on-year increase of 16.6%.

MiC has gained greater recognition in first-tier cities, with a series of projects successfully secured during the year, further raising market acceptance of the Group's products. In Beijing, the Group won the bids for projects including the Dinghuisi North Plot in Haidian District, Building 28, Sanlihe Area 1, and the comprehensive renovation project of No. 14 Middle School. The Group acquired a site in Tongzhou District at a preferential land price and commenced construction of a MiC factory. The factory will achieve an automation rate of over 70% and 100% digital coverage, equipped with core technologies and intelligent equipment for smart construction, laying a solid foundation for the Group's further expansion in the Beijing market. In Guangzhou, the Group won the bids for projects including the Cultural Tourism City south resettlement housing project in Huadu District and the Dachong resettlement housing project in Nansha District. Among them, the Nansha project complies with Guangzhou's incentive policies for modular construction projects, granting an additional 6% incentive floor area in plot ratio calculation, making it the first project to receive such incentives.

Chairman's Statement (continued)

Facade Market

CSC Development, a subsidiary of the Group, adheres to the business strategy of “deepening its presence in Hong Kong and Macau, consolidating its position in Chinese mainland, and focusing on key overseas markets”, leveraging its high-end brand advantages. In the Hong Kong and Macau markets, CSC Development proactively responded to downward market pressure and focused on deepening strategic cooperation with key clients. During the year, CSC Development won the bids for several large-scale facade projects including the residential development at the Tung Chung Traction Substation site by Chinachem Group. Phase 1 of Galaxy Macau Phase IV, which represents the world's largest single building facade contract, was successfully completed, further demonstrating the Group's high-quality project delivery capability. In Chinese mainland market, CSC Development secured orders from customers including Huawei, Swire and Hermes in high-tier cities such as Beijing, Shanghai and Guangzhou. In Singapore, notable progress was achieved with winning the bids for projects including the hotel project in Terminal 2, Changi Airport, being the first hotel in Singapore with zero energy consumption, marking CSC Development first overseas launch of BIPV. CSC Development attaches great importance to technological research and development, and continuously strengthens its competitive advantages in the BIPV sector. During the year, CSC Development successfully developed key technologies including ultra-thin surface layers and launched the Light A 2.0 product. Its self-built BIPV mass production line was officially put into operation. Qianhai Snow World in Shenzhen, currently the largest single-unit BIPV project in China, was successfully completed during the year and was recognised as a Shenzhen Green Building Demonstration Project.

Introduction of Strategic Shareholder

On 14 March 2025, Orient International became a strategic shareholder of the Group by subscribing for shares of the Group. This strategic investment has expanded the Group's capital base, optimised its capital structure, strengthened its financial position, supported technological innovation to enhance its differentiated competitive advantages, and further elevated the Group's business development momentum and value creation capacity.

Following completion of the share subscription, Orient International nominated and appointed Mr. Ye Nan, its Chief Financial Officer, as a Non-executive Director of the Company, further entrenching its status as a strategic shareholder. The structure of the Board has been further optimised and its governance system continuously enhanced.

Sustainable Development Management

The Group continued to improve its environmental, social and governance (“ESG”) management system during the year, and revised and issued environmental and social policies including the Anti-Corruption Policy. During the year, the Group commenced research for the revision of its Sustainable Development Roadmap, with a view to further enhancing its ESG management standards during the 15th Five-Year Plan period. The Group actively fulfils its social responsibilities. In the event of disasters such as typhoons, the Group activated its emergency response mechanism at the first time, deployed personnel and resources to provide support, and safeguarded people's livelihood with rapid responses and practical actions. The Group's ESG performance has been highly recognised by major international and domestic institutions: MSCI ESG rating upgraded from B to BBB, ranking first within China's construction industry; selected as a constituent of the FTSE4Good Index for nine consecutive years; included in the S&P Global Sustainability Yearbook (China Edition) for three consecutive years; Hang Seng Corporate Sustainability Rating upgraded from A to A+, and remained the only construction enterprise in the Hang Seng Corporate Sustainability Benchmark Index; Wind ESG rating at AA, China Chengxin Green Finance ESG rating upgraded to AA+, and Huazheng ESG rating upgraded to AA, ranking first in the industry in all the above three ratings.

Risk Management

On the basis of continuously implementing the existing risk management systems and working mechanisms, the Group has further advanced the development of the risk management system to the in-depth level of its operating platforms, formulated risk management systems for operating platforms, and carried out risk identification and investigation. During the year, the Group launched various training activities aimed at strengthening risk awareness and improving risk management capabilities, so as to build a solid safety barrier for high-quality development.

Financial Management

In 2025, the Group maintained a sound core credit rating among peers (Moody's Baa2, Fitch BBB+, S&P BBB, China Chengxin International AAA), laying a solid foundation for bond issuance. Seizing the opportunity of relatively low interest rates in Chinese mainland, the Group stepped up the issuance of RMB-denominated bonds, driving a continuous decline in its comprehensive financing costs, which decreased by 0.6 percentage points compared with 2024. Through the phased issuance of diversified bonds, the Group further optimized its debt maturity structure, raised the proportion of direct financing and reduced financing costs to a greater extent, providing strong financial support for production and operation as well as project construction. In



Chairman's Statement (continued)

terms of exchange rate risks, the Group mitigated the impact of exchange rate fluctuations on its financial data through the natural matching of currencies for assets and liabilities, as well as revenues and expenditures. The Group persisted in implementing cash flow-focused budget management and investment control, achieving positive net operating cash flow for the fourth consecutive year, and the cash collection ratio of revenue from Chinese mainland investment businesses exceeded 100% for the first time.

The Group's financial position remained sound, with ample cash on hand and available financial resources. As at 31 December 2025, cash on hand amounted to RMB30,329 million, accounting for 10.8% of total assets; the net gearing ratio was controlled at 68.5%, representing a year-on-year decrease of 5.1 percentage points; and the unutilised banking credit facilities totalled RMB168,416 million, up 33.6% from the same period of the previous year.

Human Resources

The Group remains committed to a dual strategy of internal cultivation and external recruitment, actively strengthening exchange and collaboration with academia and industry peers to consistently bolster our human resource reserves. We maintain long-term engagement with numerous academicians and industry experts, gathering invaluable insights and recommendations to guide our development strategies and address key operational bottlenecks. During the year, the Group collaborated with Academician Yue Qingrui to establish the "Intelligent Construction Equipment and Technology Research Center." This partnership is set to deepen our cooperation in fields such as intelligent construction, green building, and MiC. The Group provides extensive training resources for our employees. This year, we continued to organise specialised programs, including the "New Growth Curve" curriculum, Project Manager Incubation Camp under the "Talent Development Program (築將計劃)", MiC Project Management Practical Training, and the "Safety Management Enhancement Camp", to consistently refine the cultivation mechanisms for the National Excellent Engineer School-Enterprise Cooperative Training Program.

Technological Innovation

The Group remains committed to technology-empowered development, continuously strengthening our R&D and innovation capabilities while intensifying market promotion to drive the optimisation of our business structure. During the year, newly signed technology-driven contracts amounted to RMB85,389 million, representing a year-on-year increase of 6.2%. The Group invested RMB818 million in R&D, with the proportion of R&D investment to revenue reaching 0.8%, successfully achieved the goals set in the 14th Five-Year Plan.

As a leading enterprise in MiC under the Group's subsidiary structure, CSC Hailong has successfully implemented key national R&D projects and won the bid for the "Ranking and Leading" scientific research project under the Beijing Municipal Science and Technology Program, and together with the Group, coorganised the Technical Exchange Conference on Modular Integrated Construction with China Civil Engineering Society during the year. Under the guidance of the Department of Housing and Urban-Rural Development of Guangdong Province and the Hong Kong Development Bureau, the Group, as a leader in the MiC industry, jointly initiated the establishment of the Guangdong-Hong Kong-Macao Modular Integrated Construction Industry Alliance with enterprises, public institutions, universities, research institutes and industry associations. The Alliance will integrate resources from upstream and downstream enterprises across the industrial chain, promote collaboration among industries in the Guangdong-Hong Kong-Macao region to build a mechanism for exchange, cooperation and complementary strengths, and further advance industrial development. CCE Macau took the lead in securing a joint research funding project for 2025 supported by the Macao Science and Technology Development Fund and the National Natural Science Foundation of China. The Group's technological products were showcased at high-profile exhibitions including the Better House Technology Exhibition, the 22nd China International Housing Industry Expo, and the China-ASEAN Building Technology Exhibition, earning wide acclaim and further enhancing the Group's profile. During the year, the Group received numerous major science and technology awards, including the NCE Annual Tunnel Engineering Award, the First Prize of Science and Technology Achievement Transformation Award of Heilongjiang Province, the Second Prize of Science and Technology Progress Award of Guizhou Province, the First Prize of Science and Technology Progress from the China Highway and Transportation Society, and the Science and Technology Award of the China Construction Metal Structure Association, demonstrating the Group's strong capabilities in scientific and technological innovation.

Chairman's Statement (continued)

BUSINESS OUTLOOK

In 2025, the Group proactively addressed various risks and challenges, and ultimately achieved commendable results in project construction, market development, scientific and technological research and development, and other areas. Looking ahead to 2026, the acceleration of multi-polarisation in the international political landscape may lead to further divergence in national economic conditions, while China's economic development potential remains substantial. Amid the rapidly changing environment, the Group will identify, adapt to and pursue changes, and fully endeavor to ensure steady, sustained and healthy development of its operations. In the Hong Kong and Macau markets, the Northern Metropolis development in Hong Kong and the Four Major Projects in Macau – namely the Macao-Hengqin International Education City (University Campus), the Macao International Integrated Tourism and Cultural Zone, the Macao International Air Transport Hub on the West Bank of the Pearl River, and the Macao Science and Technology R&D Industrial Park – are progressing in an orderly manner. The Group will continue to build on its existing strengths and consolidate its leading position in the industry. In the Chinese mainland market, the Group will focus on deepening its presence in high-potential regions, while seizing the structural opportunities brought about by the transformation and upgrading of the construction industry, including smart construction and green low-carbon development. The Group will continue to strengthen basic management and consolidate the foundation for sound operations, and deepen reform and innovation to continuously improve the quality and efficiency of development, to advance steadily toward high-quality development.

ACKNOWLEDGEMENT

With this opportunity, I would like to express my sincere gratitude to the Board for its brilliant leadership, to our partners and investors for their strong support, to other members of society for their generous assistance, and to all our staff for their hard work.

By Order of the Board

China State Construction International Holdings Limited
Zhang Haipeng


Chairman and Executive Director

Hong Kong, 26 March 2026

Management

Discussion & Analysis





Profit attributable to owners of the Company was

RMB **8,588** million, represents a year-on-year increase of **0.3%**.

Operating cash flow has been positive for four consecutive years, recorded a net inflow of RMB1,053 million for the year.

OVERALL PERFORMANCE

The Group's turnover continues to maintain a scale of over RMB100 billion, recorded RMB100,449 million for the year.

Basic earnings per share was RMB1.64, a year-on-year decrease of 3.5%. With a proposed final dividend per share of HK28.5 cents, an interim dividend per share of HK34 cents paid in the year, the total dividends for the year amount to HK62.5 cents per share, representing an increase of 1.6% as compared to last year.

During the year, Hong Kong, Macau and Chinese mainland remained the core markets and the major contributors of the Group, accounted for 39.6%, 3.4% and 53.4% of the Group's revenue, respectively. In Hong Kong and Macau, the Group focused on the construction business in both private and public sectors, and further consolidated its leading position in the field by our continued strong performance. In Chinese mainland, the Group mainly focused on construction related investment projects, its huge scale is underpinned by its strong business execution and customer's satisfaction. China State Construction Development Holdings Limited and its subsidiaries (together, the "CSC Development Group") mainly focused on facade contracting business. This listed subsidiary is currently managed by a separate management team and thus is considered as a distinct business unit of the Group.





Management Discussion & Analysis (continued)

An analysis of major income statement items for the year is set out in the following paragraphs:

Hong Kong and Macau

Construction and Related Business

The Group has been actively participating in the construction of public houses in Hong Kong by virtue of Modular Integrated Construction (MiC) technology. Besides, the Group continues to maintain its leading position in Northern Metropolis and has won a number of projects. Hong Kong's revenue increased 5.7% to RMB39,754 million. Segment result amounted to RMB1,242 million, grew by 11.6%.

In the absence of large-scale hospital and comprehensive entertainment projects, Macau's revenue dropped 57.8% to RMB3,388 million. However, thanks to the continued operation income of the Macau No.8 project, a construction and operation retail project, overall segment result declined less, down 25.8% to RMB748 million.

Chinese mainland

The Group has always prioritised investment quality and proactively focused its business on high-potential regions. During the year, the Group successfully launched projects in multiple provincial capital cities, improving quality while maintaining stability of its investment business. MiC has gained greater recognition in first-tier cities, with a series of projects successfully secured during the year. Although revenue from Chinese mainland declined slightly by 3.0% to RMB53,599 million, segment result increased 1.4% to RMB11,888 million.

(1) Construction Related Investment Projects

Our Construction Related Investments Projects span over different kinds of business, including investment and construction of toll road, toll bridge and a variety of housing project, such as resettlement housing, hospital and school. The Group continued to optimise the project mix on hand, increased participation in government targeted repurchase projects and other shorter cash payback cycle project in order to accelerate capital turnover. During the year, Chinese mainland increased efforts on cash collection and received buy-back payment of RMB50,001 million from Construction Related Investment Project, including the attributable share of such payment received by our joint venture investments, up by 2.1%.

Construction Related Investment Projects remained the core business and the major contributor of Chinese mainland. Revenue dropped by 4.7% to RMB50,962 million, segment result increased 6.5% to RMB11,602 million.

(2) Operation Infrastructure Projects

Operation Infrastructure Projects represents toll road operation. The revenue from Operating Infrastructure Projects excluding contribution from joint venture was RMB173 million, increased 42.8%.

(3) Other Business

Other Business mainly represents contribution from industrial plant reconstruction, prefabricated construction industrialisation factories and other business such as project management services. The revenue from this sector was RMB2,464 million, increased 45.8%.

China State Construction Development Holdings Limited

CSC Development Group focused on the facade contracting business, general contracting business and operating management business. CSC Development Group further solidified its leading position in the market of Hong Kong and Macau and continues to expand its market in Chinese mainland and Singapore. Due to the decrease of revenue from facade contracting business, CSC Development Group's revenue and segment result dropped 15.9% and 59.0% to RMB3,707 million and RMB295 million, respectively.

Management Discussion & Analysis (continued)

Investment Income, Other Income and Other Gains/(losses), net

Investment Income, Other Income and Other Gains, net increased 17.5% to RMB249 million, the increase was mainly due to the increase in gain on disposal of property, plant and equipment recognised during the year.

Share of Profits of Associates

The Group continued to drive the contracting business by its investment in associates. The share of profits of associates dropped 95.1% to RMB12 million. The reason for the decrease is cyclical, with several residential projects recognised loss during the year.

Share of Profits of Joint Ventures

The Group mainly operated infrastructure investment projects in form of joint ventures. With several toll roads officially opened to traffic, the share of profits of joint ventures up by about 45.1% to RMB846 million as compared to last year.

Finance Costs

During the year, the finance costs charged to profit for the year decreased by 16.2% to RMB2,470 million.

Earnings Per Share

Basic earnings per share decreased by 3.5% to RMB1.64 for the year ended 31 December 2025. The calculation of the basic earnings per share is based on the profit for the year attributable to owners of the Company of RMB8,588 million and the weighted average number of 5,233,966,805 ordinary shares in issue during the year.

CORPORATE FINANCE

Financial Position of the Group

(a) Shareholder's Equity

During the year, the Group issued 244,600,000 ordinary shares, raised approximately RMB2,798 million, net of expenses.

The Group dedicated to maintain a sound financial position with a strong capital base to support its stable expansion. Shareholders' equity reached RMB80,377 million as at 31 December 2025. The increase was mainly attributable to the profit for the year of RMB9,005 million, issue of ordinary shares of RMB2,798 million, partly offset by the distribution of RMB3,101 million during the year.

(b) Bank Balances and Cash

At 31 December 2025, the Group had bank balances and cash of RMB30,329 million, representing 10.8% of the total assets. The portfolio of the currencies of bank deposits is listed as follow:

	2025	2024
	%	%
Hong Kong Dollars ("HK\$")	13	15
RMB	78	80
Macao Patacas	5	3
United State Dollars ("USD")	3	1
Others	1	1

The bank deposits outside Hong Kong are mainly for subsidiaries in various regions. During the year, the Group has no financial instrument for currency hedging purpose.



Management Discussion & Analysis (continued)

(c) Borrowings

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. We have good access to bank loans and the capital market, and are committed to stable and low-cost financing, and increasing the flexible use of funds between Chinese mainland and Hong Kong in order to enhance the effectiveness of capital usage.

During the year, the Group issued RMB11,500 million corporate bonds in Chinese mainland, included RMB7,500 million super short-term bonds issued and repaid during the year.

At 31 December 2025, the total borrowings of the Group (including the unsecured guaranteed notes denominated in USD and the corporate bonds denominated in RMB issued by the Group) were RMB85,402 million, of which, 15.3%, 2.1% and 82.6% of the total borrowings were denominated in HKD, USD and RMB respectively. In view of exchange rate fluctuation in recent years, the Group intended to increase the proportion of RMB finance in order to naturally hedge with the exposure from the receipts of Chinese mainland business.

Bank borrowings bore interest at both fixed and floating rates with reference to either Hong Kong Inter-bank Offered Rate ("HIBOR") or People's Bank of China ("PBOC") Loan Prime Rate (the overall condition was favorable) while the notes and bonds bore fixed interest rate. During the year, the Group increased the proportion of fixed rate borrowing in Chinese mainland given the low interest rate market environment in Chinese mainland to lower the cost of financing.

The following table sets out the maturities of the Group's total borrowings as at 31 December 2025 and 2024:

	2025 RMB' million	2024 RMB' million
Bank borrowings		
On demand or within one year	15,096	13,296
More than one year but not exceeding two years	19,483	21,092
More than two years but not more than five years	33,571	25,334
More than five years	4,008	8,354
Total bank borrowings	72,158	68,076
Unsecured guaranteed notes payable	1,752	1,809
Corporate bonds	11,492	10,994
Total borrowings	85,402	80,879

At 31 December 2025, the Group had net borrowings of RMB55,073 million and the Group's net gearing ratio was 68.5%. This ratio is calculated as net borrowings divided by total equity. Net borrowings is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated statement of financial position) less cash and cash equivalents. At 31 December 2025, committed but unutilised credit facilities and other banking facilities like construction performance bond facilities amounted to RMB168,416 million.

(d) Cash Flows Analysis

During the year, the Group's operating cashflow has remained positive, generated RMB1,053 million net cash inflow. The net cash outflow from investing activities was RMB813 million. The net cash inflow from financing activities was RMB1,500 million.

Management Discussion & Analysis (continued)

Management Policies for Financial Risk

1. Interest Rate Risk

The Group's fair value and cash flow interest rate risk mainly related to fixed rate and variable rate borrowings, respectively. In order to exercise prudent management against interest rate risk, the Group has established policies and procedures to assess, book and monitor all such financial risks. The Group will continue to review the market trend as well as its business operation's needs, so as to arrange the most effective interest risk management tools.

2. Credit Risk

The Group's principal financial assets are bank balances and cash, trade and other receivables. The Group's trade and other receivables presented in the consolidated statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made according to the Group's accounting policy or where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. Credit extended to business associates is based on the reputation and financial position of the customers. In connection with projects in progress (whether in Hong Kong, Macau, Chinese mainland or overseas), the major customers are the local governments, government-related entities and certain institutional organisations and certain reputable property developers. Therefore, the Group is not exposed to any significant credit risk.

With respect to the credit risk of the Group's treasury operations, the Group's bank balances and cash must be placed and entered into financial institutions of good reputation so as to minimise the Group's credit risk exposure.

3. Foreign Exchange Risk

The Group undertakes certain transactions denominated in foreign currencies, primarily with respect to the HK\$ and USD, hence exposures to foreign exchange risk. The Group manages this risk by closely reviewing the fluctuation of the exchange rate and adjusting the financing structure if needed. In recent years, the Group intended to increase the proportion of RMB finance in order to naturally hedge with the exposure from the receipts of Chinese mainland business.

Business Review



At the end of 2025, the Group has
391 projects in progress with
an aggregated attributable contract
value of RMB **556,416** million





Business Review (continued)

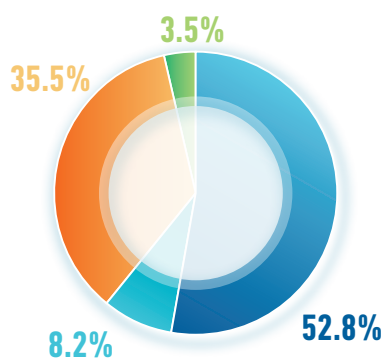
MAJOR COMPLETED PROJECTS IN THE YEAR OF 2025

No.	Project Name	Government/ Public Sector	Private Sector
Building Construction			
1	Design and Construction of Chinese Medicine Hospital and Government Chinese Medicines Testing Institute	●	
2	Construction of the Islands Healthcare Complex – Main Buildings	●	
3	Studio City Macau Phase 2		●
4	Commercial and Residential Accommodation, Package Three, Wong Chuk Hang Station		●
5	Construction of Hopewell Centre II Development		●
6	Bath 1A Development of Hong Kong-Shenzhen Innovation and Technology Park	●	
7	Macau Theme Park Resort Hotel Complex Development Project		●
8	Commercial and Residential Accommodation, Package Four, Wong Chuk Hang Station		●
Civil Engineering Works			
1	Hong Kong International Airport Three Runway System Project North Runway Modification Works		●
2	Central Kowloon Route – Kai Tak East	●	
Construction Related Investment			
1	Shanty Town Redevelopment Project in Longdejing and Goutou Sub-areas, Putian, Fujian Province	●	
2	Government Targeted Repurchase Project, Longgui Ceramic City, Baiyun District, Guangzhou, Guangdong Province	●	
3	Vocational Education Site and Industrial Supporting Project, Sutang, Xiuyu District, Putian, Fujian Province	●	
4	Urban-Rural Integration Development Project (Phase I), Feixi County, Hefei, Anhui Province	●	
5	Government Targeted Repurchase Project at the East of Baiwan Road, Xinzhuang Town, Jinnan District, Tianjin	●	
6	Siyi Real Estate Hushan Family Project, Tianjia'an District, Huainan, Anhui Province		●
7	Government Targeted Repurchase Project (Plot of the East side of Taixiang Road and the North side of Yanding Road), Hailing District, Taizhou, Jiangsu Province	●	
8	Government Targeted Repurchase Project (Plot 04-B-28), Innovaland, Lucheng District, Wenzhou, Zhejiang Province	●	
9	Housing Construction Project (Plot 059-02), Units N080601 & N080602, Guangzhong Community, Hongkou District, Shanghai		●
10	Housing Construction and Infrastructure Project, Qingtong Yuan, High-tech Zone, Huainan, Anhui Province	●	
11	Government Targeted Repurchase Project (Plot 2022P18), Longwen District, Zhangzhou, Fujian Province	●	
12	Government Targeted Repurchase Project, Binhu Community, East Lake High-tech Zone, Wuhan, Hubei Province	●	
13	Government Targeted Repurchase Project (Plot 05-B-35a), Innovaland, Lucheng District, Wenzhou, Zhejiang Province	●	
14	Government Targeted Repurchase Project (Plot B-01a), Putao Peng Unit, Core Sub-area of Lucheng District, Wenzhou, Zhejiang Province	●	
15	Government Targeted Repurchase Project (Plot 3), Fengdong New Town, Xixian New District, Xi'an, Shaanxi Province	●	

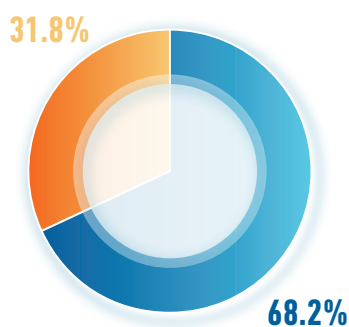
Business Review (continued)

No.	Project Name	Government/ Public Sector	Private Sector
16	Government Targeted Repurchase Project (Shengshi Renjia), Suyu District, Suqian, Jiangsu Province	●	
17	Government Targeted Repurchase Project (Plot of the East side of Taixiang Road and the North side of Yanding Road), Hailing District, Taizhou, Jiangsu Province	●	
18	Government Targeted Repurchase Project (Plot 03-B-10a) Island, Lucheng District, Wenzhou, Zhejiang Province	●	
19	Government Targeted Repurchase Project (Phase IV), Cultural and Educational Park, Energy and Finance Trade Zone, Xixian New Area, Xi'an, Shaanxi Province	●	

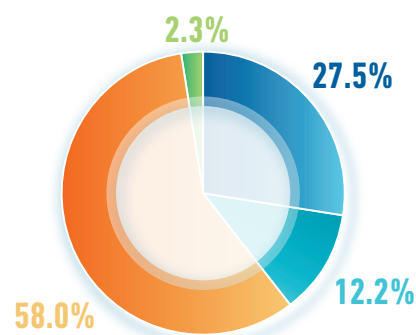
By Project Categories



By Customers



By Markets



■ Building Construction ■ Civil Engineering Works
 ■ Infrastructure Investment ■ Others

■ Government/Public Sector ■ Private Sector

■ Hong Kong ■ Macau
 ■ Chinese mainland ■ China State Construction Development Holdings Limited

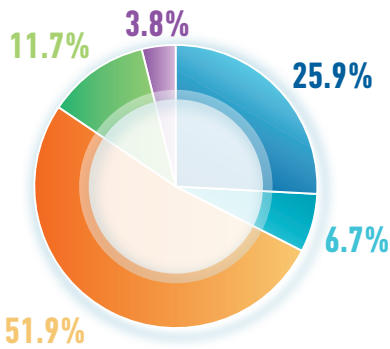
Business Review (continued)

NEW PROJECTS AWARDED IN THE YEAR OF 2025

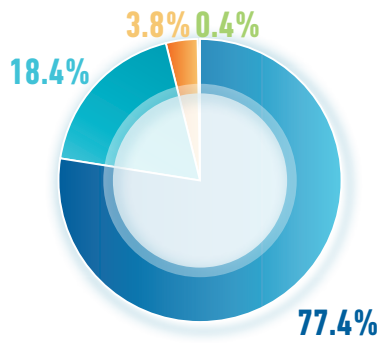
Summary for the year



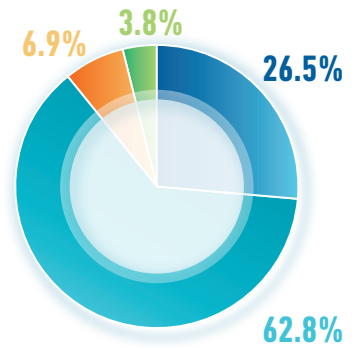
By Project Categories



By Customers



By Markets



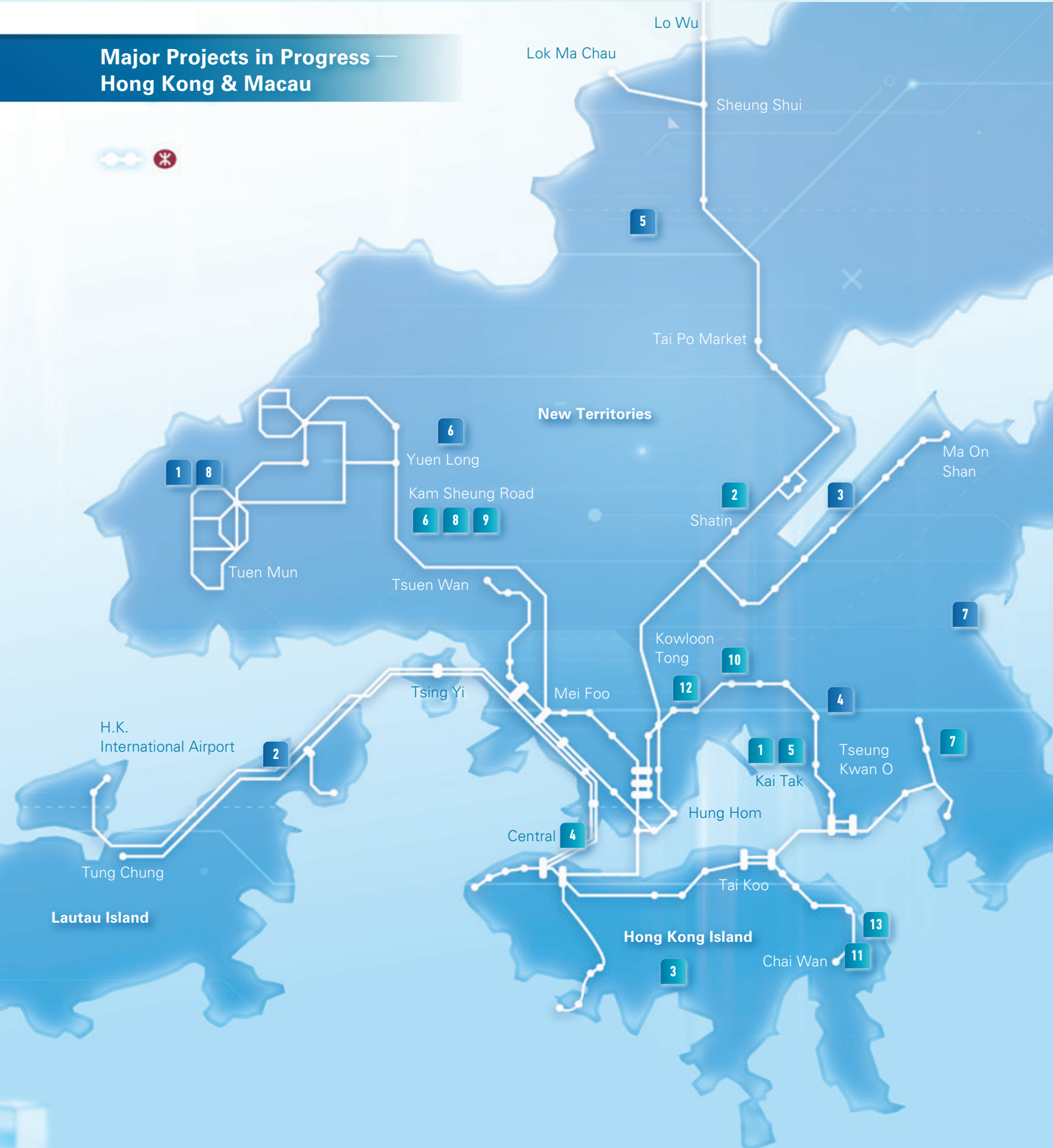
- Building Construction
- Construction Related Investment
- China State Construction Development Holdings Limited
- Civil Engineering Works
- Others

- Government/Public Sector
- China State Construction Development Holdings Limited
- Institutional Bodies
- Private Sector

- Hong Kong
- Macau
- Chinese mainland
- China State Construction Development Holdings Limited

Business Review (continued)

Major Projects in Progress — Hong Kong & Macau

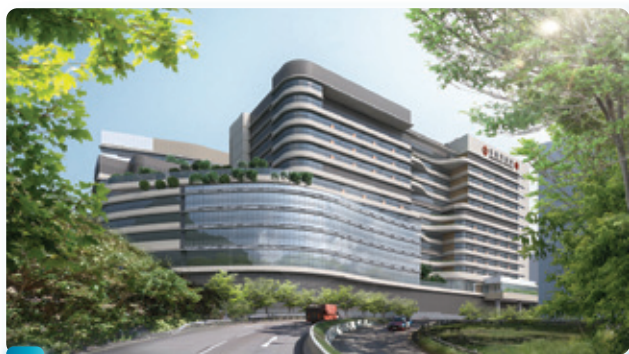




Business Review (continued)

MAJOR PROJECTS IN PROGRESS – HONG KONG

No.	Project Name
Building Construction	
1	New Acute Hospital at Kai Tak Development Area (Site A)
2	Main Works for In-Patient Extension Block for Redevelopment of Prince of Wales Hospital. Phase 2 (Stage 1)
3	Main Works Package 2 – Superstructure and Associated Works for Redevelopment of Grantham Hospital (Phase 1)
4	Main Contract (Site 3A) for Proposed Redevelopment at IL9088, New Central Harbourfront Site 3 Hong Kong
5	New Acute Hospital at Kai Tak Development Area (Site B)
6	West Rail Kam Sheung Road Station Package 1 Property Development
7	Residential Development, Lohas Park, Phase 13
8	Construction of Public Housing Development at Kam Sheung Road Site 1 Phase 1 and 2, Yuen Long
9	Design and Construction of Public Housing Development at Kam Sheung Road Site 4a Phase 1 and 2, Yuen Long
10	Main Contract for Redevelopment of Our Lady of Maryknoll Hospital
11	Residential Development at 391 Chai Wan Road an Adjoining Government Land Chai Wan Inland Lot No.178
12	Public Housing Redevelopment at Mei Tung Estate (Older Part)
13	Construction of Water Supplies Department Headquarters and Correctional Services Department Headquarters Building in Chai Wan



3 Main Works Package 2 – Superstructure and Associated Works for Redevelopment of Grantham Hospital (Phase 1)



8 Construction of Public Housing Development at Kam Sheung Road Site 1 Phase 1 and 2, Yuen Long



10 Main Contract for Redevelopment of Our Lady of Maryknoll Hospital



12 Public Housing Redevelopment at Mei Tung Estate (Older Part)

Business Review (continued)

MAJOR PROJECTS IN PROGRESS – HONG KONG (continued)

No.	Project Name
Civil Engineering Works	
1	West New Territories Landfill Extension
2	Siu Ho Wan Depot Property Development MTR Contract 1701 – Oyster Bay Station and Associated Works
3	Relocation of Sha Tin Sewage Treatment Works to Caverns – Main Caverns Construction
4	Joint Cavern Development at Anderson Road Quarry Site
5	Kwu Tung North New Development Area, Remaining Phase: Improvement Works of Fanling Highway (Kwu Tung Portion) and Associated Works
6	Yuen Long Barrage and Nellah Improvement Schemes
7	Dualling of Hiram's Highway from Marina Cove to Sai Kung Town
8	Hung Shui Kiu Effluent Polishing Plant – Phase 1



1 West New Territories Landfill Extension



2 Siu Ho Wan Depot Property Development MTR Contract 1701 – Oyster Bay Station and Associated Works



3 Relocation of Sha Tin Sewage Treatment Works to Caverns – Main Caverns Construction



8 Hung Shui Kiu Effluent Polishing Plant – Phase 1

Business Review (continued)

MAJOR PROJECTS IN PROGRESS – MACAU

No.	Project Name
1	Superstructure Project of Galaxy Phase 4
2	GEG’s Cotai Phase 4 Project – Stage 2
3	Macau Areia Preta Lot P – Construction for Lots A Home Swap Housing
4	Design and Construction Project of the South Segment of the Macau Light Rapid Transit East Line
5	Public Housing Design and Construction Project (Lot A4), Zone A New Town
6	Public Housing Design and Construction Project (Lot B8), Zone A New Town
7	Construction of the Islands Healthcare Complex – Rehabilitation Hospital
8	Public Housing Design and Construction Project (Lot A2), Zone A New Town
9	Public Housing Design and Construction Project (Lot A12), Zone A New Town



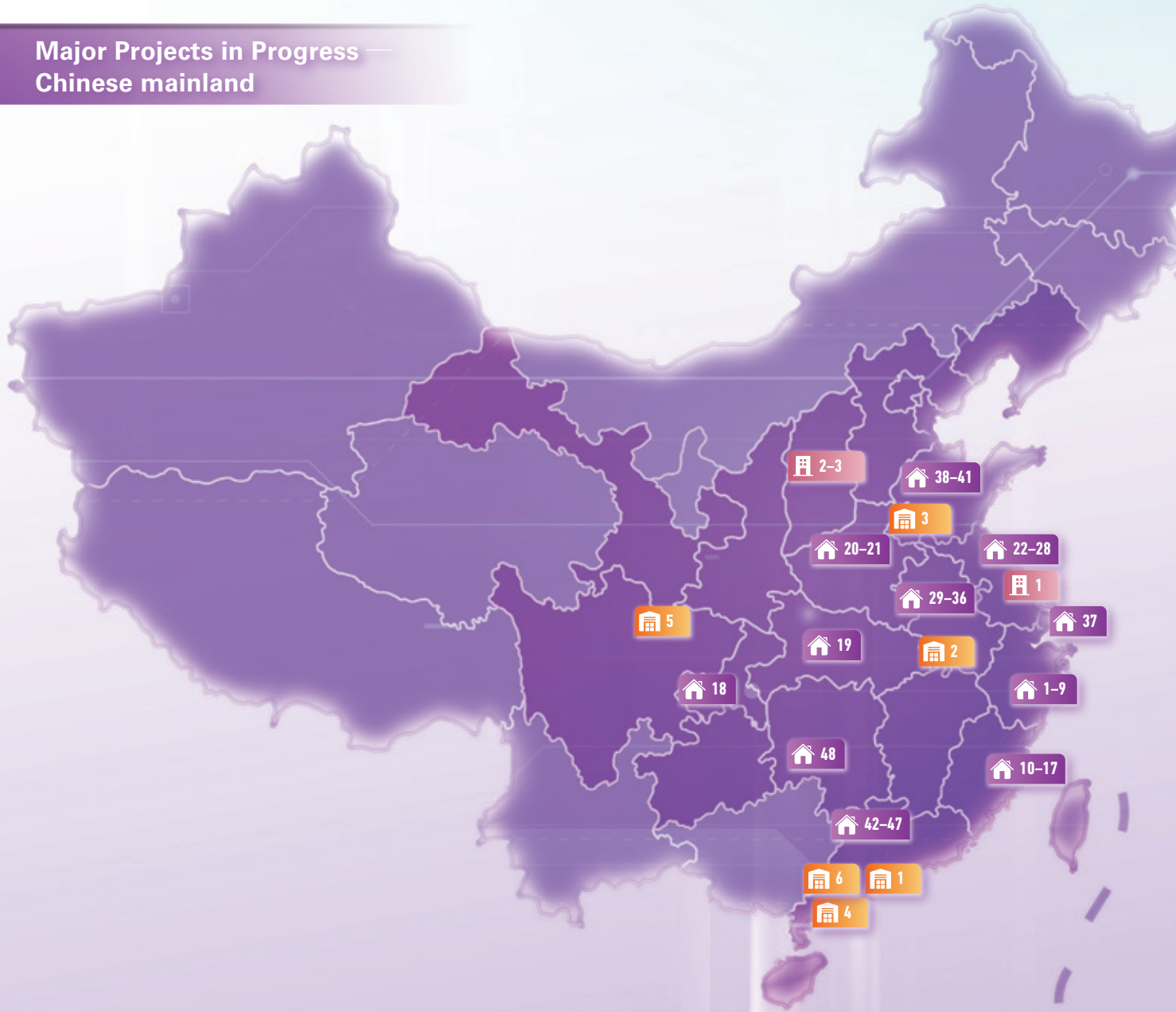
3 Macau Areia Preta Lot P – Construction for Lots A Home Swap Housing






7 Construction of the Islands Healthcare Complex – Rehabilitation Hospital

Business Review (continued)

Major Projects in Progress — Chinese mainland



-  Construction Related Investment Project
-  Construction Products Plant
-  Major Project in Operation and Management



Business Review (continued)

MAJOR PROJECTS IN PROGRESS – CHINESE MAINLAND

No.	Project Name
Construction Related Investment	
1	Housing Construction and Infrastructure Project, Fenghuangwan Block, South Taihu New Area, Huzhou, Zhejiang Province
2	Urban Renewal and Supporting Facilities Project, Wucheng District, Jinhua, Zhejiang Province
3	Housing Construction Project, Intelligent Sensor Innovation Base, Jiaxing Economic and Technological Development Zone, Zhejiang Province
4	Housing Construction Project (Plot B-01b), Putao Peng Unit, Lucheng District, Wenzhou, Zhejiang Province
5	Government Targeted Repurchase Project (Plot B-04), Wuqiao Unit, Core Sub-area of Lucheng District, Wenzhou, Zhejiang Province
6	Public Construction and Municipal Project, Zhenxing Street, Zhi Li, Wuxing District, Huzhou, Zhejiang Province
7	Government Targeted Repurchase Project (Plot 05-13), Anyang Unit, Ruian, Wenzhou, Zhejiang Province
8	Government Targeted Repurchase Project at the South of Donghai Avenue and the East of 5 Guihua Road, Jiaojiang District, Taizhou, Zhejiang Province
9	Housing Construction and Infrastructure Project, Yongningjiang Science and Technology New Town, Huangyan District, Taizhou, Zhejiang Province
10	Shanty Town Redevelopment and Infrastructure Public – Private Partnership Project, Quanzhou, Fujian Province
11	Government Targeted Repurchase Project (Plot 2025-42), Gulou District, Fuzhou, Fujian Province



3 Housing Construction Project, Intelligent Sensor Innovation Base, Jiaxing Economic and Technological Development Zone, Zhejiang Province



5 Government Targeted Repurchase Project (Plot B-04), Wuqiao Unit, Core Sub-area of Lucheng District, Wenzhou, Zhejiang Province



10 Shanty Town Redevelopment and Infrastructure Public – Private Partnership Project, Quanzhou, Fujian Province



11 Government Targeted Repurchase Project (Plot 2025-42), Gulou District, Fuzhou, Fujian Province

Business Review (continued)

MAJOR PROJECTS IN PROGRESS – CHINESE MAINLAND (continued)

No.	Project Name
12	Shanty Town Redevelopment and Housing Construction Project, Shouxi Area, Licheng District, Putian, Fujian Province
13	Government Targeted Repurchase Project (Plot 2024-38), Yinxi Street, Fuqing, Fuzhou, Fujian Province
14	Government Targeted Repurchase Project (Plot B), Huannan New Village, Jin'an District, Fuzhou, Fujian Province
15	Government Targeted Repurchase Project (Plot 2025-41), Gulou District, Fuzhou, Fujian Province
16	Government Targeted Repurchase Project, Ninghua New Village, Taijiang District, Fuzhou, Fujian Province
17	Government Targeted Repurchase Project (Plot A), Huannan New Village, Jin'an District, Fuzhou, Fujian Province
18	Borui Ting Talent Apartment Construction General Contracting Project of Chongqing Economic Development Zone
19	Government Targeted Repurchase Project (Plot P(2025)141), Baiyushan Street, Qingshan District, Wuhan, Hubei Province
20	The Yellow River Cultural Tourism Facilities Project, Luoyang, Henan Province
21	Government Targeted Repurchase Project, Dayun River, Chanhe District, Luoyang, Henan Province
22	Infrastructure Project, Xianfeng Dadao, Yancheng, Jiangsu Province
23	Government Targeted Repurchase Project (Plot NO.2024G76), Jiangning Development Zone, Nanjing, Jiangsu Province
24	Urban Renewal and Housing Construction Project, Renju Forest Area, Yuhua Economic and Technological Development Zone, Nanjing, Jiangsu Province
25	Housing Construction Project (Plot F and H), Mingzhu Street, Liangxi District, Wuxi, Jiangsu Province
26	Government Targeted Repurchase Project of Shengjiang Huayuan Phase 9 (Plot B), Binjiang Economic Development Zone, Jiangning, Nanjing, Jiangsu Province
27	Government Targeted Repurchase Project of Shengjiang Huayuan Phase 9 (Plot C), Binjiang Economic Development Zone, Jiangning, Nanjing, Jiangsu Province
28	Government Targeted Repurchase Project (South of Kangsheng Road and East of Louyan Road), Xiangcheng District, Suzhou, Jiangsu Province
29	Urban Renewal and Housing Construction Project (Phase III), Longgaozhao Area, Luyang District, Hefei, Anhui Province
30	Housing Construction Project, Hefei Economic Development Zone, Anhui Province
31	Urban Renewal and Housing Construction Project (Phase II), Longgaozhao Area, Luyang District, Hefei, Anhui Province
32	Government Targeted Repurchase Project (Plot 2), Dadian, Yao Hai District, Hefei, Anhui Province
33	Government Targeted Repurchase Project (Plot 7 and Storage Plot), Tongling Road, Yaohai District, Hefei, Anhui Province
34	Government Targeted Repurchase Project, Xiwan Huayuan, Jiangbei New District, Wuhu, Anhui Province
35	Urban Renewal (Phase 1) Housing Construction Project, Left Bank of Silihe, Luyang District, Hefei, Anhui Province
36	New Energy (Hydrogen Energy) Industrial Park Housing Construction Project, Yaohai District, Hefei, Anhui Province



Business Review (continued)



19 Government Targeted Repurchase Project (Plot P(2025)141), Baiyushan Street, Qingshan District, Wuhan, Hubei Province



28 Government Targeted Repurchase Project (South of Kangsheng Road and East of Louyan Road), Xiangcheng District, Suzhou, Jiangsu Province



30 Housing Construction Project, Hefei Economic Development Zone, Anhui Province



36 New Energy (Hydrogen Energy) Industrial Park Housing Construction Project, Yaohai District, Hefei, Anhui Province



39 Housing and Infrastructure Construction Project, Qian Shi Hou Shi Sub-area, Lanshan District, Linyi, Shandong Province



40 General Contracting for the Design and Construction of the Qingdao China Electric Power Science and Technology Industrial Park (Phase 1), Chengyang, Shandong Province

Business Review (continued)

MAJOR PROJECTS IN PROGRESS – CHINESE MAINLAND (continued)

No.	Project Name
37	Xinyefang Project, Hongkou District, Shanghai
38	Government Targeted Repurchase Project, Kuiwen District, Weifang, Shandong Province
39	Housing and Infrastructure Construction Project, Qian Shi Hou Shi Sub-area, Lanshan District, Linyi, Shandong Province
40	General Contracting for the Design and Construction of the Qingdao China Electric Power Science and Technology Industrial Park (Phase 1), Chengyang, Shandong Province
41	General Contracting (EPC) Project for the Dongjia Sub-area, Kuiwen District, Weifang, Shandong Province
42	Housing Construction Project (Plot 2024NJY-7), Hengli Town, Nansha District, Guangzhou, Guangdong Province
43	Housing Construction Project (Plot 2024NJY-9), Hengli Town, Nansha District, Guangzhou, Guangdong Province
44	Government Targeted Repurchase Project, South of Cultural and Tourism City, Huadu District, Guangzhou, Guangdong Province
45	Industrial Resettlement Housing Project, Pingnan Shunli Old Village, Guicheng, Nanhai District, Foshan, Guangdong Province
46	Government Targeted Repurchase Project, Lighting Factory Plot, Chancheng District, Foshan, Guangdong Province
47	Government Targeted Repurchase Project, Jinsha South Road, Jianggao Town, Baiyun District, Guangzhou, Guangdong Province
48	Infrastructure and Housing Construction Project, Heishipu, Tianxin District, Changsha, Hunan Province



43

Housing Construction Project (Plot 2024NJY-9), Hengli Town, Nansha District, Guangzhou, Guangdong Province



44

Government Targeted Repurchase Project, South of Cultural and Tourism City, Huadu District, Guangzhou, Guangdong Province



Business Review (continued)

MAJOR PROJECTS IN PROGRESS – CHINESE MAINLAND (continued)

No.	Project Name
Construction Products Plant	
1	Shenzhen Hailong Construction Products Plant
2	Anhui Hailong Construction Products Plant
3	Shandong Hailong Construction Products Plant
4	Zhuhai Hailong Construction Products Plant
5	Chongqing Hailong Construction Products Plant
6	Jiangmen Hailong Construction Products Plant
Major Projects in Operation and Management	
1	Nanjing No. 2 Yangtze River Bridge
2	Yangquan-Yuxian Section Project, Yangquan-Wutaishan Expressway, Shanxi Province
3	Shuiyu-Niangziguan Section Project, Yangquan-Niangziguan First-Class Highway, Shanxi Province



1 Shenzhen Hailong Construction Products Plant



1 Nanjing No. 2 Yangtze River Bridge

Business Review (continued)

PROJECTS IN PROGRESS AS AT 31 DECEMBER 2025

	31 December 2025		Value of incompleted contract RMB'Million
	No.	Attributable contract value RMB'Million	
Chinese mainland	280	298,982	196,465
Hong Kong	77	181,837	127,899
Macau	34	42,823	22,962
China State Construction Development Holdings Limited	–	32,774	17,350
Total	391	556,416	364,676

MAJOR AWARDS AND ACCOLADES 2025



Major Awards and Accolades 2025 (continued)

GENERAL AWARDS

Award	Awarded company	Name of the granting organisation
BBB Rating in MSCI's ESG rating, ranking first in the industry	China State Construction International Holdings Limited	MSCI Inc.
Selected as a constituent of the FTSE4Good Constituent Index (for nine consecutive years)	China State Construction International Holdings Limited	FTSE Russell
"Honored Company", ranked 2nd in "Best Investor Relations Team", "Best Investor Relations Program", "Best Corporate Board of Directors", and ranked 1st in "Best ESG" in Industrials Small & Midcap Sector	China State Construction International Holdings Limited	Extel
Selected as a constituent of the "Hang Seng Corporate Sustainability Benchmark Index"	China State Construction International Holdings Limited	Hang Seng Indexes Company Limited
Selected Companies for S&P Global 'Sustainability Yearbook (ChinaEdition)' 2025	China State Construction International Holdings Limited	S&P Global
AA Rating in Wind's ESG rating, ranking first in the industry	China State Construction International Holdings Limited	Wind Information
AA+ Rating in CCXGF's ESG Rating, ranking first in the industry	China State Construction International Holdings Limited	CCXGF (中誠信綠金)
B Rating in CDP's Climate Change Questionnaire, ranking first in the industry	China State Construction International Holdings Limited	CDP
Top 100 Benchmarks for Chinese Brands Globalisation	China State Construction International Holdings Limited	International Brand Research Institute, Guangdong-Hong Kong-Macao Greater Bay Area Entrepreneurs Alliance
EU NG Gold Certification	China State Construction Hailong Technology Company Limited—Longgang District Intelligent Construction Industrial Park Project	European Union Innovation Center
EU Green Transition Contribution Award	China State Construction Hailong Technology Company Limited—Longgang District Intelligent Construction Industrial Park Project	European Commission
GLOBAL WATER AWARDS 2025—"Desalination Plant of the Year"	China State Construction Engineering (Hong Kong) Limited	Global Water Intelligence
First Class Award of Excellent Stories of Central Enterprises by the SASAC — "Hong Kong, 'Mountain-moving Project' is in Progress"	China State Construction International Holdings Limited, China State Construction Engineering (Hong Kong) Limited	Publicity Department of the SASAC of the State Council, China Foreign Languages Press, People's Daily Online
Excellent Work (Medium and Long Video) in the 11th "Excellent State-owned Enterprise News" Awards— "Hong Kong, 'Mountain-moving Project' is in Progress"	China State Construction International Holdings Limited	News Center of the SASAC of the State Council
Class A Work in the Micro-documentary Category of Major Construction Projects during the "14th Five-Year Plan" Period — "From Macau to Hengqin: New Neighbourhoods for Macanese People"	China State Construction International Holdings Limited, China Construction Engineering (Macau) Company Limited	Office of the National Archives Administration
Class A Work in the Micro-documentary Category of Major Construction Projects during the "14th Five-Year Plan" Period — "My 14th Five-Year Plan Answer Sheet — Archives of the Cornerstones of the City"	China State Construction International Holdings Limited, China State Construction Hailong Technology Company Limited	Office of the National Archives Administration
Gold Award in the ESG and Corporate Image Category of the 21st China Public Relations Industry Best Case Competition — "Community Emergency Volunteer Team Documentary"	China State Construction Engineering (Hong Kong) Limited	China International Public Relations Association
Employer of the Year—Triple Crown	China State Construction Engineering (Hong Kong) Limited	CTgoodjobs
The Most Popular Enterprise for Global Talent Award	China State Construction Engineering (Hong Kong) Limited	Innovating Hong Kong — Global Talent Carnival
APIGBA Renovation Award—GOLD	China Construction Engineering (Macau) Company Limited—Londoner Event Centre (Macao) Renovation Project	Asia-Pacific Intelligent Green Building Alliance
Best Retail Development in Asia Pacific	China Construction Engineering (Macau) Company Limited—Macau No.8 project	International Property Awards
The 9th Batch of National Manufacturing Single Champion Enterprises	Far East Intelligent Manufacturing (Zhuhai) Co., Ltd.	General Office of the Ministry of Industry and Information Technology
Macau Good Organisation Award	China Construction Engineering (Macau) Company Limited	Corpo de Polícia de Segurança Pública
Outstanding ESG Award	China State Construction Development Holdings Limited	Television Broadcasts Limited

CSR AWARDS

Award	Awarded company	Name of the granting organisation
Hong Kong Volunteer Award 2025 — Outstanding Corporate Award Corporate — Volunteer Hour Gold Award	China State Construction International Holdings Limited	Home and Youth Affairs Bureau of the HKSAR Government and the Agency for Volunteer Service
Macau Volunteer Alliance Excellent Project Award	China Construction Engineering (Macau) Company Limited	Macau Volunteer Federation
"Caring Company 10+" Label	China State Construction Development Holdings Limited	The Hong Kong Council of Social Service

Major Awards and Accolades 2025 (continued)



Major Awards and Accolades 2025 (continued)

TECHNOLOGY AWARDS

Award	Awarded company	Name of the granting organisation
2025 Enterprise with Outstanding Performance in Digital Construction	China State Construction International Holdings Limited	Guandian Index Research Institute
2025 AI+ Innovative Application Case	China State Construction International Holdings Limited	Organizing Committee of 2025 AI Intelligence Creates Future CIO Summit
Silver Award, "Building for the Future" First CSCCE Youth Innovation and Entrepreneurship Competition	China State Construction International Holdings Limited	China State Construction Engineering Corporation
2025 NCE "Tunnelling Project of the Year", "Tunnelling Project Team of the Year"	China State Construction Engineering (Hong Kong) Limited — Relocation of Sha Tin Sewage Treatment Works to Caverns	Institution of Civil Engineers
National Development and Reform Commission, Green and Low-Carbon Advanced Technology Demonstration Projects (Second Batch)	China State Construction Hailong Technology Company Limited — Longgang District Intelligent Construction Industrial Park Project	National Development and Reform Commission of the People's Republic of China
Gold Award for Excellent Residential Community, China Civil Engineering Zhan Tianyou Award	China State Construction Hailong Technology Company Limited	China Civil Engineering Society
Energy Conservation and Emission Reduction Science and Technology Progress Award, Innovation Award of China Energy Conservation Association	Far East Green Energy Technology (Guangdong) Co., Ltd.	Carbon Neutrality Committee of China Energy Conservation Association
UHPC Innovation Award (2023–2024) — Architectural Superstructure Main Contract Project	China Construction Engineering (Macau) Company Limited — Galaxy Phase IV Superstructure Main Contract Project	China Concrete and Cement Products Association
First Prize for Achievement Transformation, Heilongjiang Science and Technology Award	China State Construction Hailong Technology Company Limited	People's Government of Heilongjiang
CSCEC Technology Invention Award (Gold)	China State Construction Hailong Technology Company Limited	China State Construction Engineering Corporation
Second Prize of Guizhou Science and Technology Progress Award	China State Construction International Investments Limited — Guizhou Company	People's Government of Guizhou
First Prize for Scientific and Technological Innovation of China Industrial Technology Promotion Association	China State Construction International Investments Limited — Guizhou Company	China Association for Promotion of Science and Technology Commercialisation
Key Project of Sponge City Construction in Zhejiang, 2024	China State Construction International Investments Limited	Department of Housing and Urban-Rural Development of Zhejiang, Department of Finance of Zhejiang, Department of Water Resources of Zhejiang
First Prize for Scientific and Technological Progress, China Communications and Transportation Association	China State Construction International Asset Management Limited — Nanjing Changjiang Second Bridge Company Limited	China Communications and Transportation Association
CSCEC Technology Invention Award (Silver)	China State Construction Development Holdings Limited	China State Construction Engineering Corporation
"Excellent Defense Unit" in "Guangming — 2025" Macao Chinese-Funded Enterprises Cybersecurity Joint Offensive and Defense Exercise	China Construction Engineering (Macau) Company Limited	Cybersecurity Committee of Macao Chinese Enterprises Association
2024 Excellent Audit Case of CSCEC	China Overseas Holdings Limited	Audit Department of China State Construction Engineering Corporation
Construction Industry Council of Hong Kong "MIC"/"MEI" Achievement Award	China State Construction Engineering (Hong Kong) Limited — Design and Construction of Olympic Avenue Light Public Housing, Kai Tak	Construction Industry Council of Hong Kong
First Prize for Scientific and Technological Progress, China Highway and Transportation Society	China State Construction International Investments Limited — Guizhou Company	China Highway and Transportation Society
Best Tall Building Asia Award	China State Construction Development Holdings Limited — Far East Facade	Council on Tall Buildings and Urban Habitat
Excellent Award, Science and Technology Award of China Construction Structure Metal Association	China Construction Engineering (Macau) Company Limited · Far East Facade (Macau) Limited — Galaxy Phase IV Superstructure Main Contract Project	China Construction Structure Metal Association

SAFETY AND ENVIRONMENTAL PROTECTION AWARDS

Award	Awarded company	Name of the granting organisation
First Prize of the 6th Safety Science and Technology Award of China Occupational Safety and Health Association	China State Construction International Investments Limited — Guizhou Company	China Association of Work Safety
2025 Construction Project Safety Production Standardization Worksite Learning and Exchange Program (2 projects)	China State Construction International Investments Limited — Anhui Company-General Contracting Project of Phase VI (South Plot) of Hefei Intelligent Technology Park and Phase I of Renovation Project of Qingfeng Brick Factory Shantytown, Tianjia'an District, Huainan	China Construction Industry Association — Building Safety and Machinery Branch
ISA International Safety Awards 2024 (Merit)	China Construction Engineering (Macau) Company Limited — Lot P, New Reclamation Area, Arelia Preta, Macau	British Safety Council
ISA International Safety Awards 2024 (Pass)	China State Construction Engineering (Hong Kong) Limited — Central Kowloon Route — Kai Tak East Project	British Safety Council
2025 Star-level Project for Green Construction Performance in Engineering Construction Projects (2 projects)	China Overseas Supervision Limited — Shenzhen New World Prince Bay Comprehensive Development Project, Zhuhai-Macao Bay Century Center Project	China Construction Enterprise Management Association
The 31st Considerate Contractors Site Award Scheme — 1 Gold, 1 Silver, 1 Bronze, 4 Merit Awards in Considerate Contractors Site Awards — 1 Gold, 1 Bronze, 5 Merit Awards in Safety & Environmental Excellence Innovation Awards — 1 Gold, 1 Bronze, 5 Merit Awards in Outstanding Environmental Management Awards	China State Construction Engineering (Hong Kong) Limited — Yuen Long Barrage and Nullah Improvement Schemes, Kowloon Our Lady of Maryknoll Hospital Redevelopment Project, Residential Redevelopment at 135 Tai Hang Road, Heritage Conservation Resource Centre Project, Residential Development at 391 Chai Wan Road, Design and Construction of Kong Ha Po Police Training Facilities, Anderson Road Quarry Joint Use Cavern Development	Development Bureau and Construction Industry Council of Hong Kong
Demonstration Enterprise for Safety Culture Construction in Guangdong, Special Grade Award for Emergency and Safety Science and Technology Progress Guangdong Association of Work Safety	China Overseas Construction Company Limited · China State Construction Hailong Technology Company Limited	Guangdong Association of Work Safety
Guangdong Advanced Collective in Work Safety	China Construction Engineering (Macau) Company Limited	Department of Emergency Management of Guangdong
Best Occupational Safety & Health Award, Excellent Occupational Safety & Health Award	China Construction Engineering (Macau) Company Limited — Residential Development at Rua da Praia do Manduco, Macau; Design and Construction of Public Housing at Lot A12, New Urban Zone A	Macau Institute of Project Managers, Macau Institute of Construction Engineers, Macau Construction Safety Association
Construction Safety Award — Best Lifting Operations Safety Improvement Programme — Gold Award	China State Construction Engineering (Hong Kong) Limited — Project of Yuen Long Barrage and Nullah Improvement Schemes	Occupational Safety and Health Council
Hong Kong Occupational Safety and Health Award Safety Management System Award (Construction Category) — Gold Award	China State Construction Engineering (Hong Kong) Limited — West New Territories Landfill Rehabilitation Project	Occupational Safety and Health Council
Green Building Awards (3 in total)	China State Construction Engineering (Hong Kong) Limited — Phase 1A Development of the Hong Kong-Shenzhen Innovation and Technology Park, Anderson Road Quarry Joint Use Cavern Development	Green Building Council of Hong Kong and Professional Green Building Council
2024 Active Promoter of Safety Contractor Award (4 in total)	China State Foundation Engineering Limited	Hong Kong Construction Association
Hong Kong Construction Environmental Awards — Environmental Merit Award (5 in total)	China State Construction Engineering (Hong Kong) Limited · China Overseas Building Construction Limited · China State Mechanical and Electrical Engineering Limited · Alchmex Construction · Treasure Construction	Hong Kong Construction Association
Green Factory of Jining	China State Construction Hailong Technology Company Limited	Jining Bureau of Industry and Information Technology



Corporate Citizenship

EXCELLENCE IN CONSTRUCTION PROJECT DELIVERY

is founded not only on rigorous control over safety, compliance, quality, cost and progress, but also on the deep integration of technology-driven innovation and environmental governance.

AS A SOCIALLY RESPONSIBLE CONTRACTOR,

the Group has always adhered to a green development blueprint, embedding sustainability into every process from planning to construction, and building harmonious cities that coexist in balance with nature through craftsmanship.

UPHOLDING ITS COMMITMENT AS A RESPONSIBLE CORPORATE CITIZEN,

the Group has established platforms for talent development and translated social responsibility into concrete actions. It actively responds to public needs, supports community development efficiently, brings care and warmth to every corner of the city, and works with all sectors to expand spaces for well-being and create a better future together.



Corporate Citizenship (continued)

BUILDING HAPPINESS AND LEADING THE TREND

The Group, as a member of China Overseas Holdings Limited (“COHL”), upholds the core values of “putting customers first, guaranteeing quality, and creating value”, consciously underwrites the mission of “we are in the business of happiness”, and vows to become a world-class service provider in investment, construction, and operation.

The Group vigorously carries forward the entrepreneurial spirit of “wholeheartedly striving every day”, and “bringing together those who strive and motivate people of action”. The entire team has always maintained an enterprising creativity and vigor for the implementation of strategies and the achievement of goals.

With its extraordinary craftsmanship and care, the Group has profound insight into the changing needs of our customers. Guided by our motto of “Building Happiness and Leading the Trend”, the Group has continuously led the lifestyle and industry trends while actively fulfilling our corporate responsibilities.

TALENT ACQUISITION AND STAFF DEVELOPMENT

I. Extensive Recruitment of Talent

The Group has always maintained a high level of investment in talent development, by optimising talent allocation, improving talent training systems, and strengthening talent identification capabilities, with a view to continuously enhancing the competitiveness and sustainable development of our talents.

Adhering to the two-pronged approach of “social recruitment” and “campus recruitment”, the Group focused on actively introducing corporate governance talents, professional talents, R&D talents for technology, and outstanding young talents, as well as recruiting talents from around the globe, in order to build a diversified talent deployment system.



The Group is dedicated to building an international workforce, currently bringing together over 14,000 professionals from more than 22 countries and regions. To fully implement the instructions and requirements of the Central Government and the HKSAR Government to “Transform Hong Kong into a Prime Hub for International High-caliber Talent”, the Group, in the witness of the SAR Government, has signed Memoranda of Understanding with top overseas universities, providing overseas engineering students with learning opportunities spanning international perspectives, construction technology, career development, and community service. Through a collaborative mechanism of “Government-led Platforms, Association Synergy, University Cultivation, and Corporate Implementation”, the Group has achieved a full-cycle closed loop of “cultivating, attracting, and effectively utilising talents”, exploring a new model for Hong Kong’s development as an international talent hub.

Corporate Citizenship (continued)

II. Talent Training

Through a comprehensive range of training programs, the Group enhanced the employees' professional skills and discovered their development potential. The Group has consistently enhanced the implementation of tailored training for employees at different development stages and positions, and has built a competence quality model for key positions to optimise the training course system. Key training activities include the "High-quality Development (高質量發展)" workshop, the project managers growth camp under the "Talent Development Programme (築將計劃)", the MiC "Marketing Class (營銷班)", the "Research Pathway Programme (研途計劃)" professional workshop, the "GBA Innovation & Technology Study Camp for Young Probationers (見習青年人才大灣區創新科技研習營)", the "Star of the Bay Area (灣區之星)" boot camp, and the "Soul of Culture (文化鑄魂)" visits to the 3311 Brand Exhibition Center. Meanwhile, we continue to enhance the development of the micro-curriculum platform "Leading Trend (領潮)" and the training brand of "Leading Trend Classroom (領潮學堂)", so as to enhance the quality of our talent team continuously.



The Group insisted on exploring innovative mechanisms for talent team building, enriching the talent identification methods, and implementing the "Eight-Minute Agenda" programme to showcase outstanding employees each month, to build a platform for employees to share and communicate. At the same time, the Group has devised comprehensive talent retention strategies to increase the appeal to talented individuals through a range of initiatives.



Corporate Citizenship (continued)

III. Youth Development

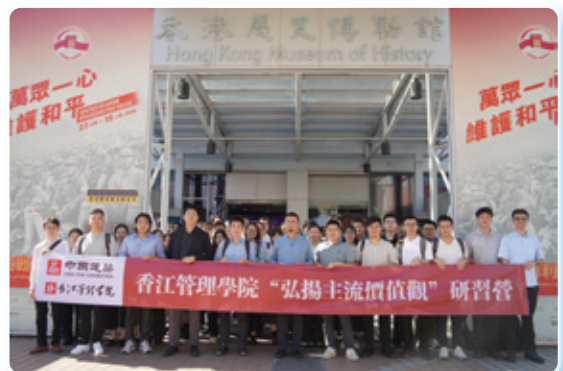
The Group has deepened the development of the “Hong Kong Management Academy” platform. Leveraging three key pillars – the “Volunteer Team”, “Youth Club”, and “Talents Society” – we actively promote mainstream values and continuously enhance the cohesion and sense of belonging among young employees.



The CSCI volunteer team hosted the 2025 “Strive Cup” Basketball League. In collaboration with the CSCI Youth Club, it organised numerous patriotic education activities, including a visit to the PLA Garrison in Hong Kong Exhibition Center themed “Joining Hands for Brilliance, Writing a New Chapter from Governance to Prosperity”, the National Day themed event “Tracing Glorious Footsteps”, the flag-raising ceremony celebrating the 76th Anniversary of the founding of the People’s Republic of China, and a screening of the patriotic film *Dead to Rights*. Collectively, over 10 events were held to deepen employees’ sense of national pride and belonging.

The CSHK Talents Society aims to support newly-coming professionals in better integrating into life and work in Hong Kong, helping them become highly integrated and exceptional professionals. It has organised various cultural integration and local experience activities, such as Hong Kong volunteer training and basketball and bowling exchange matches. To date, these efforts have reached nearly 800 new talents with remarkable results.

Furthermore, to promote cultural exchange among youth from Hong Kong, Macau, and the Chinese mainland, the Group organised the China Overseas Group Mainland Youth Roots-seeking Tour to Hong Kong (中海集團內地青年赴港尋根之旅) in April 2025. Thirty outstanding young participants from the Chinese mainland embarked on a journey to Hong Kong, where they visited iconic projects like Hong Lok Yuen, Hoi Po Garden, and Hong Kong Palace Museum, allowing them to trace the historical legacy of leadership culture. In August of the same year, 70 newly recruited young probationers and summer interns participated in the “GBA Innovation & Technology Study Camp (大灣區創新科技研習營)”. They visited the Group’s technology manufacturing enterprises in Zhuhai and the Chinese mainland Support Center in Shenzhen for observation and exchange, deepening their understanding and endorsement of the “Technology+” strategy.



Corporate Citizenship (continued)

IV. Employee Care

The Group adheres to the philosophy of “we are in the business of happiness” by rolling out various employee care initiatives through the Happy Committee, enhancing the sense of fulfillment and well-being of its staff and workers.

The Group strived to create a healthy workplace ecosystem where employees can develop both physically and mentally in tandem with their careers. The Group regularly organised various employee care activities, including festival-themed workshops, traditional Chinese medicine therapies, and movie screenings. It also organised employee sports clubs and regular recreational and sports activities such as basketball, football, track and field, hiking, badminton, etc. We continuously organised “Fun Site” (續fun樂地盤), a caring activity for our frontline staff, which offered a variety of health and wellness activities across our sites. Over 400 employees participated throughout 2025.



In 2022, the Happy Committee established the CSCI Employees' Children Scholarship. This initiative reflects the Group's sincere care for employees' families and its support for their children's development. It has since evolved into a well-loved permanent care program. In 2025, a total of 44 outstanding children of employees were awarded this scholarship.

Regarding the caring for the employees, the Group has organised celebrations of the “Si Fu Festival” for several consecutive years. Furthermore, through the “Happiness Stations” at our site, we launched a series of activities, including “Delivering Coolness in Summer” and a “Safety and Health Workshop”, to show our care for our frontline staff and workers.





Corporate Citizenship (continued)

THE GROUP AND COMMUNITY

Under the leadership of the “Caring for the Society” Voluntary Services Federation of COHL, the Company officially established the CSCI “Caring for the Society” Volunteer Branch (hereinafter referred to as “3311 Volunteer Branch”) in June 2019 for the implementation of our corporate mission of “We are in the business of happiness”. Over 2,600 volunteers have joined since the Branch’s establishment. In 2025, the 3311 Volunteer Branch continued to improve the “4+x” (namely Care for the elderly, Adult employment, Care for the youth, House maintenance and Innovative Space) for Employees volunteer service system. There were over 4,500 participating volunteers with more than 21,000 volunteering hours throughout the year. The Group also received the highest honor in the enterprise category of the Hong Kong Volunteer Award for two consecutive years.

I. Full Support for the HKSAR Government’s “Strive and Rise Programme”

The Group fully supports the HKSAR Government’s “Strive and Rise Programme (共創明「TEEN」)”. In its third phase, the Group provided 50 mentors. Through mentorship pairing and systematic activity arrangements, including diverse group activities and exchanges, we aim to broaden mentees’ horizons and foster a positive outlook on life. Notably, three employees were presented with the “Warm Care Award” and the “Mentorship Award” by the Chief Secretary for Administration, Mr. Chan Kwok-ki.



II. Youth Education and Development

The Group has been advancing the growth of young individuals in Hong Kong by launching and deepening the “Constructing the Future: China State Construction Hong Kong Student Growth Programme”. This initiative seeks to boost the growth of the young in Hong Kong by actively involving tertiary institutions, as well as primary and secondary school students, in the Company’s study exchanges, internships, and STEAM workshops, with a view to boosting students’ technology know-how and hands-on skills.

Continuous Support for Government Youth Development Initiatives

In support of the government’s youth development efforts, the Group provides members of the Security Bureau Youth Uniformed Group Leaders Forum with continuous opportunities for GBA study tours and internship training.



Corporate Citizenship (continued)



Construction Technology Study Tour

In August 2025, the Group organised the “Construction Technology Shanghai Study Tour”, selecting 32 outstanding students majoring in construction-related disciplines from the University of Hong Kong, Hong Kong University of Science and Technology, The Hong Kong Polytechnic University and City University of Hong Kong for a four-day study trip to Shanghai. Adopting an innovative model of “Professional Enhancement + National Pride”, the initiative integrated the resources of leading enterprises and universities, focusing on two main themes: a “Tech-Innovation Journey” and a “Cultural-Historical Journey”.



Promoting STEAM Education for Primary and Secondary Students

To promote STEAM education, the Group launched the “CSHK Dream STEAM Learning Programme”. Utilizing iconic livelihood projects, we established seven STEAM education bases and held 17 learning activities throughout the year to inspire interest in STEAM and strengthen the foundation for future talent.



Looking ahead, the Group will continue to optimise its talent cultivation models and innovate persistently to nurture more young leaders equipped with professional excellence, national pride, and a global perspective.

Corporate Citizenship (continued)

III. Three Major Voluntary Housing Repair Pillars

The Group continued to enhance the “4+X” volunteer activity system, which encompasses Care for the elderly, Adult employment, Care for the youth, House maintenance and Innovative Space. Drawing on years of practical experience in voluntary housing repair services, the Group has established three key areas of focus for our voluntary repair efforts: “small home repairs”, “community beautification and repairs”, and “community emergency repairs”. These initiatives have garnered widespread acclaim from all sectors of society.



IV. Establishment of CSCI Community Urgent Response Volunteer Team

The CSCI Community Urgent Response Volunteer Team was officially established in 2024. We have formed seven volunteer teams consisting of over 650 professionals, spanning five key areas: Hong Kong Island, Kowloon, New Territories East, New Territories West, and the Outlying Islands, and two specialised fields: electrical and mechanical services and curtain wall systems. It operates under the “3–6–0 Management System”, which included a three-tier coordination system, six management mechanisms, and a commitment to zero safety incidents during operations.

In 2025, during the emergency support efforts for Typhoon Wipha and Jaxa – including the high-profile clearance of a 50-year-old banyan tree in Siu Lek Yuen Village, Sha Tin, and the restoration of a century-old Albizia lebbek in Kowloon Park – as well as the power outage at I-Feng Mansion in To Kwa Wan and the relocation support for residents affected by a fire in Tai Po, the Group mobilised over 2,100 volunteer man-hours in total. Our professionalism earned the commendation from Chief Executive John Lee. Furthermore, the volunteer team received letters of appreciation and commemorative silk banners from various sectors, including the Development Bureau, the Home and Youth Affairs Bureau, the Culture, Sports and Tourism Bureau, the Home Affairs Department, relevant District Offices for Home Affairs, as well as various sectors of the community, including Standing Committee members of the National People’s Congress, local community groups, and schools.



The Company collaborated with the Auxiliary Medical Service to co-organise community emergency volunteer training. The Auxiliary Medical Service shared rescue experiences and first-aid skills to enhance employees’ emergency response capabilities.

Corporate Citizenship (continued)



V. Anti-Fraud Education and Promotion

Since 2024, CSHK has established a close partnership with the Anti-Deception Coordination Centre (“ADCC”) of the Hong Kong Police Force. Through diversified forms such as internal anti-fraud education, joint specialised seminars, and the promotion of the “Anti-Scam Online Learning Package”, we have effectively enhanced our employees’ ability to identify and prevent scams.

In 2025, the Group collaborated with the ADCC to host the “CSHK Anti-Fraud Ambassadors Appointment Ceremony and Training”. A total of 30 employees underwent professional training and passed knowledge tests provided by the ADCC, subsequently being appointed as CSHK Anti-Fraud Ambassadors. The Company encourages these ambassadors to actively share anti-fraud information and case studies within their respective departments as volunteers, organise related volunteer activities, and assist colleagues who suspect they have been scammed in reporting to the police promptly.



Corporate Citizenship (continued)

SUSTAINED RECOGNITION OF TALENT BRAND VALUE

With its outstanding contributions to volunteer services, community support, and youth education, the Group has been honored with the highest corporate accolade at the Hong Kong Volunteer Award for two consecutive years, jointly presented by the Home and Youth Affairs Bureau and the Agency for Volunteer Service.

In 2025, the Group received the “Hong Kong Volunteer Award 2025 – Outstanding Corporate – Excellence Award” and the “Corporate – Volunteer Hours Gold Award”. The Outstanding Corporate – Excellence Award was presented by Mrs. Janet Lee, wife of the Chief Executive, underscoring the high recognition from the HKSAR Government and society for the Company’s volunteer achievements. It also highlights the Group’s significant success in mobilising employees to actively participate in social services and give back to the community.

Meanwhile, CSHK, a subsidiary of the Group, has been widely commended for its excellence in human resources management, garnering several prestigious awards during the year. CSHK was named “Outstanding Employer of the Year” by CTgoodjobs for the third consecutive year and received the “Best Employer for Global Talent” award at the International Talent Carnival for three years running. Additionally, CSHK secured four awards from the Hong Kong Institute of Human Resource Management, including the “Change Management Gold Award” and the “Policy Pioneer Gold Award”. These accolades serve as a powerful testament to the Company’s effectiveness in talent cultivation, policy innovation, and change management capabilities.



Corporate Citizenship (continued)

ENVIRONMENTAL POLICY

The Group has set up and implemented its ISO14001:2015 Environmental Management System and formulated environmental objectives. The Group endeavors to review and continually improve the environmental management system to enhance its environmental performance. It is mandatory that all employees shall fully conform to the environmental policy.

Environmental Risks and Control Measures

The Group's environmental related risks mainly come from the operations of construction sites. If the site's operation deviates from statutory requirements, it may lead to prosecutions and in turn affect the Group's reputation and chances of awarding new projects.

In order to prevent project sites from violating the environmental laws, the Group has to identify project related significant environmental aspects of all projects through conducting compliance obligation and risk assessment at project commencement then follow strictly the operating procedures stipulated in the Group's Standard Operating Procedures Manual No.12 to operate the project. In addition, in order to strengthen the safety and environmental management of new projects, each new project have to prepare a project specific Safety and Environmental Construction Plan within the first month of construction and reviewed by the Safety and Environmental Protection Department ("S&EP Department") to ensure that various safety and environmental risks of the project are effectively controlled. In 2025, 14 Safety and Environmental Construction Plans for new projects were approved.

The S&EP Department is responsible for providing technical supports as well as monitoring the sites ensuring all sites are complying with statutory and contractual environmental requirements. For instance, the management of noise issue which is our top priority concern, in addition to our Restricted Hours Permit-to-Work System implementing on site, we require all project management to provide weekly restricted hours' work schedules to our S&EP department in advance to facilitate our planning of surprise checks. The Group continued to introduce and apply innovative pollution control measures, for example, the Real Time Air Quality Monitoring with Automatic Dust Suppression System to further enhance the performance in pollution control. In addition to the control measures mentioned, S&EP Department issues "Environmental Alert" regularly to alert all construction sites be vigilant on potential environmental issues and take proactive action to avoid deviating from statutory requirements. In 2025, there was no prosecution for environmental violations at the company's projects. The external audit of the company's ISO14001:2015 environmental management system did not find any non-conformities or areas for improvement.

In terms of overall energy conservation and carbon reduction in projects, the Group continues to pursue excellence, and its subsidiaries CSHK, China Overseas Building Construction Limited ("China Overseas Building Construction") and China State Foundation Engineering Limited ("Foundation Company") have obtained and implemented ISO50001:2018 energy management system for years. The companies through application of innovative energy-saving facilities, such as Battery Electricity Storage System to replace traditional diesel generators continually improved the project's energy performance. In 2025, there was no non-conformities or areas for improvement in the company's energy management system external audits.



Corporate Citizenship (continued)

In line with the rising concern of the community on building environmental performance and expectation of clients on green building construction, CSHK joined the Hong Kong Green Building Council (“HKGBC”) as an Institutional Member since 2015 and gradually upgrade its membership to Silver Patron Member to further promote the development of green buildings in Hong Kong. The Company nominated three staff and successfully joined the HKGBC Standing Committees as co-opted members to strengthen the communication with the industry. The Group encouraged and sponsored its staff to participate in BEAM Pro Training and gain the BEAM Pro (“BEAM Pro”) status to provide endless professional inputs to project management. Currently, more than 100 staff members have acquired the BEAM Pro qualification.

With the concerted efforts of the Group, the results were remarkable. The Main Contract of Redevelopment of Our Lady of Maryknoll Hospital Project and the Yuen Long Barrage and Nullah Improvement Schemes Project of CSHK, a subsidiary of the Group, won the Gold Award of Outstanding Environmental Management and the Gold Award of Innovation Awards for Safety and Environmental Excellence respectively in the 31st Considerate Contractors Site Award Scheme. Besides, the Group’s subsidiaries including CSHK, China Overseas Building Construction, China State Mechanical and Electrical Engineering Limited and Alchmex International won the Hong Kong Construction Environmental Awards — Environmental Merit Award 2024 organised by the Hong Kong Construction Association. Those awards fully recognised our efforts in promoting green construction in Hong Kong.

Same as previous years, the Group is actively committed to environmental promotional activities. In the annual “China State Environmental Protection Day”, the Group organised a “Guided Tour to the iHub”. The “iHub” guided tours connect 3 exhibition centers of Construction Industry Council (“CIC”), including Construction Innovation and Technology Application Centre, CIC-Zero Carbon Park and MiC Resources Centre. The event enable participants to learn more about the latest technologies and developments in the construction industry, stimulate their innovative thinking, and recognise the importance of green building in energy conservation. Besides, all the Group’s construction sites participated the “Expired Helmets Recycling Activity” in June. The activity raised the awareness of workers on the expiry of safety helmets and reduced disposal of recyclable materials.

The Group also requires subcontractors to comply with the Environmental Policy, and holds regular meetings with subcontractors during the project to jointly resolve the environmental issues and improve the overall environmental performance. In addition, in order to have a deeper understanding of mosquito and rodent related legal requirements and control methods, the group invited officials from the Food and Environmental Hygiene Department of HKSAR to hold mosquito and rodent control seminar for colleagues to strengthen the effectiveness of mosquito and rodent control works on project sites to improve the overall work environment.

Corporate Citizenship (continued)

Safety and Health

The Group's commitment to protecting the safety and health of employees of the company and its subcontractors prompts us to continually review and provide sufficient resources to continually optimise the Group's safety management system, improve the Group's safety management rules and guidance, promote safety culture and continuously improve our safety management level. The Group's safety management system is based on ISO 45001:2018, and we will continue to implement and improve our safety management system.

The Group is committed to promoting the implementation of safety management system to ensure compliance with safety and health legal requirements and contracts with client. Each operation unit has conducted a series of specific risk assessments to strengthen site supervision for specific task and has provided sufficient training and promotion to relevant employees. These measures effectively control construction risks, prevent accidents, and avoid serious accidents from happening. CSHK, which is under the Group, has actively promoted the Smart Site Safety System in recent years. Through a self-developed C-smart platform, utilises advanced technologies such as the Internet of Things (IoT) and artificial intelligence (AI) to achieve on-site management, enhance monitoring and alert so as to minimise the construction risk and occurrence of accidents. CSHK requires all construction sites to participate in and obtain the Smart Site Safety System label issued by the Construction Industry Council.

At the end of 2025, CSHK has 30 valid Safety Smart Construction Site System labels.

With the joint efforts of all divisions within the Group, several construction projects have won multiple awards from the industry, including 2 Gold, 1 Silver and 2 Bronze awards in the 31st Considerate Contractors Site Award Scheme (New Works), Construction Industry Council — "Life First" — "Construction Safety — Innovation Technologies and Design for Safety" Competition Gold award, 2 Gold and 2 Silver Awards at the Hong Kong Occupational Safety and Health Awards, 1 Gold, 1 Silver and 1 Bronze Award at the Construction Safety Promotional Campaign along with a Silver Award at the Site Safety and Cleanliness Award 2024 organised by the Drainage Services Department. This demonstrates that the Group's safety and health policies and its implementation have been widely recognised in the industry.

Corporate Citizenship (continued)

INVESTOR RELATIONS

Management Highly Values Investor Relations

The management of the Group believes that actively promoting investor relations can improve corporate governance and strengthen the Group’s capability to create value. Therefore, investor relations is regarded as one of key tasks, and with the strong support from the management level and increasing advocacy efforts at the executive level, the year 2025 has achieved outstanding performance.

Apart from results announcement conferences, the management of the Group also attended a number of roadshows and investors forums to directly respond to investors’ questions and expectations. The investor survey was conducted to listen to investors’ opinions and suggestions, which served as an important consideration in formulating the development strategy of the Group.

Diversified Communication Approach

The Group adheres to a transparent, efficient, proactive and comprehensive attitude, and maintains regular and efficient communications with shareholders and investors. In 2025, the Group participated in a number of investor conferences and forums, meeting more than 200 investors, to share its insights on the market and industry in a timely manner, as well as to introduce its development strategies and operations, thereby enhancing investors’ understanding of and confidence in the Group.

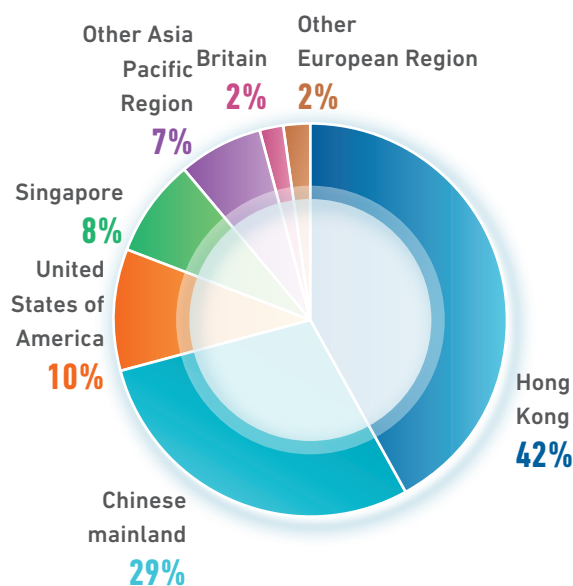
In addition, the Group held an investor reverse roadshow, inviting investors to visit its production bases and landmark projects to gain an understanding of the Group’s automated production techniques, smart manufacturing and digital control processes, as well as the R&D, production and project application of its construction echnology products. Relevant principals of the Group briefed investors on business progress, strategic layout and other developments.

Outstanding Performance Recognised by Global Investors

The Group actively participates in investment strategy conferences held by domestic institutions and investor conferences held by overseas institutions. While continuously attracting Chinese mainland investors, the Group maintains close communication with overseas investors and effectively keeps a stable structure of overseas shareholders.

The Group’s efforts in corporate governance and stakeholder engagement over the years have been well recognised by the market, it was awarded as the Honored Company at Asia Industrials Small & Midcap sector in 2025 by Extel, it also ranked first in “Best ESG”, and achieved excellent results in numerous other subcategories.

Distribution of Meetings with Shareholders and Investors by Region:



Corporate Citizenship (continued)

Major Investor Relations Activities in 2025:

JANUARY

2025 UBS Greater China Conference

FEBRUARY

CICC Strategy Conference

MARCH

2024 Annual Results Investors and Analysts Briefing
Changjiang Securities Strategy Conference
Huatai Securities Strategy Conference
HSBC Global Investment Summit 2025

APRIL

Investor Telephone Conference for 2025 Q1 Results
Changjiang Securities Strategy Conference
CITIC Securities Offline Roadshow

MAY

JPMorgan Global China Summit 2025
UBS Asia Investment Forum 2025
CITIC Securities Strategy Conference

JUNE

Huatai Securities Strategy Conference
Sinolink Securities Strategy Conference

JULY

China State Construction International Holdings Limited's
20th Anniversary of Listing Investor Day

AUGUST

2025 Interim Results Investors and Analysts Briefing
GF Securities Strategy Conference
Sinolink Securities Strategy Conference
Huatai Securities Strategy Conference

SEPTEMBER

The 12th HSBC China Conference
Northeast Securities Strategy Conference
Tianfeng Securities Strategy Conference
BofA 2025 Asia Pacific Conference
Citi 2025 Annual Investor Conference for China Industrial,
Small & Medium and Transportation Sector
Offline Roadshow to Far East Facade Zhuhai Production
Base and Qianhai Snow World Project

OCTOBER

Investor Telephone Conference for 2025 Q3 Results

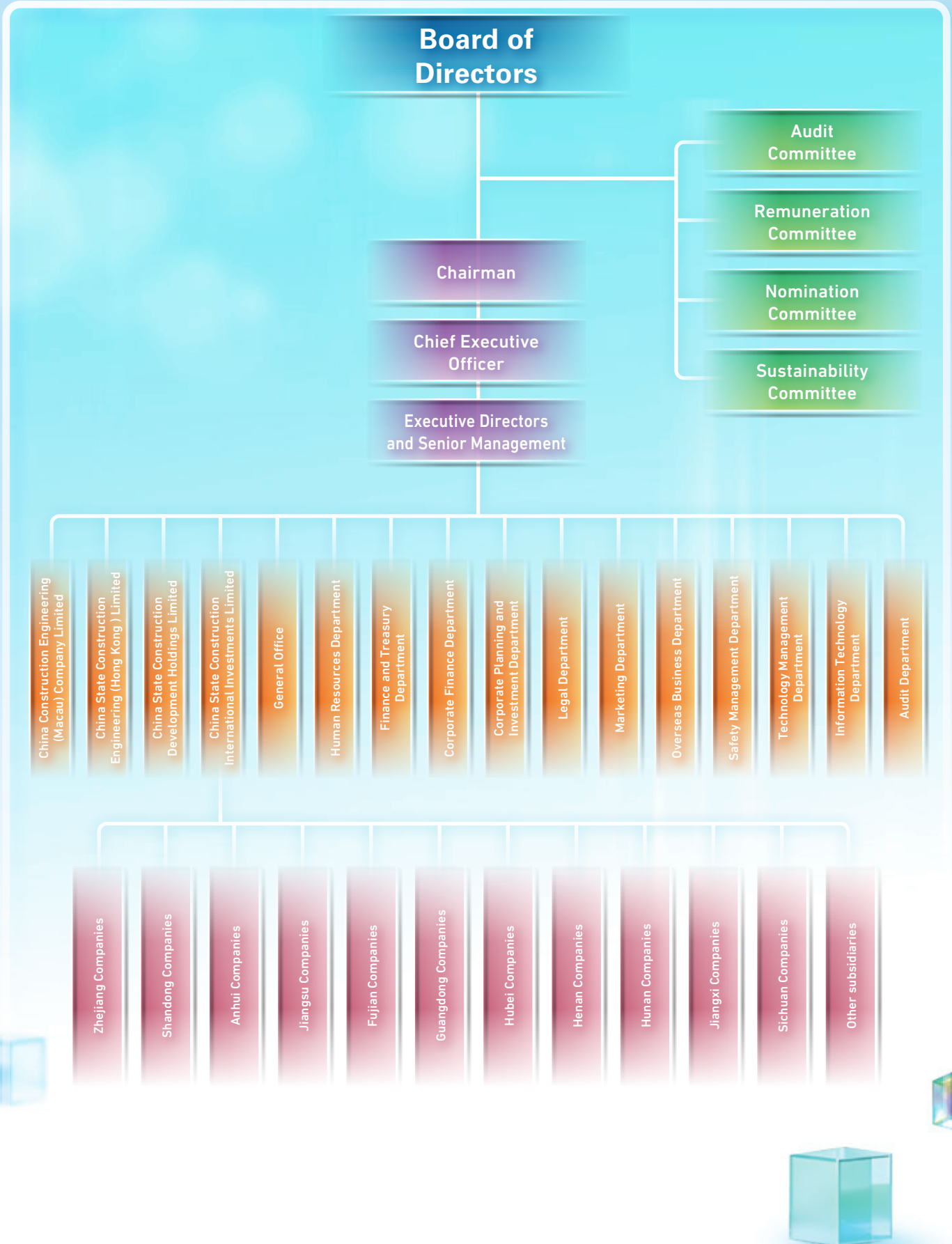
NOVEMBER

Huatai Securities Strategy Conference
The 20th Citi China Summit
CITIC Securities Strategy Conference

DECEMBER

Northeast Securities Offline Roadshow

DIRECTORS AND ORGANISATION



Directors and Organisation (continued)

BOARD OF DIRECTORS

Mr. ZHANG Haipeng

*Chairman and Executive Director
Sustainability Committee Member*

Aged 50, was appointed as Executive Director of China State Construction International Holdings Limited (the "Company") in 2017, was appointed as the Chief Executive Officer of the Company on 21 August 2018 and was appointed as the Chairman of the Company and ceased to be the Chief Executive Officer of the Company on 24 February 2023. Mr. Zhang graduated from Harbin Institute of Technology, and obtained a degree of Master of Business Administration from Hong Kong Baptist University and a degree of Executive Master of Business Administration from Nankai University and was awarded the title of Senior Engineer. He is currently Director and President of China Overseas Holdings Limited ("COHL", a substantial shareholder of the Company). He was the Chairman and Non-executive Director of China State Construction Development Holdings Limited ("CSC Development", a subsidiary of the Company listed in Hong Kong). Mr. Zhang has over 26 years' experience in investment and construction engineering management.

Mr. YAN Jianguo *BBS, JP*

Non-executive Director

Aged 59, was appointed as the Chairman and Non-executive Director of the Company in 2019 and resigned as the Chairman of the Company and continued to act as Non-executive Director of the Company in 2023. Mr. Yan holds a PhD degree in Management. He is currently the Chairman of COHL and the Chairman and Executive Director of China Overseas Land & Investment Ltd. (listed in Hong Kong). He was the Chairman and Non-executive Director of China Overseas Property Holdings Limited (listed in Hong Kong) and China Overseas Grand Oceans Group Limited (listed in Hong Kong). Mr. Yan has over 30 years' experience in construction business and real estate general management. He was elected as a member of the 14th National Committee of the Chinese People's Political Consultative Conference in 2023.

Mr. WANG Xiaoguang

*Executive Director and Chief Executive Officer
Chairman of the Sustainability Committee*

Aged 43, was appointed as Executive Director and Chief Executive Officer of the Company in 2023 and the Chairman and Non-executive Director of CSC Development in 2025. Mr. Wang graduated from Tongji University, and obtained a degree of Master of Construction and Real Estate from The Hong Kong Polytechnic University and was awarded the title of Senior Engineer. Mr. Wang has over 21 years' experience in investment and construction engineering management.

Mr. HUNG Cheung Shew *JP*

Executive Director and Vice President

Aged 67, was appointed as Executive Director of the Company in 2011. Mr. Hung graduated from Plymouth Polytechnic (UK). He is a member of The Hong Kong Institution of Engineers and The Institution of Structural Engineers (UK). He is currently a director of certain subsidiaries of the Group, vice president of The Hong Kong Construction Association, Limited, a member of Construction Industry Council and a director of The Hong Kong Construction Association Charity Fund Limited. Mr. Hung has over 44 years' experience in construction management and planning.

Mr. Ye Nan

Non-executive Director

Aged 45, was appointed as a Non-executive Director of the Company on 22 March 2025. Mr. Ye graduated from University of Science and Technology Beijing with a Bachelor's degree of Accounting. He is a certified public accountant of the Chinese Institute of Certified Public Accountants. He has been elected for the Ministry of Finance's high-level financial accounting talent quality improvement project in 2024 (Guangdong-Hong Kong-Macao Greater Bay Area high-end class). Mr. Ye is currently the Financial Controller of China Orient Asset Management (International) Holdings Co., Limited. From 2003 to 2021, Mr. Ye held different positions in China Orient Asset Management Co., Ltd., including deputy general manager of the shared management center, assistant to general manager of the financial accounting department, senior manager of the financial accounting department system office, and served as senior audit manager of Deloitte Touche Tohmatsu, Certified Public Accountants.



Directors and Organisation (continued)

Ms. WONG Wai Ching GBS, JP

*Independent Non-executive Director
Chairlady of the Audit Committee
Remuneration Committee Member
Nomination Committee Member
Sustainability Committee Member*

Aged 65, was appointed as an Independent Non-executive Director of the Company on 25 March 2022. Ms. Wong graduated from The University of Manchester, United Kingdom, with a Bachelor's degree (Honours) of Science in the Faculty of Technology in 1985 and a Master's degree of Science in the Faculty of Technology in 1986. She served Bank of China from 1987 to 1992 as a deputy manager of the Hong Kong branch and a dealer of the Australia branch respectively. Ms. Wong has joined her family business in 1993, its scope covering investment, retailing, hotels and mixed complex projects. Ms. Wong is currently acting as the managing director of Wong Sun Hing Limited.

Ms. Wong has, over the years, devoting untiringly efforts in public and community services. She is currently serving as a standing committee member of The National Committee of the Chinese People's Political Consultative Conference, member of Standing Committee of All-China Women's Federation, member of Committee of Hong Kong Business Ethics Development Advisory Committee, member of Committee on Community Support for Rehabilitated Offenders, member of the Working Group on Patriotic Education of Constitution and Basic Law Promotion Steering Committee member of The Court of Hong Kong Baptist University, president of Kowloon Federation of Associations, vice chairperson of Friend of Hong Kong Association, chairperson of Presidium of Friend of Hong Kong Association Development Foundation, deputy secretary general of Hong Kong Coalition, honorary chairperson of Hong Kong Poverty Alleviation Association Ltd., deputy chairman of Hong Kong Volunteers Federation, advisor of Our Hong Kong Foundation, permanent chairman of Federation of Hong Kong Guangxi Community Organizations, and permanent chairman of All-China Women's Federation Hong Kong Delegates Association Limited, among others.

Mr. Chan Tze Ching Ignatius BBS, JP

*Independent Non-executive Director
Chairman of the Nomination Committee
Audit Committee Member
Remuneration Committee Member
Sustainability Committee Member*

Aged 69, was appointed as an Independent Non-executive Director of the Company on 8 June 2023. Mr. Chan obtained a Bachelor of Business Administration degree from University of Hawaii, United States and obtained a Master of Business Administration degree from the same university. He is a Certified Public Accountant with the American Institute of Certified Public Accountants.

From 1980 to 2007, Mr. Chan held various positions in Citigroup, including Management Associate, Country Treasurer and Head of Sales and Trading, Head of Corporate Banking Business for Hong Kong, Country Officer for Taiwan, Chief Operating Officer for Greater China, Country Officer for Hong Kong and Head of Corporate and Investment Banking Business for Greater China. Mr. Chan worked briefly as Deputy Chief Executive for Bank of China (Hong Kong) Limited in 2008. He also held various board seats in listed companies, government statutory bodies and non-governmental organizations. In particular, Mr. Chan served as the chairman of Hong Kong Polytechnic University Council, a senior adviser of CVC Capital Partners Limited, a member of The Financial Reporting Council, a member of the Standing Committee on Judicial Salaries and Conditions of Service and an independent non-executive director, the chairman of Panel Member Selection Committee, member of Audit Committee, Nomination and Governance Committee, Risk Committee and Risk Management Committee (statutory) of Hong Kong Exchanges and Clearing Limited (listed in Hong Kong).

Mr. Chan is currently a senior adviser of The Bank of East Asia Limited, a non-independent non-executive director of Affin Bank Berhad (listed in Malaysia), an independent non-executive director of Mongolian Mining Corporation (listed in Hong Kong), a board member of The Community Chest of Hong Kong, the chairman of Hospital Governing Committee of Hong Kong Red Cross Blood Transfusion Service, board adviser of Hong Kong New Territories General Chamber of Commerce and honorary advisory vice president of Hong Kong Institute of Bankers.

Directors and Organisation (continued)

Mr. Chan Fan *GBS, JP*

*Independent Non-executive Director
Chairman of the Remuneration Committee
Audit Committee Member
Nomination Committee Member
Sustainability Committee Member*

Aged 68, was appointed as an Independent Non-executive Director of the Company on 6 June 2024. Mr. Chan obtained a Bachelor in Science (Engineering) and Master in Business Administration from The University of Hong Kong, and Master in Medical Physics from University of Aberdeen, United Kingdom. He attended Advanced Management Programme at Harvard Business School, Strategic Management of Regulatory and Enforcement Agencies at Harvard Kennedy School, and National Studies at Tsinghua University and Chinese Academy of Governance. Mr. Chan is a Fellow of the Hong Kong Academy of Engineering and the Hong Kong Institution of Engineers and an Honorary Fellow of the Institution of Mechanical Engineers, United Kingdom.

Mr. Chan is currently a Hong Kong Deputy to the National People's Congress, a Senior Vice President of the Hong Kong Institution of Engineers, an Honorary Professor of the University of Hong Kong and an Honorary Advisor of the Hong Kong Federation of Electrical and Mechanical Contractors. Mr. Chan is the Founding Chairman of the Association for Engineering and Medical Volunteer Services, Vice-Chairman of Admissions, Budgets and Allocations Committee of The Community Chest of Hong Kong, Member of the Advisory Committee for Innovation and Technology for Aging of the Hong Kong Council of Social Service. Mr. Chan also serves as an independent non-executive director, the chairman of remuneration committee, and member of audit committee, nomination committee and corporate governance committee of China Resources Land Limited (listed in Hong Kong), and an independent non-executive director, and member of remuneration committee and overseas risk control committee of Beijing Urban Construction Design & Development Group Co., Limited (listed in Hong Kong).

From July 2017 to June 2022, Mr. Chan was the Secretary for Transport and Housing of the Hong Kong Special Administrative Region government, overseeing policy and strategy, development and implementation of housing, logistics, air services, land and maritime transport, the Chairman of Hong Kong Housing Authority, Hong Kong Maritime and Port Board, Hong Kong Logistics Development Council and Aviation Development and Three-runway System Advisory Committee; and a non-executive director of MTR

Corporation Limited (listed in Hong Kong) while serving as a board member of Airport Authority Hong Kong and Hong Kong Mortgage Corporation Limited. Prior to that, Mr. Chan was the Director of Electrical and Mechanical Services of the Hong Kong Special Administrative Region government, spearheading policy initiatives and law enforcement on energy efficiency and safety of railway, tramway, ropeway, gas, electricity, lift, escalator and nuclear power; and providing professional advice and engineering services.

SENIOR MANAGEMENT

Mr. YANG Weidong

Senior Vice President

Aged 56, graduated from Anhui Jianzhu University, and obtained a degree of Master of Business Administration from University of South Australia and was awarded the title of Senior Engineer. Mr. Yang joined the Group in 1999. He has been a director of certain subsidiaries of the Group since 2007. Mr. Yang has over 36 years' experience in investment, construction engineering and project management.

Mr. ZHANG Jie

Senior Vice President

Aged 42, graduated from Tianjin University, and obtained a degree of Master of Business Administration from the University of Macau and was awarded the title of Senior Engineer. Mr. Zhang joined the Group in 2007. He has been a director of certain subsidiaries of the Group since 2018. Mr. Zhang has over 19 years' experience in construction engineering, investment and human resources management.

Mr. LUO Haichuan

Vice President, Chief Auditor

Aged 46, graduated from Harbin Institute of Technology, and obtained a degree of Master of Business Administration from Hong Kong Baptist University and was awarded the title of Senior Engineer. Mr. Luo joined the Group in 2003. He has been a director of certain subsidiaries of the Group since 2011. Mr. Luo acted as an executive director of CSC Development from September 2015 to August 2018. He has over 23 years' experience in human resources management and investment and financing.



Directors and Organisation (continued)

Mr. ZHAO Xiaoqi

Vice President, General Legal Counsel, Chief Compliance Officer

Aged 51, graduated from Tsing Hua University, and obtained a degree of Master of Business Administration from Renmin University of China and was awarded the title of Senior Economist. Mr. Zhao joined CSCEC in 1997 and was seconded to the Group in 2001. He has been a director of certain subsidiaries of the Group since 2010. Mr. Zhao has over 29 years' experience in human resources management and legal affairs.

Mr. ZHAO Shaoran

Financial Controller

Aged 45, graduated from Zhongnan University of Economics and Law in Accounting, and obtained a degree of Master of Management. Mr. Zhao joined the Group in 2006. He served successively as the head of Finance and Treasury Department and the head of Corporate Finance Department of COHL during the period from 2018 to 2023. He has been the Financial Controller and a director of certain subsidiaries of the Group since 2023. Mr. Zhao has over 20 years' experience in corporate finance, accounting and investment management.

Mr. LIU Guobing

Vice President

Aged 48, graduated from Southeast University and was awarded the title of Senior Engineer. Mr. Liu joined CSCEC in 2000 and was seconded to COHL Group in 2005. He has been a director of certain subsidiaries of COLI for the period from December 2008 to March 2014 and a director of certain subsidiaries of COGO for the period from March 2014 to July 2018, and was seconded to the Group in 2023. Mr. Liu has over 25 years' experience in investment, planning and real estate development.

Mr. HUANG Jiang

Vice President

Aged 51, graduated from Chongqing Jianzhu University (now known as Chongqing University), and obtained a degree of Master in Project Management from The Hong Kong Polytechnic University and a degree of Executive Master of Business Administration from Nankai University and was awarded the title of Senior Engineer. Mr. Huang joined CSCEC in 1997 and was seconded to the Group in 2000. He has been a director of certain subsidiaries of the Group since 2007. Currently, Mr. Huang is a non-executive director of CSC Development. He has over 29 years' experience in contract and project management.

Mr. CHAN Han Pan BBS, JP

Vice President

Aged 50, graduated from the School of Engineering of The Hong Kong University of Science and Technology, and obtained a degree of Master of Science in Materials of Science and Engineering from The Hong Kong University of Science and Technology and a doctorate degree in Laws from Tsinghua University. Mr. Chan joined the Group in 2020. He has been a director of a subsidiary of the Group since 2020. Mr. Chan has, over the years, devoted untiring efforts in public and community services and holds multiple public offices. He is currently serving as a member of Legislative Council of the Hong Kong Special Administrative Region, and a member of Hong Kong region of Anhui Province of the 10th, 11th and 13th Chinese People's Political Consultative Conference. Mr. Chan has over 22 years' experience in innovation and technology, engineering consulting and community affairs.

Directors and Organisation (continued)

Mr. ZHANG Zongjun

Chief Engineer

Aged 50, graduated from Chang'an University, and was awarded the title of Senior Engineer. Mr. Zhang joined CSCEC in 2001 and was seconded to the Group in 2005. He has been a director of certain subsidiaries of the Group since 2014. Mr. Zhang has over 24 years' experience in prefabricated building, intelligent building, modular integrated construction and engineering management.

Mr. ZHOU Zhike

Investor Relations Director

Aged 42, graduated from Huazhong University of Science and Technology and University of Nottingham in UK, and obtained a degree of Master of Management. Mr. Zhou is a CFA (Chartered Financial Analyst) charterholder. Mr. Zhou joined COHL Group in 2007 and was seconded to the Group in 2014. He has been a director of a subsidiary of the Group since 2019. Mr. Zhou has over 18 years' experience in capital market, corporate finance and corporate strategy. He had been selected among the top-ranked "Best Investor Relations Officers" in All-Asia Executive Team poll (Industrial Sector) by Institutional Investors for 11 consecutive years.

Mr. MI Xiang

Assistant President

Aged 50, graduated from Northwest Institute of Architecture Engineering (now known as Chang'an University), and obtained a degree of Master of Project Management in Xi'an Jiaotong University and was awarded the title of Senior Engineer. Mr. Mi joined the Group in 2003. He has been a director of certain subsidiaries of the Group since 2009. Mr. Mi has over 28 years' experience in construction engineering and project management.



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The board of directors of the Company (the “Board”) recognises that good corporate governance is essential to the success of the Company and its subsidiaries (the “Group”) and enhances shareholders’ value. The Board is committed to maintain a high standard of business ethics, a healthy corporate culture and a good corporate governance practice.

Throughout the year ended 31 December 2025, the Company has applied and complied with all the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

CORPORATE STRATEGY, BUSINESS MODEL AND CULTURE

The Group adheres to the core values of “Customer-oriented, Quality Assurance, Value Creation” and inherits the business concept of “Exercising Caution in Details and Implementation; Building a Strong Foundation to Seek Greater Success”, strictly abides by the industry standard, upholds the heart of dedication, consciously shoulders the corporate mission of “We Manage Happiness”, and strives for growth and continuous innovation. With the continuous enhancement of individuals’ values and the perfect release of team creative energy, the Group aims to developing into an international enterprise and becoming a new role model of “harmonious and win-win” with shareholders, employees and society in the new era. The Group will continuously move towards the goal of becoming a world-class comprehensive enterprise group integrating “Technology, Investment, Construction and Asset Operation”.

Adhering to the corporate spirit of “Integrity, Innovation, Transcendence, Win-win Solution” after more than 40 years of development, the Group has developed businesses in four major segments of “Chinese mainland, Hong Kong, Macau and Overseas”, implemented technology-empowered strategy and built a four-in-one business model integrating “Technology + Investment + Construction + Asset Operation” which fully utilized the advantages of the whole industrial chain and comprehensively promoted high-quality corporate development.

BOARD OF DIRECTORS

The Board governs the Group and is responsible for overall management of the Group’s business. It focuses on the overall strategies, policies and business plans of the Group, and monitors the financial performance, internal controls and risk management (including sustainability risk management) of the Group. Executive directors and senior management are responsible for the day-to-day operations of the Group while non-executive directors are responsible for scrutinizing the Group’s performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.

The current composition of the Board reflects an appropriate mix of skills, experience and diversity of perspectives among its members that are relevant to the Company’s strategy, governance and business and contribute to the Board’s effectiveness. The Board comprises eight directors (three executive directors, two non-executive directors and three independent non-executive directors representing more than one-third of the Board) who have diverse educational background, professional experience, knowledge and culture. The Board members possess Chinese mainland/Hong Kong/Macau construction and related industry experience, global market experience, other listed companies’ board roles experience, corporate executive experience, public and community services experience, professional investment, construction and engineering management experience, professional accounting, banking and finance experience, and transport and housing services experience. Seven directors are male and one director is female. Three directors are under the age group of 41 to 50; one director is under the age group of 51 to 60; and four directors are over 60. Five directors have served the Board below 5 years and three directors have served the Board between 5 and 15 years. There is no family or other material relationships among members of the Board.

Corporate Governance Report (continued)

The Board adopted Director Nomination Policy on 25 March 2020 which sets out the criteria and process in the nomination and appointment of directors and ensures that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company.

The Board also adopted Board Diversity Policy on 14 August 2013 and revised Board Diversity Policy on 25 October 2022 which sets out the approach to achieve diversity on the Board. The Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, educational background, professional experience, knowledge, cultural background and length of service. All Board appointments will be based on meritocracy and selection of candidates will be based on a range of diversity factors.

Other than non-executive directors, all executive directors are appointed on a full-time basis and have sufficient time to deal with the affairs of the Company. All directors are required to discharge their responsibilities as directors of the Company and their common law duties as directors. The Board/Nomination Committee will review the Board composition regularly to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company.

The composition of the Board and the attendance of each director in the Board meetings and annual general meeting ("AGM") during the year ended 31 December 2025 are set out below:

Name	Attended/Eligible to Attend Board meetings	AGM
Chairman and Executive Director		
Zhang Haipeng	4/4	1/1
Non-executive Directors		
Yan Jianguo	4/4	1/1
Ye Nan (<i>appointed with effect from 22 March 2025</i>)	3/3	1/1
Executive Directors		
Wang Xiaoguang (<i>Chief Executive Officer</i>)	4/4	1/1
Hung Cheung Shew	4/4	1/1
Independent Non-executive Directors		
Wong Wai Ching	4/4	1/1
Chan Tze Ching Ignatius	4/4	1/1
Chan Fan	4/4	1/1

Biographical information of the directors is set out in the "Directors and Organisation" section of the 2025 Annual Report. An updated list of directors containing biographical information and identifying the independent non-executive directors is published on the website of the Company. The Company has also published an updated list of directors and their roles and functions on the websites of Hong Kong Exchanges and Clearing Limited ("HKEx") and the Company.

Directors have disclosed their number and nature of offices held in public companies or organisations and other significant commitment in their biographical information.

Mr. Ye Nan was appointed as a non-executive director of the Company with effect from 22 March 2025. Mr. Ye has obtained the legal advice pursuant to Rule 3.09D of the Listing Rules on 21 March 2025 and has confirmed that he understood his obligations as a director of the Company. As a newly-appointed director, Mr. Ye was given appropriate introduction about the Group's policies.



Corporate Governance Report (continued)

During the year, four Board meetings were held. Board meetings were held to approve the annual, interim and quarterly results of the Group; to discuss the operational status and business outlook of the Group; to consider the payment of final dividends; and to consider and approve the payment of interim dividends, forfeiture of unclaimed dividends, connected transactions, appointment of a non-executive director, establishment of Executive Committee and adoption of its terms of reference, framework and contents of sustainability report, revised Anti-Corruption Policy, revised Health and Safety Policy and revised Code of Conduct of Suppliers. Throughout the year, the Board also participated in the consideration and approval of subscription of new shares under general mandate, factoring arrangements, revised terms of reference of Nomination Committee and other non-routine issues of the Company by way of circulated resolutions with supporting explanatory write-up. Senior management at all times answered the non-routine issues enquiries made by the Board.

Notice of at least fourteen days is served for regular Board meetings and reasonable notice is given for all other Board meetings. The Chairman of the Board, assisted by the company secretary, is responsible for drawing up and approving the agenda for each Board meeting. Agendas and accompanying Board papers in sufficient details are circulated to all directors at least three days before the intended date of meetings so as to allow them to have sufficient time to prepare before meetings.

All directors keep contact with the company secretary and can obtain the services provided by the company secretary so as to ensure compliance with the procedure of the Board meetings and all applicable laws, rules and regulations. In case of any changes in the governance and compliance laws, rules and regulations, the company secretary will release the latest information to the Board.

The company secretary is responsible for compiling and drafting minutes of the Board and the Board committee meetings, and will send the draft minutes within reasonable time after each meeting to all participated directors for comments. The minutes of meetings are prepared with details of the decisions reached, any concerns raised and dissenting views expressed. All directors are entitled to inspect the minutes of the Board and the Board committee meetings. Directors can seek independent professional advice for performing their duties at the expense of the Company. If the subject under discussion at a Board meeting involves conflict of interests of substantial shareholders or directors and the Board considers that the conflict of interests is material, the matter would be dealt with by a physical meeting rather than a written resolution. The Board will ensure that there are sufficient independent directors participating in discussing about and voting on the relevant resolution. Those interested directors shall abstain from voting on the relevant resolution.

The Company has arranged directors' and officers' liability insurance in respect of any legal action against directors and officers of the Company.

Directors at all times have full access to information of the Company. The Board is provided monthly operating information which contain the up-to-date performance and information of the Company. Directors can access information from senior management independently.

As part of the continuous professional development programme, the directors of the Company namely Mr. Zhang Haipeng, Mr. Yan Jianguo, Mr. Wang Xiaoguang, Mr. Hung Cheung Shew, Mr. Ye Nan, Ms. Wong Wai Ching, Mr. Chan Tze Ching Ignatius and Mr. Chan Fan read materials in relation to (i) the roles, functions and responsibilities of the Board, its committees and its directors, and Board effectiveness; (ii) issuers' obligations and directors' duties under Hong Kong law and the Listing Rules, and key legal and regulatory developments (including Listing Rules updates) relevant to the discharge of such obligations and duties; (iii) corporate governance and environmental, social and governance matters (including developments on sustainability or climate-related risks and opportunities relevant to the Company and its business); (iv) risk management and internal controls; and (v) updates on industry-specific developments, business trends and strategies relevant to the Company during the year. In addition, individual directors also participated in other seminars and/or read relevant materials relating to the roles, functions and duties of a listed company director, environmental, social and governance, and further enhancement of their professional developments. Directors had provided the company secretary with their training records for the year.

Corporate Governance Report (continued)

The Company is aware that effective communication can increase productivity and improve teamwork and therefore convened regular meetings for the executive directors, senior management, middle management, worksites management and management of overseas subsidiaries (by video-conference). During the meetings, the relevant parties reported the Company's overall work progress, delivered the Company's strategy, reviewed the strength and weakness of the Company's work-in-progress and provided sufficient time for the participants to raise questions and express their opinions, ensuring adequate communication between different levels of management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Chairman and chief executive officer are two key aspects of the management of the Company. Chairman performs the management of the Board and chief executive officer performs the day-to-day management of the business. Clear division of these responsibilities is in place to ensure balance of power and authority so as to avoid concentration of power on the same individual.

Mr. Zhang Haipeng is the Chairman and Executive Director of the Company. He is responsible for leading the Board and ensures all directors are provided with appropriate and sufficient information before Board meetings so that the Board can operate effectively and perform its duties. Mr. Zhang promotes culture of openness and encourages directors to voice their views. He also meets independent non-executive directors without other executive directors present and ensures good corporate governance practices and procedures of the Company.

Mr. Wang Xiaoguang is Executive Director and the Chief Executive Officer of the Company. He is responsible for the operations of the Group. Mr. Wang together with other executive directors jointly implement the policies adopted by the Board and are responsible to the Board for the overall operation and administration of the Group. He also works with senior management in deciding the Group's risk level and risk appetite; developing risk management strategies and implementing appropriate action plans for managing and monitoring risks.

NON-EXECUTIVE DIRECTORS

All non-executive directors of the Company were not appointed for a specific term. Pursuant to the Articles of Association of the Company, all directors (including non-executive directors) appointed by the Board shall hold office only until the first annual general meeting of the Company after his/her appointment and shall be eligible for re-election at that meeting. All directors shall be subject to retirement by rotation at least once every three years and retiring directors shall be eligible for re-election.

The Company established board independence evaluation mechanism on 25 October 2022 which is designed to ensure a strong independent element on the Board and allows the Board to effectively exercise independent judgment to better safeguard shareholders' interests.

During the year, the Board as well as the Nomination Committee have reviewed the independence of all independent non-executive directors and have concluded that all of them are independent within the definition of the Listing Rules, and the Company has complied with Rules 3.10, 3.10A and 3.13A of the Listing Rules. Non-executive directors possess appropriate professional qualifications and experience or appropriate accounting or relevant financial management expertise. All independent non-executive directors comply with the maximum concurrent holding of directorships under Rule 3.12A of the Listing Rules and the independence guideline and annual confirmations of independence under Rule 3.13 of the Listing Rules.



Corporate Governance Report (continued)

REMUNERATION COMMITTEE

The Company established a Remuneration Committee on 9 June 2005. The major responsibilities of the Remuneration Committee include approving the overall remuneration policy of the Group, reviewing and approving the remuneration of individual executive directors and senior management of the Company, and ensuring that no director participates in the discussion on his/her own remuneration. The Board has adopted written terms of reference for the Remuneration Committee, which defined the role, authority and function of the Remuneration Committee. The terms of reference are published on the websites of HKEx and the Company.

During the year, one Remuneration Committee meeting was held and the individual attendance of each director is set out below:

Name	Attended/ Eligible to Attend
Chan Fan (<i>Chairman</i>)	1/1
Wong Wai Ching	1/1
Chan Tze Ching Ignatius	1/1

During the meeting, the Remuneration Committee considered and approved remuneration proposal and annual bonus proposal of the employees of the Group. During the year, remuneration proposal of the executive directors and senior management of the Company was reviewed and approved by the Remuneration Committee by way of circulated resolutions in writing.

The human resources department reviews the remuneration data of the market and formulates the remuneration policy of the Group and then proposes to the Remuneration Committee for consideration and approval. The remuneration of directors and senior management of the Company is determined with reference to the remuneration policy of the Group and based on individual skills, knowledge, performance and contribution, the overall performance of the Group, the prevailing economic environment and the market trend.

The remuneration payable to directors and members of senior management by band are set out in the notes to the consolidated financial statements of the Company's 2025 Annual Report.

NOMINATION COMMITTEE

The Company established a Nomination Committee on 20 March 2006. The major responsibilities of the Nomination Committee include reviewing the structure, size and composition of the Board, developing and maintaining nomination and diversity policies and making recommendation to the Board on matters relating to directors' nomination, appointment or re-appointment and succession on regular basis. The Board has adopted written terms of reference for the Nomination Committee, which defined the role, authority and function of the Nomination Committee. The terms of reference are published on the websites of HKEx and the Company.

During the year, one Nomination Committee meeting was held and the individual attendance of each director is set out below:

Name	Attended/ Eligible to Attend
Chan Tze Ching Ignatius (<i>Chairman</i>)	1/1
Wong Wai Ching	1/1
Chan Fan	1/1

Corporate Governance Report (continued)

During the meeting, the Nomination Committee reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board; assessed the independence of the independent non-executive directors; considered Board diversity and relevant disclosure; reviewed, considered and made recommendation to the Board on the appointment of a non-executive director and the re-election of the retiring directors at the annual general meeting. During the year, the revised terms of reference of the Nomination Committee was reviewed and recommended for Board approval by the Nomination Committee by way of circulated resolutions in writing.

The Nomination Committee strives to enhance the level of Board diversity and governance when refreshing and renewing Board membership. The Nomination Committee will continue to consider Board diversity and governance and identify suitable candidates based on merit, skill and experience and the development of the Group in accordance with Director Nomination Policy and Board Diversity Policy.

The Company also values diversity in its workforce and is committed to creating a free and open work environment enabling all employees to excel at their positions regardless of gender, age or race. As at 31 December 2025, the male-to-female ratio of the Group's employees (including senior management) was approximately 4:1. The Group will continue to conduct its recruitment based on the principles of diversity and equal opportunities.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties of the Company. The Board has adopted written terms of reference for its corporate governance functions which include:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (e) to review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

The Company understands that corporate governance is an important part of sustainable development. It is committed to improving its governance standards and fully understands that good corporate governance is closely related to environmental, social and governance performance. The Group is led by the Board which is responsible for formulating the Group's overall strategy to oversee business development, financial performance and governance effectiveness.

During the year, the Board reviewed the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report and considered and adopted revised Anti-Corruption Policy, revised Health and Safety Policy and revised Code of Conduct of Suppliers.

With a view to maintaining good corporate governance, the Board has adopted various policies and has been overseeing their effectiveness during the past years.

The Board adopted inside information disclosure policy on 14 August 2013 to ensure potential inside information is being captured and maintained confidentiality until disclosure and disseminated properly.



Corporate Governance Report (continued)

The Board adopted Whistleblowing Policy on 25 October 2022 and revised Whistleblowing Policy on 6 March 2026 which aims to enable the employees of the Group and those who deal with the Group to raise concerns, in confidence and anonymity, with the Company about possible improprieties in matters related to the Group, in order to help detect and deter misconduct or malpractice or unethical acts in the Group. The Company encourages reporting of concerns and actual or suspected misconduct or malpractice or unethical acts (e.g. corruption) by any employee of the Group and/or external parties in any matter related to the Group.

The Board adopted Anti-corruption Policy on 25 October 2022 and revised Anti-corruption Policy on 25 April 2025 and 6 March 2026 respectively. The Company takes a zero-tolerance approach towards all forms of bribery and corruption and is committed to observing and upholding high standards of business integrity, honesty, fairness, impartiality and transparency in all its business dealings at all times. The Company strictly prohibits any form of fraud or bribery, and is committed to prevention, deterrence, detection, reporting and investigation of all forms of fraud and bribery.

AUDIT COMMITTEE

The Company established an Audit Committee on 1 June 2005. The major responsibilities of the Audit Committee include reviewing the financial information of the Company, overseeing the financial reporting system and the risk management and internal control system of the Company, and overseeing the relationship between the Company and auditor. The Board has adopted written terms of reference for the Audit Committee, which defined the role, authority and function of the Audit Committee. The terms of reference are published on the websites of HKEx and the Company.

During the year, four Audit Committee meetings were held and the individual attendance of each director is set out below:

Name	Attended/ Eligible to Attend
Wong Wai Ching (<i>Chairlady</i>)	4/4
Chan Tze Ching Ignatius	4/4
Chan Fan	4/4

During the meetings, the Audit Committee reviewed and considered the Group's audited accounts and Audit Committee Report for the year ended 31 December 2024; connected transactions report, internal audit report, 2025 unaudited quarterly results, unaudited accounts for the six months ended 30 June 2025 and the audit services fees in respect of the financial year ended 31 December 2025, and made recommendation to the Board on the re-appointment of auditor of the Company and the fixing of its remuneration as well as change of presentation currency for the consolidated financial statements of the Group. The external auditor, Ernst & Young, Hong Kong ("EY"), was invited to attend 2024 annual results meeting and 2025 unaudited third quarter results meeting and discussed audit plan for 2025 Group results with the Audit Committee. During the year, a compliance management report and a risk management report were reviewed by the Audit Committee, and proposed non-assurance service provided by EY was reviewed and approved by the Audit Committee, by way of circulated resolutions in writing.

During the year, the Company conducted a review and considered that the Company maintained adequate qualified accountants to oversee its accounting and financial reporting function and other accounting related issues in accordance with the relevant laws, rules and regulations.

AUDITOR'S REMUNERATION

The Company's external auditor is EY. For the financial year ended 31 December 2025, the fees paid or payable to EY and other firms of the worldwide network of EY in respect of services provided to the Group amounted to approximately RMB12,584,000, including audit services fee of the Group of approximately RMB12,144,000 and non-audit services fee of approximately RMB440,000. The non-audit fees included tax services and other services for ad hoc projects.

Corporate Governance Report (continued)

SUSTAINABILITY COMMITTEE

The Company established a Sustainability Committee on 25 March 2020. The major responsibilities of the Sustainability Committee include monitoring and reviewing the sustainability goals, priorities and policies, reviewing the Group's risk appetite, tolerance and strategy, reviewing and assessing sustainability performance and risks of the Group, and considering and making recommendation to the Board on sustainability reporting and assurance. The Board has adopted written terms of reference for the Sustainability Committee, which defined the role, authority and function of the Sustainability Committee. The terms of reference are published on the websites of HKEx and the Company.

During the year, two Sustainability Committee meetings were held and the individual attendance of each director is set out below:

Name	Attended/ Eligible to Attend
Wang Xiaoguang (<i>Chairman</i>)	2/2
Zhang Haipeng	2/2
Wong Wai Ching	2/2
Chan Tze Ching Ignatius	2/2
Chan Fan	2/2

During the meetings, the Sustainability Committee considered and made recommendation to the Board on the framework and the contents of sustainability report of the Company, revised Anti-Corruption Policy, revised Health and Safety Policy and revised Code of Conduct of Suppliers. During the year, the appointments and fees of external independent consultants of the Company were reviewed and approved by the Sustainability Committee by way of circulated resolutions in writing.

EXECUTIVE COMMITTEE

The Company established an Executive Committee on 25 April 2025. The major responsibilities of the Executive Committee include reviewing, approving and dealing with bank loans and facilities, debt financing matters, projects occurring in the ordinary course of business of the Company and any other matters authorized by the Board. The Board has adopted written terms of reference for the Executive Committee, which defined the role, authority and function of the Executive Committee.

For the period from 25 April 2025 to 31 December 2025, twenty-seven Executive Committee meetings were held. During the meetings, the Executive Committee reviewed and approved various bank loans and facilities, provision of corporate guarantees and projects occurring in the ordinary course of business of the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a model code for securities transactions by directors and relevant employees (the "Securities Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules. Directors and relevant employees of the Company are required to comply with the Securities Code. Reminders are sent to directors and relevant employees that they should not deal in the securities of the Company during the "black-out-period" specified in the Securities Code and before publishing any inside information announcement. Directors and relevant employees are required to notify the Company and obtained a dated written acknowledgement before dealing in the securities of the Company. After making enquiries by the Company, all directors and relevant employees confirmed that they have complied with the Securities Code during the year.



Corporate Governance Report (continued)

ACCOUNTABILITY AND AUDIT

It is the responsibility of the Board to present a balanced, clear and comprehensible assessment of the Company's performance, position and prospects.

The management provided sufficient explanation and information to the Board to enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

The directors acknowledge that they are responsible for preparing accounts for each financial period which give a true and fair view of the state of affairs of the Group. In preparing the accounts for the year ended 31 December 2025, the directors have selected appropriate accounting policies and applied them consistently; made judgements and estimates that are prudent and reasonable; and prepared accounts on a going concern basis.

The reporting responsibilities of EY, the external auditor of the Company, are stated in the Independent Auditor's Report of the 2025 Annual Report.

The Board presents a balanced, clear and comprehensible assessment on annual and interim reports, inside information announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as discloses information required to be disclosed pursuant to statutory requirements. The Board confirmed that the Company has an effective process for financial reporting and Listing Rules compliance.

COMPANY SECRETARY

The company secretary supports the chairman, Board and Board committees by ensuring good information flow and Board policies and procedures are followed. The company secretary is an employee of the Company and is appointed by the Board. The company secretary reports to the chairman and all directors may call upon him for advice and assistance at any time in respect of his duties.

During the year, the company secretary of the Company attended sufficient professional training as required under Rule 3.29 of the Listing Rules.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the Company's risk management and internal control system. The Company reviewed the effectiveness of its risk management and internal control system and considered the system is effective and adequate. The Company ensures that the system can withstand changes in its operation and the external environment in respect of strategic risk, financial risk, operational risk, compliance risk and sustainability risk, and mitigate the Company's risk exposure so as to safeguard the shareholders' investment and the Company's assets. Risk management and internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Corporate Governance Report (continued)

The Company recognises that risk management is the responsibility of all of our people. The Company has established an organisation structure with defined levels of responsibility which facilitates the Company to assign roles and responsibilities at strategic level and operational level of risk management clearly. It makes the Company's process used to identify, assess and manage risks effectively. The Board is responsible for determining the business strategies and objectives of the Company, and evaluating and determining the nature and extent of risk it is willing to take in achieving the Company's strategy and objective. The Board oversees management in the design, implementation and monitoring of the risk management and internal control system. Executive directors review the change in the nature and extent of the Company's significant risks from time to time, and the Company's ability to respond to change in its business and external environment. Senior management is responsible for evaluating, managing and reviewing potential risks. Ensuring the Company's risks be managed properly, it communicates, consults and provides guidance to business segment. Senior management is also responsible to track progress of mitigation plan of material risks. Business segment is responsible to identify, analyse and evaluate potential operational risk. It monitors and implements mitigating activity to minimise the operational risk.

The Company's Risk and Compliance Management Committee focuses on strategic risk, market risk, financial risk, operational risk and legal risk of the Company. The Committee is supervised by the Chief Executive Officer and comprises of members of senior management. The Committee aims to continually identify and strengthen the risk management of the Company, and build up a risk aware and control conscious culture throughout the Company. Departmental reports and periodical reports are submitted to the Risk and Compliance Management Committee for review.

The Company's Audit Department reviews the adequacy and effectiveness of the Company's risk management and internal control system. The Audit Department is independent of all business segment and is directly responsible for the chairman or chief executive officer of the Company so as to ensure the neutrality of control. It adopts a risk-based approach and control-based approach, operates on an on-going basis and covers all major operations of the Company on a rotational basis. It sets audit planning yearly, and focus on auditing business segments' financial management, operation management and internal control. It assists business segment to implement risk management and better its system. The Audit Department reports and makes recommendation to the chairman or chief executive officer of the Company if there is material system deficiency or control weakness identified. It records the results and reports to the Audit Committee.

Executive directors and senior management convene meetings periodically to evaluate and review potential risks. In respect of identified risks, they make remedial action plan and promptly follow up to ensure that risks are properly managed and defects are mitigated. Through division of works and periodic meetings, the Company is informed of material risks which may affect the performance regularly.

The Audit Department presents at least one consolidated summary report to the Audit Committee annually. The consolidated summary report covers any significant control failure or weakness identified during the year (including impact). The Audit Department member attends Audit Committee meeting at least once a year; and reports its works during the year to the Audit Committee members. The Risk and Compliance Management Committee presents to the Audit Committee annually a risk management report. The report covers risk management status, potential major risks in the future and corresponding control measures.

The Company establishes a holistic risk management and internal control system. It requires each business segment to adopt its own risk management and internal control system based on its local business environment and review and evaluate the effectiveness of the system on a continuous basis to ensure its effectiveness. The Audit Department performs on-going monitoring on each main business segment, and evaluates the procedure and action of its risk management and internal control system to enhance the quality and effectiveness.



Corporate Governance Report (continued)

During the year, the Audit Department inspected, investigated and assessed several subsidiaries of the Group. It reviewed and assessed their systems on investment and operation management; contracting and cost management; financial management; administrative management, etc. It issued independent and objective internal audit report with recommendation to the chairman or chief executive officer of the Company and relevant business segments to improve deficiencies. Corrective actions were taken on findings and no significant control failure which might affect shareholders' interests was identified. Amongst them, in order to further improving and monitoring the quality of the Group's risk management and internal control system, the Audit Department performed economic responsibility audit on the senior management of several subsidiaries, comprehensive management audit on several subsidiaries and investment projects, and financial revenue and expenditure audit as well as risk management and internal control audit on insurance business. The Audit Department also reviewed the Group's continuing connected transactions for the year ended 31 December 2025 and confirmed that the transactions were conducted in accordance with the pricing policies and framework agreements; and on normal commercial terms. A continuing connected transactions report was prepared by the Audit Department and reported to the Audit Committee.

The Company considered that the risk management and internal control system has adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting function. The Company will continue to conduct a review of the effectiveness of its risk management and internal control system at least once a year. The review covers all material controls, including financial, operational and compliance controls.

SHAREHOLDERS' RIGHTS

Convening of Extraordinary General Meeting on Requisition by Shareholders

The Board may whenever it thinks fit call extraordinary general meetings. Any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedures for Putting Forward Proposals at General Meetings by Shareholders

There are no provisions allowing shareholders to propose new resolutions at general meetings under the Cayman Islands Companies Laws or the Articles of Association of the Company. Shareholders who wish to propose a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

The procedures for appointment, election and removal of directors are published on the website of the Company.

Procedures for Directing Shareholders' Enquiries to the Board

The annual report and the Company's website provide the contact details of the Company. Shareholders may at any time send their enquiries and concerns to the Board in writing. Shareholders may also make enquiries with the Board at the general meetings of the Company.

COMMUNICATION WITH SHAREHOLDERS

The Board has adopted Shareholders' Communication Policy on 30 March 2012 and revised Shareholders' Communication Policy on 25 October 2022 which sets out the various channels and platforms adopted by the Company to communicate with the shareholders. The Company believes that effective communication with its shareholders is essential for ensuring that shareholders are provided with timely access to important information about the Company, including its financial performance, strategic goals and plans, material developments, governance and risk profile, in order to enable shareholders to exercise their rights in an informed manner.

Corporate Governance Report (continued)

The Company has established various communication channels with shareholders including general meetings, annual report and interim report, notice, announcement and circular. In addition, the Company updates its website (www.csci.com.hk) from time to time to keep the shareholders updated information of the Company's recent development. Investors' presentations are also published on the Company's website for all stakeholders' perusal. For any queries, shareholders may send their enquiries to Tricor Investor Services Limited, the branch share registrar of the Company in Hong Kong, by email at is-enquiries@vistra.com or to the Corporate Finance Department of the Company by email at csci.ir@cohl.com.

General meeting is a main channel of communication between directors and shareholders. During the year of 2025, the Company held one general meeting by electronic means where shareholders were allowed to raise questions through online meeting system, and the Board would answer questions in a timely manner after receiving them.

An AGM was held on 13 June 2025. The notice of meeting, the Company's annual report and the circular containing information on the proposed resolutions were published on the websites of HKEx and the Company more than 20 clear business days prior to the meeting. Members of the Board were available to answer questions from the shareholders at the meeting. At the meeting, separate resolution was proposed by the chairman of the meeting in respect of each substantially separate issue and voting on each resolution was conducted by poll. The results of the poll were published on the websites of HKEx and the Company on the same date of the meeting.

The Board considered that the implementation of the Shareholders' Communication Policy is effective.

During the year, there was no amendment to the memorandum and articles of association of the Company.

INVESTOR RELATIONS

The Company has been striving to maintain high transparency and communications with shareholders and investors through diversified communication channels. The Company holds press conferences and analyst briefing sessions from time to time to provide the latest business information of the Company to investors. The latest data and information of the Group are published on the website of the Company (www.csci.com.hk) so that shareholders, investors and the public can obtain the information about the Company in a timely manner.

Hong Kong, 26 March 2026



DIRECTORS' REPORT

The directors of the Company (the “Directors”) present their report together with the audited consolidated financial statements of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding and providing corporate management services. The activities of its principal subsidiaries are set out in the audited consolidated financial statements.

The performance of the Group for the year by segments is set out in the audited consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2025 are set out in the audited consolidated financial statements.

An interim dividend of HK34 cents per share amounting to approximately HK\$1,795,954,000 was paid to the shareholders of the Company on 10 October 2025. The board of directors of the Company (the “Board”) recommended the payment of a final dividend of HK28.5 cents per share to the shareholders whose names appear on the register of members on Thursday, 18 June 2026, amounting to approximately HK\$1,505,432,000. Subject to the approval of the shareholders of the Company at the forthcoming annual general meeting, the final dividend will be payable on or about Friday, 10 July 2026.

DIVIDEND POLICY

The dividend policy of the Company is to allow shareholders of the Company to participate in the profits of the Group whilst retaining adequate reserves for its future growth. Subject to compliance with applicable laws, rules, regulations and the articles of association of the Company, in deciding whether to propose any dividend payout, the Board will take into account, among other things, financial results, cash flow situation, business conditions and strategies, future operations and earnings, capital requirements and expenditure plans, interests of shareholders, any restrictions on payment of dividends and any other factors that the Board may consider relevant.

BUSINESS REVIEW AND PERFORMANCE

The business review of the Group for the year ended 31 December 2025 is set out in the sections headed “Chairman’s Statement”, “Management Discussion and Analysis” and “Business Review” of the 2025 Annual Report of the Company.

The environmental and social matters of the Group together with an account of the key relationships with its employees, customers and suppliers for the year ended 31 December 2025 are set out in the 2025 Sustainability Report of the Company, which is published on the websites of Hong Kong Exchanges and Clearing Limited and the Company on the same date as that of the publication of 2025 Annual Report of the Company. The Company complied with all the provisions set out in the Environmental, Social and Governance Reporting Guide.

MAJOR RISK MANAGEMENT

Under the internal control and risk management framework of the Group, the Risk Management Control Committee identifies major risks in each operation segment, assesses its likely impact and evaluates the risk in order to develop effective control activities to mitigate the risks. The Group established a more detailed project risk rating system, and discussed and supervised implementation at regular monthly management meetings to ensure that operational risks are within controllable limits. Other than the financial risk management policies of the Group set out in the section headed “Management Discussion and Analysis” of the 2025 Annual Report of the Company, the Group was also exposed to major risks including construction risk, infrastructure investment risk, overseas business risk and compliance risk.

Directors' Report (continued)

(1) Construction risk

The Group was exposed to construction risk in relation to technology, costs, duration of works, environmental protection and safety involved in the construction business. The Group monitored and evaluated the price of key materials regularly, conducted timely analyses and made bold decisions. With effective cooperation between tender, procurement, construction and other departments, the Group kept updating the procurement plans and efficiently controlled the scale and procedures of procurement in line with construction progress. The Group controlled its material cost of tender projects through centralised procurement and mitigated price risk by setting fixed unit price for auxiliary materials. As for special construction process and materials, the construction defects risk and price risk had been shifted to the sub-contractors who are responsible for assigned works with material supply. Materials involving significant safety and social influence were managed by the Group directly so as to strictly control the quality risks. Under the unique management model of "5+3" (i.e. coordinated management by the five elements of safety, environmental protection, quality, progress and cost, and the three systems of flow guarantee system, procedure guarantee system and liability guarantee system), the Group was able to control the construction risks efficiently.

(2) Infrastructure investment risk

In respect of the infrastructure investment business, the Group carried out comprehensive risk control regarding the whole cycle towards project development, implementation, buy-back and operation. For new development projects, the Group adhered to the selection criteria, conducted thorough researches, investigation and strict decision making processes to control the investment risks from scratch. For projects in progress, the Group monitored project progress and quality along with the implementation of the buy-back guarantee conditions. In respect of the forthcoming buy-back projects, the Group conducted preparation works in advance to ensure the recovery of investments as planned. For operating projects, the Group focused on safety management and proactively communicated with the government authorities for favorable policy terms.

(3) Overseas business risk

The Group undertook various projects overseas and hence was exposed to certain overseas political and regulatory risks. The Group had taken initiative to review cautiously the overseas operations and focused its resources on the exploration of core cities in order to avoid political and regulatory risks.

(4) Compliance risk

The Group paid high attention to the enactment and amendment of laws and regulations of each operation region which may cause legal risks to the business of the Group and reviewed the compliance status of relevant business of the Group in a timely manner to ensure that all business operations are in compliance with laws and regulations.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The construction industry is regulated by the local authorities in which the business units operate. In general, contractors must comply with certain requirements mandated by the applicable laws and regulations and may be required to obtain permits or licences in order to carry on certain businesses such as general contracting, façade contracting, design and manufacturing, and construction supervision in certain countries or regions. Apart from the specific laws and regulations, the Group is also subject to the general laws and regulations governing the environment, employment, anti-competition and anti-corruption regardless of its nature of business.

In addition, the Company, as a listed company, is subject to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Codes on Takeovers and Mergers and Share Buy-backs and the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).



Directors' Report (continued)

The Group seeks to ensure compliance with all relevant laws and regulations through various measures such as internal controls and approval procedures, trainings and oversight of various business units with the designated resources at different levels of the Group.

As far as the Board is aware, the Group has complied with the relevant laws and regulations that have a significant impact on the Group in all material respects throughout the year ended 31 December 2025.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to approximately RMB11,203,000.

INVESTMENT PROPERTIES

Details of investment properties of the Group are set out in the audited consolidated financial statements.

SHARE CAPITAL

Details of the share capital of the Company during the year are set out in note 40 to the audited consolidated financial statements.

On 14 March 2025, the Company allotted and issued 244,600,000 ordinary shares of the Company under the general mandate granted to the directors of the Company pursuant to a Subscription Agreement dated 11 March 2025 (details of which are set out in the announcements of the Company dated 11 March 2025 and 14 March 2025 respectively). Accordingly, the total issued share capital of the Company as at 31 December 2025 was 5,282,216,668 ordinary shares of HK\$0.025 each.

SHARE PREMIUM AND RESERVES

Details of movements during the year in the share premium and reserves of the Group are set out in the audited consolidated financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2025 amounted to approximately RMB20,005,513,000.

EQUITY-LINKED AGREEMENT

No equity-linked agreements that will or may result in the Company issuing shares nor require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

Directors' Report (continued)

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company and the laws of Cayman Islands, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the shareholders of the Company by reason of their holding of the securities of the Company.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out in the section headed "Five Year Financial Summary" of the 2025 Annual Report of the Company.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE GROUP

Issue of Listed Securities

During the year, a subsidiary of the Company completed the public issuance of the following listed securities which were issued and listed on the China Inter-bank Bond Market. The net proceeds, after deducting relevant fees and commission, amounted to approximately RMB11,500 million and were used by the subsidiaries of the Company to repay corporate debts and as general working capital:

Issue Date	Securities	Principal Amount (RMB million)	Coupon Rate per annum	Maturity
9 January 2025	Super short-term commercial papers	1,000	1.67%	77 days
10 January 2025	Medium-term notes	2,000	1.83%	3 years
29 May 2025	Super short-term commercial papers	1,000	1.64%	119 days
30 May 2025	Super short-term commercial papers	1,500	1.64%	119 days
16 July 2025	Super short-term commercial papers	1,000	1.50%	166 days
8 August 2025	Medium-term notes	2,000	1.81%	3 years
17 September 2025	Super short-term commercial papers	1,000	1.53%	71 days
18 September 2025	Super short-term commercial papers	2,000	1.53%	70 days



Directors' Report (continued)

Redemption of Listed Securities

During the year, a subsidiary of the Company redeemed all the following outstanding securities which were issued and listed on the China Inter-bank Bond Market upon their maturity:

Redemption Date	Securities	Principal Amount (RMB million)	Coupon Rate per annum	Maturity
28 March 2025	Super short-term commercial papers issued on 9 January 2025	1,000	1.67%	77 days
2 April 2025	Medium-term notes issued on 31 March 2022	960	2.98%	3 years
27 April 2025	Medium-term notes issued on 25 April 2022	1,500	3.09%	3 years
19 August 2025	Medium-term notes issued on 17 August 2022	1,040	2.70%	3 years
26 September 2025	Super short-term commercial papers issued on 29 May 2025	1,000	1.64%	119 days
26 September 2025	Super short-term commercial papers issued on 30 May 2025	1,500	1.64%	119 days
28 November 2025	Super short-term commercial papers issued on 17 September 2025	1,000	1.53%	71 days
28 November 2025	Super short-term commercial papers issued on 18 September 2025	2,000	1.53%	70 days
30 December 2025	Super short-term commercial papers issued on 16 July 2025	1,000	1.50%	166 days

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Group during the year ended 31 December 2025.

DIRECTORS

The Directors during the year and up to the date of this report were:

Chairman and Executive Director

Mr. Zhang Haipeng

Non-executive Directors

Mr. Yan Jianguo

Mr. Ye Nan (*appointed with effect from 22 March 2025*)

Executive Directors

Mr. Wang Xiaoguang (*Chief Executive Officer*)

Mr. Hung Cheung Shew

Independent Non-executive Directors

Ms. Wong Wai Ching

Mr. Chan Tze Ching Ignatius

Mr. Chan Fan

Directors' Report (continued)

Pursuant to articles 87(1) and 87(2) of the articles of association of the Company, Mr. Zhang Haipeng, Mr. Wang Xiaoguang and Mr. Hung Cheung Shew will retire by rotation at the forthcoming annual general meeting of the Company and, all being eligible, have offered themselves for re-election.

The Directors' biographical information is set out in the section headed "Directors and Organisation" of the 2025 Annual Report of the Company.

Information regarding Directors' emoluments is set out in the audited consolidated financial statements.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and still considers such Directors independent.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation). All Directors (including non-executive Directors) are subject to retirement from office and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transaction, arrangement or contract of significance in relation to the business of the Group to which the Company or any of its subsidiaries, fellow subsidiaries or its parent company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests and short positions of the Directors and chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules (the "Model Code") were as follows:



Directors' Report (continued)

(a) Long positions in shares of the Company

Name of director	Capacity	Number of ordinary shares held	Approximate % of shares in issue ^(Note)
Zhang Haipeng	Personal interest/beneficial owner	50,000	0.0009
Wang Xiaoguang	Personal interest/beneficial owner	30,000	0.0006
Hung Cheung Shew	Personal interest/beneficial owner	591,584	0.01
Chan Tze Ching Ignatius	Personal interest/beneficial owner	200,000	0.004

Note:

The percentage was calculated based on the total number of ordinary shares of the Company ("Shares") in issue as at 31 December 2025 (i.e. 5,282,216,668 Shares).

(b) Long positions in shares of associated corporations of the Company

(i) China Overseas Land & Investment Limited ("COLI")

Name of director	Capacity	Number of ordinary shares held	Approximate % of shares in issue of COLI ^(Note 1)
Hung Cheung Shew	Personal interest/beneficial owner	7,095	0.0001
Chan Tze Ching Ignatius	Personal interest/beneficial owner	100,000	0.0009

(ii) China State Construction Development Holdings Limited ("CSCD")

Name of director	Capacity	Number of ordinary shares held	Approximate % of shares in issue of CSCD ^(Note 2)
Zhang Haipeng	Personal interest/beneficial owner	4,100,000	0.18
Wang Xiaoguang	Personal interest/beneficial owner	4,100,000	0.18
	Interest of spouse	1,080,000	0.05
Hung Cheung Shew	Personal interest/beneficial owner	30,000	0.001

(iii) China Overseas Property Holdings Limited ("COPL")

Name of director	Capacity	Number of ordinary shares held	Approximate % of shares in issue of COPL ^(Note 3)
Hung Cheung Shew	Personal interest/beneficial owner	2,365	0.0001

Directors' Report (continued)

Notes:

1. The percentage was calculated based on the total number of ordinary shares of COLI in issue as at 31 December 2025 (i.e. 10,944,883,535 shares).
2. The percentage was calculated based on the total number of ordinary shares of CSCD in issue as at 31 December 2025 (i.e. 2,255,045,000 shares).
3. The percentage was calculated based on the total number of ordinary shares of COPL in issue as at 31 December 2025 (i.e. 3,283,960,460 shares).

Save as disclosed above, as at 31 December 2025, none of the Directors or chief executive of the Company or their respective associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the year ended 31 December 2025 was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate. Save as disclosed above, during the year ended 31 December 2025, none of the Directors and chief executive of the Company (including their spouses and children under the age of 18) had any interests in or was granted any right to subscribe for the securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

SUBSTANTIAL SHAREHOLDERS'/OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2025, the interests and short positions of the substantial shareholders (as defined in the Listing Rules) of the Company (other than Directors and chief executive of the Company) and other persons in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company, were as follows:

Long positions of substantial shareholders in the shares of the Company

Name of shareholder	Capacity	Number of Shares held	Approximate% of Shares in issue ^(Note 1)
China Overseas Holdings Limited ("COHL")	Beneficial owner/Interest of a controlled corporation ^(Note 2)	3,264,976,136	61.81
China State Construction Engineering Corporation Limited ("CSCECL")	Interest of a controlled corporation ^(Note 3)	3,264,976,136	61.81
中國建築集團有限公司 (China State Construction Engineering Corporation*) ("CSCEC")	Interest of a controlled corporation ^(Note 4)	3,264,976,136	61.81

* The English name is a translation from its Chinese name and is for identification purpose only.



Directors' Report (continued)

Long positions of other persons in the shares of the Company

Name of shareholder	Capacity	Number of Shares held	Approximate% of Shares in issue <small>(Note 1)</small>
China Orient Asset Management (International) Holding Limited	Interest of a controlled corporation	423,824,000	8.02
GIC Private Limited	Investment manager	369,346,547	6.99

Notes:

- The percentages were calculated based on the total number of ordinary shares of the Company ("Shares") in issue as at 31 December 2025 (i.e. 5,282,216,668 Shares).
- Amongst the total number of 3,264,976,136 Shares held by COHL, 3,146,188,492 Shares were held as beneficial owner while the balance of 118,787,644 Shares were interests of its controlled corporation.
- COHL was a direct wholly-owned subsidiary of CSCECL, thus CSCECL was deemed to be interested in 3,264,976,136 Shares directly and indirectly owned by COHL under the SFO.
- CSCECL was approximately 57.70% held by CSCEC, thus CSCEC was deemed to be interested in 3,264,976,136 Shares indirectly owned by CSCECL under the SFO.

Save as disclosed above, as at 31 December 2025, no other person (other than Directors and chief executive of the Company) had any interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO, or as otherwise notified to the Company.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the five largest customers of the Group accounted for less than 30% of the total sales of the Group for the year.

During the year, purchases from the five largest suppliers of the Group accounted for less than 30% of the total purchases of the Group for the year.

At no time during the year did a Director, a close associate of a Director or a shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the issued share capital of the Company) have an interest in any of the five largest customers or suppliers of the Group.

CONNECTED AND RELATED PARTY TRANSACTIONS

Details of connected transactions are set out in the section headed "Connected Transactions" of the 2025 Annual Report of the Company. The related party transactions are disclosed in the audited consolidated financial statements.

Directors' Report (continued)

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of the issued shares of the Company as required under the Listing Rules.

DIRECTORS' INTEREST IN COMPETING BUSINESS

Pursuant to Rule 8.10 of the Listing Rules, during the year and up to the date of this report, Mr. Zhang Haipeng, the Chairman and executive Director and Mr. Yan Jianguo, non-executive Director, held directorship in the Company's holding company and/or its subsidiaries which are engaged in construction, property development, property management and related businesses.

The Board operates independently of the boards of directors of the above-mentioned companies. With the presence of independent non-executive Directors in the Board, the Group is capable of carrying on its business independently of, and at arm's length from, the businesses of these companies.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the articles of association of the Company, subject to the statutes, every Director shall be entitled to be indemnified out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which he may sustain or incur in the execution of his duty, or supposed duty, or in relation thereto, provided that such indemnity does not extend to any matter in respect of any fraud or dishonesty by such Director. The Company has maintained directors and officers liability insurance during the year.

EMOLUMENT POLICY

The emolument policy of the employees of the Group was approved by the Remuneration Committee. The remuneration of employees was determined in accordance with individual's responsibility, competence and skills, experience, performance and market pay level.

The emoluments of the executive Directors are determined by the Remuneration Committee, having regard to the operating results of the Company, individual performance and comparable market trend. The emoluments of the independent non-executive Directors are in line with market practice. No individual should determine his/her own remuneration.

RETIREMENT BENEFIT SCHEME

With effect from 1 December 2000, the Group has joined a mandatory provident fund scheme (the "MPF Scheme") for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The employees of the subsidiaries of the Company established in the Chinese mainland are required to participate in a state-managed retirement scheme operated by the PRC government. These subsidiaries are required to contribute a certain percentage of payroll costs to the retirement scheme. The only obligation of the Group with respect to these schemes is to make the required contributions under these schemes. During the year, the Group made contribution to the retirement schemes amounting to approximately RMB459,564,000. No forfeited contributions under these schemes is available to reduce the contribution payable in future years.



Directors' Report (continued)

AUDITOR

Ernst & Young ("EY") has acted as auditor of the Company for the past three years. EY will retire and, being eligible, offer itself for re-appointment as auditor of the Company.

A resolution to re-appoint EY as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board
China State Construction International Holdings Limited

Zhang Haipeng
Chairman and Executive Director

Hong Kong, 26 March 2026

CONNECTED TRANSACTIONS

A. CONNECTED TRANSACTIONS UNDER THE LISTING RULES

A.1 Factoring Arrangement with 中建商業保理有限公司(China Construction Commercial Factoring Company Limited*) (“CCCF”) regarding 温州海新建設發展有限公司(Wenzhou Haixin Construction Development Co., Ltd.*) (“Wenzhou Haixin”)

On 30 May 2025, 中建國際投資集團有限公司(China State Construction International Investments Limited*) (“CSC International Investments”) (an indirect wholly-owned subsidiary of China State Construction International Holdings Limited (the “Company”)) entered into Factoring Arrangement, pursuant to which, on the same date, CSC International Investments (1) entered into Account Receivable Transfer Contracts with Wenzhou Haixin; and (2) entered into Factoring Contracts with CCCF, in respect of transfer of Account Receivables to CCCF for granting of (a) account receivable factoring service in a principal sum of RMB260 million at a discount rate of 95.1% to CSC International Investments for a term of not exceeding 12 months from the drawdown date under Factoring Contract 1, and (b) account receivable factoring service in a principal sum of RMB230 million at a discount rate of 95.1% to CSC International Investments for a term of not exceeding 12 months from the drawdown date under Factoring Contract 2 (the “Wenzhou Haixin Transaction”).

The considerations of the Account Receivables under the Account Receivable Transfer Contracts were determined on arm’s length negotiations between CSC International Investments and Wenzhou Haixin with reference to, among other things, the book values of the Account Receivables, the repayment periods of the Account Receivables, the terms of the Factoring Contracts and the credit worthiness of 温州市鹿城區國有控股集團有限公司(Wenzhou Lucheng District State-owned Holding Group Co., Ltd.*) (the “Debtor”).

The considerations of the Account Receivables under the Factoring Contracts were determined on arm’s length negotiations between CSC International Investments and CCCF with reference to, among other things, the book values of the Account Receivables, the repayment periods of the Account Receivables, the terms of the Factoring Contracts and the credit worthiness of the Debtor.

The Wenzhou Haixin Transaction together with the connected transactions as stipulated in the announcements of the Company dated 28 June 2024 and 6 December 2024 were related and to be completed within a 12-month period. Accordingly, these transactions were aggregated and treated as if they were one transaction, and the aggregate figures of the aggregate transactions were used for calculating the applicable percentage ratios.

As all the applicable percentage ratios in respect of the aggregate transactions exceeded 0.1% but were less than 5%, the Wenzhou Haixin Transaction itself or the aggregate transactions were subject to reporting and announcement requirements but exempted from shareholders’ approval requirement under Chapter 14A of the Listing Rules.

An announcement containing details of the Wenzhou Haixin Transaction was made on 30 May 2025.



Connected Transactions (continued)

A.2 Factoring Arrangement with CCCF regarding 湖州海創建設有限公司 (Huzhou Haichuang Construction Co., Ltd.*) (“Huzhou Haichuang”)

On 20 August 2025, CSC International Investments entered into Factoring Arrangement, pursuant to which, on the same date, CSC International Investments (1) entered into Account Receivable Transfer Contract with Huzhou Haichuang; and (2) entered into Factoring Contract with CCCF, in respect of transfer of Account Receivable to CCCF for granting of account receivable factoring service in a principal sum of RMB200 million at a discount rate of 92.8% to CSC International Investments for a term of not exceeding 18 months from the drawdown date under the Factoring Contract (the “Huzhou Transaction”).

The consideration of the Account Receivable under the Account Receivable Transfer Contract was determined on arm’s length negotiations between CSC International Investments and Huzhou Haichuang with reference to, among other things, the book value of the Account Receivable, the repayment period of the Account Receivable, the terms of the Factoring Contract and the credit worthiness of 浙江湖州環太湖集團有限公司(Zhejiang Huzhou Huantaihu Group Co., Ltd.*) and 湖州經開投資發展集團有限公司(Huzhou Economic Development Investment Development Group Co., Ltd.*) (the “Joint Debtors”).

The consideration of the Account Receivable under the Factoring Contract was determined on arm’s length negotiations between CSC International Investments and CCCF with reference to, among other things, the book value of the Account Receivable, the repayment period of the Account Receivable, the terms of the Factoring Contract and the credit worthiness of the Joint Debtors.

The Huzhou Transaction together with the connected transaction as stipulated in the announcement of the Company dated 6 December 2024 and the Wenzhou Haixin Transaction were related and to be completed within a 12-month period. Accordingly, these transactions were aggregated and treated as if they were one transaction, and the aggregate figures of the aggregate transactions were used for calculating the applicable percentage ratios.

As all the applicable percentage ratios in respect of the aggregate transactions exceeded 0.1% but were less than 5%, the Huzhou Transaction itself or the aggregate transactions were subject to reporting and announcement requirements but exempted from shareholders’ approval requirement under Chapter 14A of the Listing Rules.

An announcement containing details of the Huzhou Transaction was made on 20 August 2025.

Connected Transactions (continued)

A.3 Factoring Arrangement with CCCF regarding 温州海勝置業有限公司(Wenzhou Haisheng Real Estate Co., Ltd.*) (“Wenzhou Haisheng”)

On 19 December 2025, CSC International Investments entered into Factoring Arrangement, pursuant to which, on the same date, CSC International Investments (1) entered into Account Receivable Transfer Contract with Wenzhou Haisheng; and (2) entered into Factoring Contract with CCCF, in respect of transfer of Account Receivable to CCCF for granting of account receivable factoring service in a principal sum of RMB300 million at a discount rate of 91% to CSC International Investments for a term of not exceeding 24 months from the drawdown date under the Factoring Contract (the “Wenzhou Haisheng Transaction”).

The consideration of the Account Receivable under the Account Receivable Transfer Contract was determined on arm’s length negotiations between CSC International Investments and Wenzhou Haisheng with reference to, among other things, the book value of the Account Receivable, the repayment period of the Account Receivable, the terms of the Factoring Contract and the credit worthiness of 温州市鹿城区國有控股集團有限公司(Wenzhou Lucheng District State-owned Holding Group Co., Ltd.*) (the “Debtor”).

The consideration of the Account Receivable under the Factoring Contract was determined on arm’s length negotiations between CSC International Investments and CCCF with reference to, among other things, the book value of the Account Receivable, the repayment period of the Account Receivable, the terms of the Factoring Contract and the credit worthiness of the Debtor.

The Wenzhou Haisheng Transaction together with the Wenzhou Haixin Transaction and the Huzhou Transaction were related and entered into within a 12-month period. Accordingly, these transactions were aggregated and treated as if they were one transaction, and the aggregate figures of the aggregate transactions were used for calculating the applicable percentage ratios.

As all the applicable percentage ratios in respect of the aggregate transactions exceeded 0.1% but were less than 5%, the Wenzhou Haisheng Transaction itself or the aggregate transactions were subject to reporting and announcement requirements but exempted from shareholders’ approval requirement under Chapter 14A of the Listing Rules.

An announcement containing details of the Wenzhou Haisheng Transaction was made on 19 December 2025.



Connected Transactions (continued)

B. CONTINUING CONNECTED TRANSACTIONS UNDER THE LISTING RULES

B.1 CSCECL Construction Engagement Agreement (dated 20 October 2023)

(1 January 2024 to 31 December 2026)

On 20 October 2023, the Company and China State Construction Engineering Corporation Limited (“CSCECL”, an intermediate holding company of the Company) entered into CSCECL Construction Engagement Agreement whereby (i) the Company and its subsidiaries (the “Group”) may engage CSCECL and its subsidiaries (the “CSCECL Group”) as contractors for a term of three years commenced from 1 January 2024 and ending on 31 December 2026. Upon successful tender, the maximum total contract sum that may be awarded by the Group to the CSCECL Group under the CSCECL Construction Engagement Agreement for each of the financial years ended/ending 31 December 2024, 2025 and 2026 shall not exceed RMB10,000 million, RMB11,000 million and RMB12,000 million respectively (the “CSCECL Construction Engagement Caps”); and (ii) the CSCECL Group may engage the Group as contractors for a term of three years commenced from 1 January 2024 and ending on 31 December 2026. Upon successful tender, the maximum total contract sum that may be awarded by the CSCECL Group to the Group under the CSCECL Construction Engagement Agreement for each of the financial years ended/ending 31 December 2024, 2025 and 2026 shall not exceed RMB2,000 million, RMB2,500 million and RMB3,000 million respectively (the “CSC Construction Engagement Caps”).

In determining the pricing terms, the Group will review the costs information maintained in its in-house computer database for materials supplied and contract prices from contractors for the Group’s previous projects and peripheral operation. Such information will assist the Group to conduct quantitative comparison between quotations obtained from contractors and materials suppliers.

As each of the CSCECL Construction Engagement Caps and the CSC Construction Engagement Caps exceeded 5% of the applicable percentage ratios as defined under the Listing Rules, the transactions contemplated under the CSCECL Construction Engagement Agreement were subject to annual review, reporting, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

An announcement containing details of the CSCECL Construction Engagement Agreement was made on 20 October 2023 and a circular dated 14 December 2023 containing details of the CSCECL Construction Engagement Agreement was despatched to the shareholders of the Company. The CSCECL Construction Engagement Agreement was duly approved by the independent shareholders of the Company at an extraordinary general meeting held on 3 January 2024.

B.2 CSCD-CSCECL Sub-construction Engagement Agreement (dated 20 October 2023)

(1 January 2024 to 31 December 2026)

On 20 October 2023, China States Construction Development Holdings Limited (“CSC Development”, a listed subsidiary of the Company) and CSCECL entered into CSCD-CSCECL Sub-construction Engagement Agreement whereby the CSCECL Group may engage CSC Development and its subsidiaries (the “CSC Development Group”) as its subcontractor for provision of exterior facade works to the CSCECL Group’s construction works for a term of three years commenced from 1 January 2024 and ending on 31 December 2026. Upon successful tender, the maximum total contract sum that may be awarded by the CSCECL Group to the CSC Development Group under the CSCD-CSCECL Sub-construction Engagement Agreement for each of the financial years ended/ending 31 December 2024, 2025 and 2026 shall not exceed HK\$1,200 million, HK\$1,500 million and HK\$1,500 million respectively (the “CSCD-CSCECL Works Caps”).

In determining the pricing terms, the CSC Development Group will review the costs information maintained in its in-house database for materials supplied and contract prices from subcontractors for the CSC Development Group’s previous projects and peripheral operation. Such information will assist the CSC Development Group in implementing quantitative comparison between preliminary quotations obtained from sub-contractors and materials suppliers.

Connected Transactions (continued)

On an aggregation basis, the applicable percentage ratios as defined under the Listing Rules in respect of the CSCD-CSCECL Works Caps exceeded 5%. As such, the transactions contemplated under the CSCD-CSCECL Sub-construction Engagement Agreement were subject to annual review, reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

A joint announcement and a joint supplemental announcement containing details of the CSCD-CSCECL Sub-construction Engagement Agreement were made on 20 October 2023 and 31 October 2023 respectively, and a circular dated 14 December 2023 containing details of the CSCD-CSCECL Sub-construction Engagement Agreement was despatched to the shareholders of the Company. The CSCD-CSCECL Sub-construction Engagement Agreement was duly approved by the independent shareholders of the Company at an extraordinary general meeting held on 3 January 2024.

B.3 CSCD-COLI Works Framework Agreement (dated 29 April 2024)

(1 July 2024 to 30 June 2027)

On 29 April 2024, CSC Development and China Overseas Land & Investment Limited ("COLI", an associate of the Company) entered into CSCD-COLI Works Framework Agreement whereby each of COLI and its subsidiaries (the "COLI Group") and the companies which respective share capital is held as to not less than 30% and not more than 50% by the COLI Group which are not members of the COLI Group, and their respective subsidiaries from time to time (excluding China Overseas Grand Oceans Group Limited ("COGO") and its subsidiaries (the "COGO Group")) (the "Minority Controlled Group") may engage the CSC Development Group for the provision of exterior facade works for the respective property development projects of the COLI Group and the Minority Controlled Group, and provision of project supervision service for the respective property development projects of the COLI Group and the Minority Controlled Group in the Chinese mainland from time to time for a term of three years commenced from 1 July 2024 and ending on 30 June 2027. Upon successful tender, the maximum total contract sum that may be awarded by the COLI Group and the Minority Controlled Group to the CSC Development Group under the CSCD-COLI Works Framework Agreement for the period from 1 July 2024 to 31 December 2024 shall not exceed HK\$505 million, for the year ended 31 December 2025 shall not exceed HK\$110 million, for the year ending 31 December 2026 shall not exceed HK\$660 million, and for the period from 1 January 2027 to 30 June 2027 shall not exceed HK\$110 million (the "CSCD-COLI Works Cap(s)").

As all the applicable percentage ratios in respect of the highest CSCD-COLI Works Cap were more than 0.1% but less than 5%, the transactions contemplated under the CSCD-COLI Works Framework Agreement were subject to annual review, reporting and announcement requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

A joint announcement containing details of the CSCD-COLI Works Framework Agreement was made on 29 April 2024.



Connected Transactions (continued)

B.4 CSCECL Framework Agreement (dated 4 November 2024)

(1 January 2025 to 31 December 2027)

On 4 November 2024, the Company and CSCECL entered into CSCECL Framework Agreement whereby the parties agree that they (or their respective subsidiaries) may cooperate to enter into government or public sector contracts, or contracts for large-scale construction with single contract sum of exceeding HK\$2 billion awarded by tender (“Construction Main Contracts”) as joint venture main contractor for a term of three years commenced from 1 January 2025 and ending on 31 December 2027. It is expected that the award of the Construction Main Contracts will generally be subject to a tendering process or such other prescribed contract award process as may be implemented by the relevant third-party developer/owner client in order to determine the contract sum of the relevant Construction Main Contracts. Upon successful tender, the maximum total contract sum that may be awarded jointly to the Company and CSCECL (or their respective subsidiaries) as joint venture main contractor for the financial year ended 31 December 2025 shall not exceed HK\$28,000 million, for the financial year ending 31 December 2026 shall not exceed HK\$30,000 million and for the financial year ending 31 December 2027 shall not exceed HK\$32,000 million (the “CSCECL Annual Caps”).

In assessing the tender or contract award documents, the Group or the CSCECL Group will take into account factors including the technical requirements, quantity specifications, expected completion time, customer’s expectations and possible risk factors associated with the Construction Main Contract.

As the CSCECL Annual Caps exceeded 5% of the applicable percentage ratios as defined under the Listing Rules, the transactions contemplated under the CSCECL Framework Agreement were subject to annual review, reporting, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

An announcement containing details of the CSCECL Framework Agreement was made on 4 November 2024 and a circular dated 29 November 2024 containing details of the CSCECL Framework Agreement was despatched to the shareholders of the Company. The CSCECL Framework Agreement was duly approved by the independent shareholders of the Company at an extraordinary general meeting held on 18 December 2024.

B.5 Financial Services Agreement (dated 6 December 2022)

(1 January 2023 to 31 December 2025)

New Financial Services Agreement (dated 17 December 2025)

(1 January 2026 to 31 December 2028)

On 6 December 2022, the Company and 中建財務有限公司 (China State Construction Finance Limited*) (“CSCF”, a non-wholly owned subsidiary of CSCECL) entered into Financial Services Agreement whereby CSCF agreed to provide the Group with a) deposit services, b) loan services, c) bill acceptance and discount services, and d) other financial services on a non-exclusive basis for a term of three years commenced from 1 January 2023 and ended on 31 December 2025. Each of the maximum daily deposit balance (including interests accrued thereon) of the aggregated deposits placed by the Group with CSCF and the aggregate transaction amount of bill acceptance and discount services provided by CSCF to the Group shall not exceed RMB1,200 million respectively (the “CSCF Annual Cap”) for each of the three years ended on 31 December 2025.

Connected Transactions (continued)

In determining the pricing terms, for a) deposit services: When determining the interest rates for deposits to be placed by the Group with CSCF, the Group shall obtain the interest rate from CSCF, and make reference to the interest rates of the same type of deposits quoted by not less than three major commercial banks in the Chinese mainland; b) loan services: The terms of loans provided to the Group by CSCF shall be no less favourable than the terms of the same type of loans provided by independent third party commercial banks which have existing cooperative relationships with the Group. When determining the interest rates for loans to be granted to the Group by CSCF, the Group shall obtain the interest rate from CSCF, and make reference to the interest rates of the same type of loans quoted by not less than three major commercial banks in the Chinese mainland; c) bill acceptance and discount services: When determining the service fees for bill acceptance services to be provided to the Group by CSCF, the Group shall obtain the service fees quotes from CSCF, and make reference to the service fees of the same type of services quoted by not less than three major commercial banks in the Chinese mainland; and d) other financial services: CSCF will offer other financial services to the Group, including centralized fund monitoring, entrusted loans, cross-border capital pooled-transmittance, other bill services, supply-chain financing services and guarantee services, and these services (except guarantee services) shall be free of charge. For guarantee services, the terms of guarantee services provided to the Group by CSCF shall be no less favourable than the terms of the same type of services provided by independent third party commercial banks which have existing cooperative relationships with the Group. When determining the service fees to be paid by the Group to CSCF, the Group shall obtain service fees quotes from CSCF, and make reference to the service fees of the same type of services quoted by not less than three major commercial banks in the Chinese mainland. All other financial services will not be subject to any security over the assets of the Group.

Since one or more of the applicable percentage ratios as defined under the Listing Rules in respect of the CSCF Annual Cap under the Financial Services Agreement exceeded 0.1% but were less than 5%, the provision of each of the deposit services and bill acceptance and discount services by CSCF to the Group under the Financial Services Agreement was subject to annual review, reporting and announcement requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The loan services to be provided by CSCF to the Group are on normal commercial terms or better (i.e. terms that are similar or more favourable than those offered by at least three major commercial banks in the Chinese mainland for the provision of comparable services) and are in the interest of the Group. No security over the assets of the Group is granted to CSCF in respect of the loan services. They were therefore exempt from all reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

The guarantee services to be provided by CSCF to the Group are on normal commercial terms or better (i.e. terms that are similar or more favourable than those offered by at least three major commercial banks in the Chinese mainland for the provision of comparable services) and are in the interest of the Group. No security over the assets of the Group is granted to CSCF in respect of the guarantee services. They were therefore exempt from all reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

CSCF will provide other financial services, including centralized fund monitoring, entrusted loans, cross-border capital pooled-transmittance, other bill services and supply-chain financing services, to the Group for free under the Financial Services Agreement. All of the applicable percentage ratios as defined under the Listing Rules in respect of the total fees payable by the Group to CSCF for the provision of other financial services by CSCF under the Financial Services Agreement fell within the de minimis threshold and the provision of other financial services was therefore exempt from all reporting, announcement and independent shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

An announcement containing details of the Financial Services Agreement was made on 6 December 2022.



Connected Transactions (continued)

On 17 December 2025, the Company and CSCF entered into New Financial Services Agreement whereby CSCF agreed to provide the Group with deposit services, loan services and other financial services on a non-exclusive basis for a term of three years commenced from 1 January 2026 and ending on 31 December 2028. Each of the maximum daily deposit balance (including interests accrued thereon) of the aggregated deposits placed by the Group with CSCF shall not exceed RMB1,200 million (the "New CSCF Annual Cap") for each of the three years ending 31 December 2028.

In determining the pricing terms, for a) deposit services: When determining the interest rates for deposits to be placed by the Group with CSCF, the Group shall obtain the interest rate from CSCF, and make reference to the interest rates of the same type of deposits quoted by not less than three major commercial banks in the Chinese mainland; b) loan services: The terms of loans provided to the Group by CSCF shall be no less favourable than the terms of the same type of loans provided by independent third party commercial banks which have existing cooperative relationships with the Group. When determining the interest rates for loans to be granted to the Group by CSCF, the Group shall obtain the interest rate from CSCF, and make reference to the interest rates of the same type of loans quoted by not less than three major commercial banks in the Chinese mainland; c) other financial services: CSCF will offer other financial services to the Group, including centralized fund monitoring, entrusted loans, cross-border capital pooled-transmittance, supply-chain financing services and guarantee services, and these services (except guarantee services) shall be free of charge. For guarantee services, the terms of guarantee services provided to the Group by CSCF shall be no less favourable than the terms of the same type of services provided by independent third party commercial banks which have existing cooperative relationships with the Group. When determining the service fees to be paid by the Group to CSCF, the Group shall obtain service fees quotes from CSCF, and make reference to the service fees of the same type of services quoted by not less than three major commercial banks in the Chinese mainland. All other financial services will not be subject to any security over the assets of the Group.

Since one or more of the applicable percentage ratios as defined under the Listing Rules in respect of the New CSCF Annual Cap under the New Financial Services Agreement exceeded 0.1% but were less than 5%, the provision of the deposit services by CSCF to the Group under the New Financial Services Agreement was subject to annual review, reporting and announcement requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The loan services to be provided by CSCF to the Group are on normal commercial terms or better (i.e. terms that are similar or more favourable than those offered by at least three major commercial banks in the Chinese mainland for the provision of comparable services) and are in the interest of the Group. No security over the assets of the Group is granted to CSCF in respect of the loan services. They were therefore exempt from all reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

The guarantee services to be provided by CSCF to the Group are on normal commercial terms or better (i.e. terms that are similar or more favourable than those offered by at least three major commercial banks in the Chinese mainland for the provision of comparable services) and are in the interest of the Group. No security over the assets of the Group is granted to CSCF in respect of the guarantee services. They were therefore exempt from all reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

Connected Transactions (continued)

CSCF will provide other financial services, including centralized fund monitoring, entrusted loans, cross-border capital pooled-transmittance and supply-chain financing services, to the Group for free under the New Financial Services Agreement. All of the applicable percentage ratios as defined under the Listing Rules in respect of the total fees payable by the Group to CSCF for the provision of other financial services by CSCF under the New Financial Services Agreement fell within the de minimis threshold and the provision of other financial services was therefore exempt from all reporting, announcement and independent shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

An announcement containing details of the New Financial Services Agreement was made on 17 December 2025.

B.6 CSCD-COLI Connection Services Framework Agreement (dated 25 October 2022)

(1 January 2023 to 31 December 2025)

On 25 October 2022, COLI and CSC Development entered into CSCD-COLI Connection Services Framework Agreement for a term of three years commenced from 1 January 2023 and ended on 31 December 2025, whereby the CSC Development Group (through 瀋陽皇姑熱電有限公司 (Shenyang Huanggu Thermoelectricity Company Limited*), an indirect wholly owned subsidiary of CSC Development) may provide heating pipes connection services for real estate project(s) located in the Chinese mainland and developed by COLI Group. Upon successful tender, the maximum total contract sum that may be awarded by the COLI Group to the CSC Development Group for each of the three years ended 31 December 2025 shall not exceed HK\$50 million (the "Engagement Cap").

In determining the pricing terms, the CSC Development Group will take into account the other comparable services providers, coverage, location, size and development status, capacity and cost of the connection.

As the Engagement Cap was more than 0.1% but less than 5% of the applicable percentage ratios as defined under the Listing Rules, the transactions contemplated under the CSCD-COLI Connection Services Framework Agreement were subject to annual review, reporting and announcement requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

An announcement containing details of the CSCD-COLI Connection Services Framework Agreement was made on 25 October 2022.

B.7 COLI Master Engagement Agreement (dated 25 October 2022)

(1 January 2023 to 31 December 2025)

New COLI Master Engagement Agreement (dated 31 October 2025)

(1 January 2026 to 31 December 2028)

On 25 October 2022, the Company and COLI entered into COLI Master Engagement Agreement, pursuant to which (i) the Group may tender for construction works of the COLI Group and the Minority Controlled Group in the Chinese mainland, Hong Kong and Macau as construction contractor from time to time for three financial years ended on 31 December 2025; and (ii) the COLI Group may engage the Group as construction contractor for construction works of the COLI Group and the Minority Controlled Group in the Chinese mainland, Hong Kong and Macau upon the Group's successful tender. Upon successful tender, the maximum total contract sum that may be awarded by the COLI Group to the Group for each of the three financial years ended 31 December 2025 shall not exceed HK\$9,000 million (the "COLI Sub-cap"), and upon successful tender, the maximum total contract sum that may be awarded by the Minority Controlled Group to the Group for each of the three financial years ended 31 December 2025 shall not exceed HK\$11,000 million (the "Minority Controlled Group Sub-cap", together with COLI Sub-cap, the "COLI Works Annual Cap").



Connected Transactions (continued)

In determining the pricing terms, the Group will review the costs information maintained in its in-house computer database for materials supplied and contract prices from contractors for the Group's previous projects and peripheral operation. Such information will assist the Group to conduct quantitative comparison between quotations obtained from contractors and materials suppliers.

As the COLI Works Annual Cap exceeded 5% of the applicable percentage ratios as defined under the Listing Rules, the transactions contemplated under the COLI Master Engagement Agreement were subject to annual review, reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

An announcement containing details of the COLI Master Engagement Agreement was made on 25 October 2022 and a circular dated 25 November 2022 containing details of the COLI Master Engagement Agreement was despatched to the shareholders of the Company. The COLI Master Engagement Agreement was duly approved by the independent shareholders of the Company at an extraordinary general meeting held on 21 December 2022.

On 31 October 2025, the Company and COLI entered into New COLI Master Engagement Agreement to renew the COLI Master Engagement Agreement for a term of three financial years commenced from 1 January 2026 and ending on 31 December 2028, pursuant to which (i) the Group may tender for construction works of the COLI Group in the Chinese mainland, Hong Kong and Macau as construction contractor from time to time for the three financial years ending on 31 December 2028; and (ii) the COLI Group may engage the Group as construction contractor for construction works of the COLI Group in the Chinese mainland, Hong Kong and Macau upon the Group's successful tender. Upon successful tender, the maximum total contract sum that may be awarded by the COLI Group to the Group for the financial year ending 31 December 2026 shall not exceed HK\$1,000 million, for the financial year ending 31 December 2027 shall not exceed HK\$2,400 million and for the financial year ending 31 December 2028 shall not exceed HK\$2,400 million (the "New COLI Works Annual Caps").

In determining the pricing terms, the Group will review the costs information maintained in its in-house computer database for materials supplied and sub-contractors from the Group's previous projects and peripheral operation. Such information will assist the Group in implementing quantitative comparison between preliminary quotations obtained from sub-contractors and materials suppliers.

As all the applicable percentage ratios as defined under the Listing Rules in respect of the New COLI Works Annual Caps exceeded 0.1% but were less than 5%, the transactions contemplated under the New COLI Master Engagement Agreement were subject to reporting, announcement and annual review requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

An announcement containing details of the New COLI Master Engagement Agreement was made on 31 October 2025.

Connected Transactions (continued)

B.8 COGO Master Engagement Agreement (dated 20 October 2023)

(1 January 2024 to 31 December 2026)

On 20 October 2023, the Company and COGO entered into COGO Master Engagement Agreement whereby the Group may tender for construction works of the COGO Group in the Chinese mainland as construction contractor in accordance with the tendering procedures of the COGO Group from time to time for a term of three years commenced from 1 January 2024 and ending on 31 December 2026. Upon successful tender, the maximum total contract sum that may be awarded by the COGO Group to the Group under the COGO Master Engagement Agreement shall not exceed (i) RMB1,800 million for the year commenced from 1 January 2024 and ended on 31 December 2024; (ii) RMB1,800 million for the year commenced from 1 January 2025 and ending on 31 December 2025; and (iii) RMB1,800 million for the year commencing from 1 January 2026 and ending on 31 December 2026 (the "COGO Works Caps").

In determining the pricing terms, the Group will review the costs information maintained by its in-house computer database for materials supplied and contract prices from contractors for the Group's previous projects and peripheral operation. The information will assist the Group to conduct quantitative comparison between quotations obtained from contractors and materials suppliers.

On an aggregation basis, the applicable percentage ratios as defined under the Listing Rules in respect of the COGO Works Caps exceeded 5%. As such, the transactions contemplated under the COGO Master Engagement Agreement were subject to annual review, reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

An announcement and a supplemental announcement containing details of the COGO Master Engagement Agreement were made on 20 October 2023 and 31 October 2023 respectively, and a circular dated 14 December 2023 containing details of the COGO Master Engagement Agreement was despatched to the shareholders of the Company. The COGO Master Engagement Agreement was duly approved by the independent shareholders of the Company at an extraordinary general meeting held on 3 January 2024.

B.9 COPL Services Agreement (dated 28 April 2023)

(1 July 2023 to 30 June 2026)

On 28 April 2023, the Company and China Overseas Property Holdings Limited ("COPL", an associate of the Company) entered into COPL Services Agreement whereby the COPL Group may participate from time to time in competitive tender in accordance with the tendering procedures of the Group to provide property management services and value-added services (including engineering, pre-delivery, move-in assistance, delivery inspection, engineering services quality monitoring and consulting services, as well as gardening, interior fine finishing and vetting of building plans) (the "Services") to the properties (including residential communities, commercial properties and other properties) owned and/or held by the Group in the Chinese mainland, Hong Kong, Macau and other locations; and the work sites owned and/or held by the Group in the Chinese mainland, Hong Kong and Macau for a term of three years commenced from 1 July 2023 and ending on 30 June 2026. Upon successful tender, the maximum total amounts payable for the Services by the Group to the COPL Group under the COPL Services Agreement for the period from 1 July 2023 to 31 December 2023 shall not exceed HK\$133 million, for the financial year ending 31 December 2024 shall not exceed HK\$308 million, for the financial year ending 31 December 2025 shall not exceed HK\$493 million and for the period from 1 January 2026 to 30 June 2026 shall not exceed HK\$299 million (the "COPL Services Caps").

As the COPL Services Caps were more than 0.1% but less than 5% of the applicable percentage ratios as defined under the Listing Rules, the transactions contemplated under the COPL Services Agreement were subject to annual review, reporting and announcement requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

An announcement containing details of the COPL Services Agreement was made on 28 April 2023.



Connected Transactions (continued)

B.10 COLI Supply of Materials Framework Agreement (dated 30 April 2024)

(1 July 2024 to 30 June 2027)

On 30 April 2024, the Company and COLI entered into COLI Supply of Materials Framework Agreement whereby (i) the COLI Group may supply civil-works, electromechanical and renovation items, goods or materials (the "Materials") for the construction projects of the Group (the "Projects") upon the Group's request in accordance with the tendering procedures of the Group from time to time for a term of three years commenced from 1 July 2024 and ending on 30 June 2027; and (ii) the Group may engage the COLI Group as supplier of the Materials for the Projects upon the COLI Group's successful tender. Upon successful tender, the maximum total contract sums in respect of the supply of the Materials for the Projects that may be awarded by the Group to the COLI Group under the COLI Supply of Materials Framework Agreement shall not exceed RMB500 million for the period between 1 July 2024 and 31 December 2024, RMB1,200 million for the year ended 31 December 2025, RMB1,400 million for the year ending 31 December 2026, and RMB900 million for the period between 1 January 2027 and 30 June 2027 (the "Supply of Materials Cap(s)").

As all the applicable percentage ratios as defined under the Listing Rules in respect of the highest Supply of Materials Cap were more than 0.1% but less than 5%, the transactions contemplated under the COLI Supply of Materials Framework Agreement were subject to annual review, reporting and announcement requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

An announcement containing details of the COLI Supply of Materials Framework Agreement was made on 30 April 2024.

B.11 CSCECL-CSCD Facade Construction Contracts Framework Agreement (dated 31 October 2024)

(1 December 2024 to 31 December 2026)

On 31 October 2024, CSCECL and CSC Development entered into CSCECL-CSCD Facade Construction Contracts Framework Agreement whereby the parties agree that they (or their respective subsidiaries) may cooperate to enter into contract(s) for the facade construction awarded by tenderee, which is a third-party developer/owner client, as joint venture contractor or joint contractors (the "Facade Construction Contract(s)") upon and subject to the terms of the CSCECL-CSCD Facade Construction Contracts Framework Agreement and other agreements contemplated in the CSCECL-CSCD Facade Construction Contracts Framework Agreement.

Pursuant to the CSCECL-CSCD Facade Construction Contracts Framework Agreement, the maximum total contract sum that may be awarded jointly to CSCECL and CSC Development (or their respective subsidiaries) as joint venture contractor or joint contractors for the period from 1 December 2024 to 31 December 2024 and the financial years ended 31 December 2025 and ending 31 December 2026 shall not exceed HK\$1,200 million, HK\$1,200 million and HK\$1,200 million respectively (the "CSCECL-CSCD Facade Construction Contracts Cap").

In assessing the tender or contract award documents, CSCECL (or its subsidiary) or CSC Development (or its subsidiary) (as the case may be) will take into account factors including the technical requirements, quantity specifications, expected completion time, customer's expectation, possible risk factors associated with the Facade Construction Contract and the scoring criteria of the tendering process or contract award process.

As all the applicable percentage ratios as defined under the Listing Rules in respect of the CSCECL-CSCD Facade Construction Contracts Cap were more than 0.1% but less than 5%, the transactions contemplated under the CSCECL-CSCD Facade Construction Contracts Framework Agreement were subject to annual review, reporting and announcement requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Connected Transactions (continued)

A joint announcement containing details of the CSCECL-CSCD Facade Construction Contracts Framework Agreement was made on 31 October 2024.

* *The English names of the entities referred to above are translations from their Chinese names and are for identification purpose only. If there is any inconsistency, the Chinese name shall prevail.*

Pursuant to Rule 14A.55 of the Listing Rules, the above continuing connected transactions have been approved by the Board and have been reviewed by the independent non-executive directors of the Company, who confirmed that these continuing connected transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the terms of the relevant agreements governing each of the continuing connected transactions on terms that were fair and reasonable and in the interests of the Company and its shareholders as a whole.

In accordance with Rule 14A.56 of the Listing Rules, the Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

The auditor has confirmed in a letter to the Board that:

- (1) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board;
- (2) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (3) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (4) with respect to the aggregate amount of each of the continuing connected transactions, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the relevant annual cap during the financial year ended 31 December 2025.

The Board confirms that the Company has complied with the disclosure requirements as required by the Listing Rules in relation to the aforementioned connected transactions/continuing connected transactions.

The continuing connected transactions disclosed above also constitute related party transactions under the Hong Kong Financial Reporting Standards. A summary of significant related party transactions made during the year was disclosed in the notes to the consolidated financial statements. Certain items also constitute connected/continuing connected transactions as defined in Chapter 14A of the Listing Rules.



INDEPENDENT AUDITOR'S REPORT



To the shareholders of China State Construction International Holdings Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of China State Construction International Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 124 to 224, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") as issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Independent Auditor's Report (continued)

KEY AUDIT MATTERS (continued)

Key audit matter

How our audit addressed the key audit matter

Revenue recognition from construction works

For the year ended 31 December 2025, the Group recognised revenue from construction works of approximately RMB94,311 million, including revenue from construction contracts, construction related investment projects and facade contracting business.

The Group's revenue from construction works is recognised over time using the input method of which the progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation relative to the total expected efforts or inputs.

Most of the construction works take several years to complete and the scope of work may change during the construction period. Management estimates the revenue and budgeted costs at the commencement of the contracts and regularly assesses the progress of construction works as well as the financial impact of scope changes, claims, disputes and liquidated damages.

Significant management judgements were required for estimations of revenue, budgeted costs as well as the progress of related construction works and these estimations had significant impact on the amount and timing of revenue recognised.

The accounting policies and disclosures in relation to the revenue recognition from construction works are included in notes 4.27, 6.1 and 7 to the consolidated financial statements.

Our audit procedures to assess the revenue recognition from construction works included the following:

- understanding and evaluating the Group's process and control over contract revenue recognition and budget estimation;
- testing the calculation of the revenue and profit recognised from construction contracts;
- discussing with management and the respective project teams about the progress of major projects and the assumptions adopted in the forecast of contract costs, including estimated costs to completion and assessment of potential liquidated damages for major contracts;
- testing, on a sample basis, the actual costs incurred on construction works during the reporting period;
- testing, on a sample basis, the supporting documents of the budgets, which include sub-contracting contracts, material purchase contracts/invoices and price quotations, etc.; and
- comparing last year's budget against the current year's budget or actual costs incurred for major contracts on a sampling basis.



Independent Auditor's Report (continued)

KEY AUDIT MATTERS (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Impairment assessment of trade receivables and contract assets</p> <p>As at 31 December 2025, the Group had trade receivables and contract assets (including retention receivables) amounted to approximately RMB146,802 million in aggregate, representing approximately 52% of the Group's total assets.</p> <p>Significant management judgement and estimates were required in assessing the recoverability of trade receivables and contract assets, including the assessment of the collectability from individual customers after taking into account their creditworthiness, whether they have financial difficulties, experience of default or delinquency in interest or principal payments, ageing analysis and forecast of future events and economic conditions.</p> <p>Management judgements have a significant impact on the level of loss allowance required for trade receivables and contract assets.</p> <p>The accounting policies and disclosures in relation to the recoverability of trade receivables and contract assets are included in notes 4.10, 4.17, 4.32, 6.3, 27 and 32 to the consolidated financial statements.</p>	<p>Our audit procedures to assess the recoverability of trade receivables and contract assets included the following:</p> <ul style="list-style-type: none"> • understanding and evaluating the design and operating effectiveness of management control over the collection and the impairment assessment of the trade receivables and contract assets; • testing, on a sample basis, the ageing of trade receivables at year end; • testing, on a sample basis, subsequent settlements and the latest amounts certified by quantity surveyors appointed by customers; • in respect of material trade receivable and contract asset balances, inspecting relevant contracts and correspondence with the customers, and assessing their creditworthiness with reference to publicly available information, where applicable; • in respect of material trade receivable balances which are past due, inspecting correspondence with the customers, evaluating their historical progress payment records, assessing whether the customers are experiencing financial difficulties, and any default or delinquency in interest or principal payments, where applicable; and • obtaining and reviewing the expected credit loss calculation prepared by management.

Independent Auditor's Report (continued)

KEY AUDIT MATTERS (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Impairment assessment of concession operating rights</p> <p>The Group's concession operating rights represent the rights to operate and charge for usage of toll expressways in Chinese mainland and are recognised as non-current assets with a net carrying amount of approximately RMB2,411 million as at 31 December 2025.</p> <p>Management performs an impairment assessment of the carrying amount of concession operating rights when impairment indicators exist. Significant management judgement is required to determine the recoverable amounts of the concession operating rights. The Group engaged external valuer to perform valuation of the recoverable amounts of the concession operating rights as at 31 December 2025 and which considered information from a variety sources such as expectations of future traffic volumes, expected future toll fee levels, length of operating rights, maintenance costs and discount rates.</p> <p>The accounting policies and disclosures in relation to the impairment of concession operating rights are included in notes 4.9, 6.5 and 22 to the consolidated financial statements.</p>	<p>Our audit procedures to assess impairment of concession operating rights included the following:</p> <ul style="list-style-type: none"> obtaining and reviewing the valuation reports prepared by the external valuers engaged by the Group; assessing the external valuer's qualifications, experience and expertise and consider its objectivity and independence; involving our internal valuation specialists to assist us in the assessment of the valuation methodology and discount rates adopted in the valuation; and assessing the key assumptions adopted by management in the calculation of value-in-use, including the expected future traffic volumes, toll fee level projections, length of operating rights, and maintenance costs.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Independent Auditor's Report (continued)

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report (continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Tsang Chiu Hang (practicing certificate number: P06370).

Ernst & Young

Certified Public Accountants
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

26 March 2026



CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000 (restated)
Revenue	7	100,448,500	105,322,671
Costs of sales		(84,466,801)	(88,993,099)
Gross profit		15,981,699	16,329,572
Investment income, other income and other gains/(losses), net	9	248,706	211,693
Administrative, selling and other operating expenses		(2,651,743)	(2,582,026)
Share of profits of			
Joint ventures		846,409	583,499
Associates		12,068	244,813
Finance costs	10	(2,469,668)	(2,948,312)
Profit before tax		11,967,471	11,839,239
Income tax expenses, net	12	(2,962,098)	(2,618,957)
Profit for the year	13	9,005,373	9,220,282
Profit for the year attributable to:			
Owners of the Company		8,588,443	8,565,331
Holders of perpetual capital securities		228,808	339,297
Non-controlling interests		188,122	315,654
		9,005,373	9,220,282
Earnings per share (RMB)	15		
Basic		1.64	1.70
Diluted		1.64	1.70

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	2025 RMB'000	2024 RMB'000 (restated)
Profit for the year		9,005,373	9,220,282
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss in subsequent periods</i>			
Gain on fair value changes of debt securities at fair value through other comprehensive income		3,925	4,551
Release of investment revaluation reserve to consolidated income statement upon disposal of debt securities at fair value through other comprehensive income		(2,675)	–
Exchange differences on translation of subsidiaries		244,046	(127,256)
Exchange differences on translation of joint ventures		1,996	11,212
Exchange differences on translation of associates		(36,005)	20,450
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
Remeasurement loss on defined benefit obligations	44	(5,433)	(4,667)
Other comprehensive income/(loss) for the year, net of tax		205,854	(95,710)
Total comprehensive income for the year		9,211,227	9,124,572
Total comprehensive income for the year attributable to:			
Owners of the Company		8,789,310	8,454,945
Holders of perpetual capital securities		228,808	339,297
Non-controlling interests		193,109	330,330
		9,211,227	9,124,572



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000 (restated)	1 January 2024 RMB'000 (restated)
Non-current Assets				
Property, plant and equipment	16	6,505,429	5,747,119	5,143,662
Right-of-use assets	17	799,497	645,778	545,101
Investment properties	18	6,738,116	6,437,453	6,286,855
Interests in infrastructure project investments	19	3,247,527	3,075,945	3,315,382
Interests in joint ventures	20(a)	16,344,908	15,713,298	15,359,944
Interests in associates	21	5,585,917	6,049,544	5,553,626
Concession operating rights	22	2,411,087	2,639,624	2,784,161
Deferred tax assets	23	114,660	104,379	111,838
Trademark, project backlogs and licences	24	164,258	182,452	196,233
Goodwill	24	519,898	537,228	524,519
Financial assets at fair value through other comprehensive income	25	496,307	227,928	352,948
Amounts due from investee companies	26	13,193	13,632	201,619
Trade and other receivables	27	53,621,833	50,405,363	50,485,568
Loans to joint ventures	28	1,021,852	999,497	1,165,619
Loan receivables	29	37,530	–	–
		97,622,012	92,779,240	92,027,075
Current Assets				
Interests in infrastructure project investments	19	220,466	612,492	477,235
Inventories	30	460,093	421,714	474,750
Properties under development	31	6,690,654	7,029,266	5,711,081
Properties held for sale		4,045,723	3,580,739	3,703,719
Contract assets	32	30,752,495	26,241,434	19,607,039
Trade and other receivables	27	102,867,305	96,355,321	76,850,749
Deposits and prepayments		822,976	985,833	881,002
Financial assets at fair value through other comprehensive income	25	–	7,165	–
Amounts due from joint ventures	28	5,665,536	5,818,712	8,162,066
Amounts due from associates	33	263,610	451,987	512,745
Amounts due from related companies	34	7,706	27,233	97,038
Loan to a joint venture	28	12,339	–	–
Loan to an associate	33	1,348	–	–
Loan receivables	29	6,994	–	–
Tax recoverable		913,646	537,588	367,340
Bank balances and cash	35	30,328,604	28,589,158	25,844,303
		183,059,495	170,658,642	142,689,067
Assets classified as held for sales	36	7,792	–	–
		183,067,287	170,658,642	142,689,067

Consolidated Statement of Financial Position (continued)

As at 31 December 2025

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000 (restated)	1 January 2024 RMB'000 (restated)
Current Liabilities				
Contract liabilities	32	9,001,131	8,324,669	9,013,482
Trade payables, other payables and accruals	37	96,447,267	94,119,227	76,369,898
Deposits received		191,627	36,746	44,609
Amounts due to joint ventures	28	1,092,957	978,670	1,075,373
Amounts due to associates	33	60,058	61,450	122,250
Amounts due to related companies	34	398,968	320,130	320,130
Tax payables		6,230,032	5,988,281	5,572,242
Bank borrowings	38	15,096,365	13,295,756	14,995,626
Corporate bonds	43	1,099,759	2,460,000	2,500,000
Loan from a fellow subsidiary	39	155,000	251,100	600,000
Loan from a joint venture		–	–	2,400,000
Lease liabilities	17	111,097	124,532	103,907
		129,884,261	125,960,561	113,117,517
Net Current Assets		53,183,026	44,698,081	29,571,550
Total Assets less Current Liabilities		150,805,038	137,477,321	121,598,625
Capital and Reserves				
Share capital	40	123,804	118,098	118,098
Share premium and reserves	41	70,278,728	61,737,271	56,130,230
Equity attributable to owners of the Company		70,402,532	61,855,369	56,248,328
Perpetual capital securities	42	6,741,713	6,738,982	8,892,683
Non-controlling interests		3,232,830	2,478,669	2,303,068
		80,377,075	71,073,020	67,444,079
Non-current Liabilities				
Bank borrowings	38	57,061,597	54,780,476	46,589,894
Guaranteed notes payable and corporate bonds	43	12,144,635	10,342,598	6,363,801
Contract liabilities	32	391,481	486,414	537,057
Defined benefit obligations	44	34,534	28,037	21,388
Deferred tax liabilities	23	592,585	585,125	536,388
Lease liabilities	17	203,131	181,651	106,018
		70,427,963	66,404,301	54,154,546
		150,805,038	137,477,321	121,598,625

On behalf of the Board

Zhang Haipeng
Director

Wang Xiaoguang
Director



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the Company					
	Share capital RMB' 000 (restated) (Note 40)	Share premium and reserves RMB' 000 (restated) (Note 41)	Total RMB' 000 (restated)	Perpetual capital securities RMB' 000 (restated) (Note 42)	Non-controlling interests RMB' 000 (restated)	Total RMB' 000 (restated)
At 1 January 2024	118,098	56,130,230	56,248,328	8,892,683	2,303,068	67,444,079
Profit for the year	–	8,565,331	8,565,331	339,297	315,654	9,220,282
Gain on fair value changes of debt securities at fair value through other comprehensive income	–	4,551	4,551	–	–	4,551
Exchange differences on translation of subsidiaries	–	(141,932)	(141,932)	–	14,676	(127,256)
Exchange differences on translation of joint ventures	–	11,212	11,212	–	–	11,212
Exchange differences on translation of associates	–	20,450	20,450	–	–	20,450
Remeasurement loss on defined benefit obligations (Note 44)	–	(4,667)	(4,667)	–	–	(4,667)
Total comprehensive income for the year	–	8,454,945	8,454,945	339,297	330,330	9,124,572
Issuance of perpetual capital securities	–	–	–	1,498,500	–	1,498,500
Capital contribution relating to share-based payment borne by an intermediate holding company (Note 45)	–	6,564	6,564	–	204	6,768
Contribution from non-controlling interests of subsidiaries	–	–	–	–	74,458	74,458
Redemption of perpetual capital securities	–	–	–	(3,657,429)	–	(3,657,429)
Distribution paid on perpetual capital securities	–	–	–	(334,069)	–	(334,069)
Dividends paid to non-controlling shareholders of subsidiaries	–	–	–	–	(114,908)	(114,908)
Disposal of subsidiaries	–	–	–	–	(114,483)	(114,483)
2023 final dividend paid	–	(1,339,097)	(1,339,097)	–	–	(1,339,097)
2024 interim dividend paid	–	(1,515,124)	(1,515,124)	–	–	(1,515,124)
Transfer from special reserve	–	(347)	(347)	–	–	(347)
Unclaimed dividends forfeited	–	100	100	–	–	100
Total transactions with owners, recognised directly in equity	–	(2,847,904)	(2,847,904)	(2,492,998)	(154,729)	(5,495,631)
At 31 December 2024	118,098	61,737,271	61,855,369	6,738,982	2,478,669	71,073,020

Consolidated Statement of Changes in Equity (continued)

For the year ended 31 December 2025

	Attributable to owners of the Company					
	Share capital RMB'000 (Note 40)	Share premium and reserves RMB'000 (Note 41)	Total RMB'000	Perpetual capital securities RMB'000 (Note 42)	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2025 (restated)	118,098	61,737,271	61,855,369	6,738,982	2,478,669	71,073,020
Profit for the year	-	8,588,443	8,588,443	228,808	188,122	9,005,373
Gain/(loss) on fair value changes of debt securities at fair value through other comprehensive income	-	5,304	5,304	-	(1,379)	3,925
Release of investment revaluation reserve to consolidated income statement upon disposal of debt securities at fair value through other comprehensive income	-	(2,675)	(2,675)	-	-	(2,675)
Exchange differences on translation of subsidiaries	-	237,680	237,680	-	6,366	244,046
Exchange differences on translation of joint ventures	-	1,996	1,996	-	-	1,996
Exchange differences on translation of associates	-	(36,005)	(36,005)	-	-	(36,005)
Remeasurement loss on defined benefit obligations (Note 44)	-	(5,433)	(5,433)	-	-	(5,433)
Total comprehensive income for the year	-	8,789,310	8,789,310	228,808	193,109	9,211,227
Issuance of ordinary shares	5,706	2,792,171	2,797,877	-	-	2,797,877
Contribution from non-controlling interests of subsidiaries	-	-	-	-	437,391	437,391
Acquisition of subsidiaries	-	-	-	-	178,315	178,315
Distribution paid on perpetual capital securities	-	-	-	(226,077)	-	(226,077)
Dividends paid to non-controlling shareholders of subsidiaries	-	-	-	-	(54,174)	(54,174)
Repurchase and cancellation of shares	-	-	-	-	(198)	(198)
Change in shareholding in a subsidiary after share repurchased	-	282	282	-	(282)	-
2024 final dividend paid	-	(1,398,546)	(1,398,546)	-	-	(1,398,546)
2025 interim dividend paid	-	(1,648,685)	(1,648,685)	-	-	(1,648,685)
Transfer from special reserve	-	6,925	6,925	-	-	6,925
Total transactions with owners, recognised directly in equity	5,706	(247,853)	(242,147)	(226,077)	561,052	92,828
At 31 December 2025	123,804	70,278,728	70,402,532	6,741,713	3,232,830	80,377,075



CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025 RMB'000	2024 RMB'000 (restated)
Operating activities		
Profit before tax	11,967,471	11,839,239
Adjustments for:		
Finance costs	2,469,668	2,948,312
Interest income	(301,427)	(301,385)
Dividend income	(23,244)	(10,870)
Loss on fair value changes of investment properties, net	65,786	145,793
Gain on disposal of property, plant and equipment, net	(111,853)	(19,972)
Gain on disposal of debt securities at FVOCI, net of tax	(160)	–
Gain on acquisition of subsidiaries	(23,068)	–
Gain on disposal of a subsidiary	–	(62,312)
Gain on disposal of investment properties	(6,442)	(908)
Share of profits of joint ventures	(846,409)	(583,499)
Share of profits of associates	(12,068)	(244,813)
Depreciation of property, plant and equipment	515,238	540,072
Depreciation of right-of-use assets	203,662	175,889
Amortisation of concession operating rights	144,537	144,537
Amortisation of trademark and licences	15,857	15,805
Allowance for doubtful debts on trade and other receivables, net	28,589	17,647
Impairment of concession operating rights, net	84,000	–
Share-based payment	–	6,768
Provision for defined benefit obligations	5,993	5,017
Operating cash flows before working capital changes	14,176,130	14,615,320
Decrease in income receivables from infrastructure project investments	220,444	95,471
(Increase)/decrease in inventories	(19,470)	56,970
Increase in properties under development	(1,623,700)	(3,407,105)
Decrease in properties held for sale	1,154,070	775,497
Changes in net balances in contract assets/liabilities	(4,334,758)	(6,450,504)
Increase in trade and other receivables	(8,228,782)	(19,322,768)
Decrease/(increase) in deposits and prepayments	86,853	(83,144)
Increase in trade payables, other payables and accruals	2,635,715	17,894,896
Increase/(decrease) in deposits received	157,761	(8,338)
Net cash from operations	4,224,263	4,166,295
Income taxes paid	(3,344,190)	(2,377,290)
Income taxes refunded	173,100	47,818
Net cash from operating activities	1,053,173	1,836,823

Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2025

	2025 RMB'000	2024 RMB'000 (restated)
Investing activities		
Interest received	294,672	283,114
Purchases of property, plant and equipment	(968,840)	(975,568)
Proceeds from disposal of property, plant and equipment	550,987	66,470
Purchase of trademark	(123)	–
Proceeds from disposal of subsidiaries	–	179,886
Proceeds from acquisition of subsidiaries	215,069	–
Net movement of current accounts with joint ventures	(1,008,770)	1,109,431
Net movement of loans to joint ventures	2,032	197,926
Increase in investments in joint ventures	(103,081)	(4,674)
Dividends received from joint ventures	235,610	246,032
Net movement of current accounts with associates	601	(62,338)
Decrease/(increase) in investments in associates	50,636	(117,470)
Dividends received from associates	270,870	209,544
Net movement of current accounts with related companies	77,059	–
Repayment from an investee company	–	9,328
Purchases of an investment property	–	(24,674)
Payments for right-of-use assets	–	(78,074)
Proceeds from disposal of investment properties	15,604	3,644
Purchase of financial assets at fair value through other comprehensive income	(284,671)	–
Proceeds from disposal of financial assets at fair value through other comprehensive income	14,366	–
Dividends received from equity securities at fair value through other comprehensive income	23,244	10,870
Increase in pledged bank deposits and non-pledged time deposits with original maturity of over three months	(198,311)	(18,000)
Net cash (used in)/from investing activities	(813,046)	1,035,447



Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2025

	Note	2025 RMB'000	2024 RMB'000 (restated)
Financing activities			
Finance costs paid		(2,568,819)	(2,994,391)
Dividends paid to owners of the Company		(3,047,231)	(2,854,221)
Dividends paid to non-controlling shareholders of subsidiaries		(54,174)	(114,908)
Contribution from non-controlling interests, net		437,193	74,458
Proceeds from issuance of perpetual capital securities, net		–	1,498,500
Distribution paid on perpetual capital securities		(226,077)	(334,069)
Redemption of perpetual capital securities		–	(3,657,429)
Proceeds from issuance of ordinary shares		2,797,877	–
Proceeds from issuance of corporate bonds, net	47	11,500,000	7,377,574
Redemption of guaranteed notes payable and corporate bonds	47	(11,000,000)	(3,483,871)
New bank borrowings raised	47	45,031,461	44,832,299
Repayment of bank borrowings	47	(41,068,691)	(37,835,140)
Loan from a fellow subsidiary	47	155,000	247,050
Repayment of loans from a fellow subsidiary	47	(247,860)	(600,000)
Repayment of loan from a joint venture	47	–	(2,400,000)
Principal elements of lease payments	47	(208,537)	(159,278)
Net cash from/(used in) financing activities		1,500,142	(403,426)
Increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		28,506,290	25,779,607
Effect of foreign exchange rate changes		(198,873)	257,839
Cash and cash equivalents at the end of the year		30,047,686	28,506,290
Analysis of the balances of cash and cash equivalents			
Bank balances and cash		30,328,604	28,589,158
Less: Pledged bank deposits		(280,918)	(82,868)
		30,047,686	28,506,290

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

China State Construction International Holdings Limited (the “Company”) is a public limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “SEHK”) with effect from 8 July 2005. Its immediate holding company is China Overseas Holdings Limited, a company incorporated in Hong Kong. Its intermediate holding company and its ultimate holding company are China State Construction Engineering Corporation Limited (“CSCECL”), a joint limited stock company with its shares listed on the Shanghai Stock Exchange, and China State Construction Engineering Corporation (“CSCEC”), respectively, both of which are established in the People’s Republic of China (“China”) and controlled by the government of Chinese mainland (“PRC government”). The addresses of the registered office and principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, The Cayman Islands and 28th Floor, China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong, respectively.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are the construction business, infrastructure project investments, toll road operation, project consultancy services and facade contracting business. The principal activities of its principal subsidiaries, joint ventures and associates are set out in notes 53, 20(a) and 21 to the consolidated financial statements, respectively.

The consolidated financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated. The consolidated financial statements have been approved and authorised for issue by the Board of Directors on 26 March 2026.

2. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income (“FVOCI”) and investment properties, which are carried at fair value. Assets classified as held for sale are stated at the lower of its carrying amount and fair value less cost to sell.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 6.

The presentation currency of the Group’s consolidated financial statements in the prior financial years was Hong Kong dollars (“HK\$”). The Group has changed its presentation currency from HK\$ to RMB for the preparation of the Group’s consolidated financial statements since 2025. Having considered that most of the transactions and source of funds of the Group are denominated and settled in RMB, the change of presentation currency could enable the shareholders and potential investors of the Company to have a clearer picture of the financial performance of the Group. The Board considers that it is more appropriate to use RMB as the presentation currency for the consolidated financial statements of the Group. The change of presentation currency and the restatement of the comparative figures from HK\$ to RMB have had no material impact on the consolidated financial statements of the Group.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

2. BASIS OF PREPARATION (continued)

The effects of the change in the presentation currency have been accounted for retrospectively with comparative figures restated in accordance with HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. The comparative amounts in the consolidated financial statements of the Group are presented as if RMB had always been the presentation currency of the consolidated financial statements of the Group. The Group also presented the consolidated statement of financial position as at 1 January 2024 without related notes in these consolidated financial statements.

For the purpose of presenting the Group's consolidated financial statements in RMB, the assets and liabilities for the consolidated statement of financial position are translated into RMB at the closing rate at the end of the reporting period. Income and expenses for the consolidated income statement and consolidated statement of comprehensive income are translated at the average exchange rates for the financial period. The share capital and reserves are translated at the exchange rate at the date of transaction.

Certain comparative information has been reclassified to conform with current year's presentation.

3. APPLICATION OF NEW STANDARD AND AMENDMENTS TO EXISTING STANDARDS

(a) The adoption of amendments to existing standards

In the current year, the Group has adopted the following amendments to existing standards issued by the HKICPA.

Amendments to HKAS 21	<i>Lack of Exchangeability</i>
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Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

(b) New and amendments to existing standards not yet effective

The Group has not early adopted the following new and amendments to existing standards (hereinafter collectively referred to as the "new and revised HKFRS Accounting Standards") that have been issued but are not yet effective.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
HKFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures</i> ²
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ¹
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ²
<i>Annual Improvements to HKFRS Accounting Standards — Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

3. APPLICATION OF NEW STANDARD AND AMENDMENTS TO EXISTING STANDARDS (continued)

(b) New and amendments to existing standards not yet effective (continued)

The Group will adopt the above new and revised HKFRS Accounting Standards as and when they become effective. None of the above is expected to have a significant effect on the consolidated financial statements of the Group except HKFRS 18 as described below.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's consolidated financial statements.

4. MATERIAL ACCOUNTING POLICIES

4.1 Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December 2025.

(a) Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable risks and returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which the control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations — acquisition method

The Group applies the acquisition method to account for business combinations other than common control combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.1 Consolidation (continued)

(a) Subsidiaries (continued)

Business combinations — acquisition method (continued)

Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in consolidated income statement.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

Intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in consolidated income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income ("OCI") in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in OCI are reclassified to consolidated income statement.

Separate financial statements

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.1 Consolidation (continued)

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in OCI is reclassified to consolidated income statement where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated income statement, and its share of post-acquisition movements in OCI is recognised in OCI with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate (which include any long-term interests that, in substance, form part of the Group's net investment in the associates), including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share of profits of associates" in the consolidated income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gains and losses on dilution of equity interest in associates are recognised in the consolidated income statement.

When an interest in an associate is classified as held for sale, it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.1 Consolidation (continued)

(c) Joint arrangements

Under HKFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement.

Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in OCI. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which include any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for goodwill.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint operations

Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. Investments in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable standards.

4.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that make strategic decisions.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in consolidated income statement.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- (ii) income and expenses for each statement presenting profit or loss and other comprehensive income are translated at average exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in OCI.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in OCI.

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to consolidated income statement.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in consolidated income statement. For all other partial disposal (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to consolidated income statement.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.4 Property, plant and equipment

Land and buildings comprise mainly factories and offices. Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Freehold land	Not depreciated
Land and buildings	Over the shorter of the term of the relevant leases or 50 years
Heat and electricity supply facilities	Over the shorter of the licence operation period or 20 years
Machinery	3 to 10 years
Furniture, fixtures and equipment and motor vehicles	3 to 8 years

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Construction in progress represents buildings, heat and electricity supply facilities under construction and machinery pending installation, and is stated at cost less impairment losses. It will be reclassified to the relevant property, plant and equipment category upon completion and depreciation begins when the relevant assets are available for use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated income statement.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.5 Leases

(a) The Group as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.5 Leases (continued)

(a) The Group as a lessee (continued)

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate taken effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in consolidated income statement. Short-term leases are leases with a lease term of twelve months or less. Low-value assets comprise information technology equipment and small items of office furniture.

(b) The Group as a lessor

Lease income from operating leases where the Group is a lessor is recognised as income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated statement of financial position based on their nature.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.6 Investment properties

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

Investment properties are initially measured at cost, including any directly attributable expenditure. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated income statement as part of a valuation gain or loss in "investment income, other income and other gains/(losses), net".

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in consolidated income statement in the period in which the item is derecognised.

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is dealt with as movement in the asset revaluation reserve.

The Group transfers a property from properties held for sale/under development to investment property when there is a change in use to hold the property to earn rentals or/and for capital appreciation rather than for sale in the ordinary course of business, which is evidenced by the inception of an operating lease to another party. Any difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in the consolidated income statement.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

4.7 Interests in infrastructure project investments

Interests in infrastructure project investments represent loans advanced to joint ventures whereby the Group's return is predetermined in accordance with the provisions of the relevant agreements.

The Group's interests in the infrastructure project investments are classified as financial asset measured at amortised cost in accordance with HKFRS 9 and are stated at amortised cost using effective interest method. The carrying amount of such interests is reduced to recognise any identified impairment losses of individual investments.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.8 Services concession arrangements

(a) Consideration given by the grantor

A financial asset is recognised to the extent that (i) the Group has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services rendered; and (ii) the grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law.

The Group has an unconditional right to receive cash if the grantor contractually guarantees to pay the Group (i) specified or determinable amounts or (ii) the shortfall, if any, between amounts received from users of the public service and specified or determinable amounts, even if the payment is contingent on the Group ensuring that the infrastructure meets specified quality of efficiency requirements. The financial asset is accounted for in accordance with the policy set out for debt securities at amortised costs under “Investments and other financial assets” below.

An intangible asset (concession operating rights) is recognised to the extent that the Group receives a right to charge users of the public service, which is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service.

The intangible asset (concession operating rights) is accounted for in accordance with the policy set out for “Intangible assets” below. If the Group is paid partly by a financial asset and partly by an intangible asset, in which case, each component of the consideration is accounted for separately and the consideration received or receivable for both components shall be recognised initially at the fair value of the consideration received or receivable.

(b) Contractual obligations to restore the infrastructure to a specified level of serviceability

The Group has contractual obligations which it must fulfil as a condition of its rights, that is (i) to maintain the toll roads it operates to a specified level of serviceability and/or (ii) to restore the toll roads to a specified condition before they are handed over to the grantor at the end of the service concession arrangement. These contractual obligations to maintain or restore the toll roads, except for upgrade element, are recognised and measured in accordance with the policy set out for “Provisions” below.

4.9 Intangible asset

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group’s interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to cash-generating units (“CGU(s)”), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of the value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.9 Intangible assets (continued)

(b) Trademark, project backlogs and licences

Separately acquired licences are shown at historical cost. Trademark and project backlogs acquired in a business combination are recognised at fair value at the acquisition date.

Trademark and project backlogs that have a definite useful life are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and project backlogs over their estimated useful lives of 20 years or specific contract period respectively.

Licences that have indefinite useful lives are not amortised. They are subject to impairment testing annually or more frequently if events or changes in circumstances indicate a potential impairment. Licence that has a definite useful life is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of licence over its estimated useful life of 25 years.

(c) Concession operating rights

The Group applies the intangible asset model to account for toll expressways. The concession grantors (the respective local governments) have not provided any contractual guarantees for the recovery of the amounts of construction costs incurred. The intangible assets correspond to the rights granted by the respective concession grantors to the Group to charge users of the toll road services and are recorded in the consolidated statement of financial position as "Concession operating rights".

When the Group has a right to operate, and charge for usage of a toll expressway as a consideration for providing construction services in a service concession arrangement, it recognises a concession intangible asset at fair value upon initial recognition. The concession operating rights are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation of concession operating rights is calculated to write off their costs, commencing from the date of commencement of commercial operation of the underlying toll expressways to the end of the respective concession periods of 30 years. The annual amortisation of concession operating rights is calculated by using the straight-line method over the concession periods.

Gains or losses arising from derecognition of a concession operating right are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement in the period when the asset is derecognised.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.10 Investments and other financial assets

(a) **Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at FVOCI (debt);
- those to be measured subsequently at FVOCI (equity); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in OCI. For investments in equity securities that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity securities at FVOCI.

The Group reclassifies debt securities when and only when its business model for managing those assets changes.

(b) **Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) **Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.10 Investments and other financial assets (continued)

(c) Measurement (continued)

Debt securities

Subsequent measurement of debt securities depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt securities:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in consolidated income statement using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in consolidated income statement.
- **FVOCI (debt):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI (debt). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses or reversals, interest income and foreign exchange gains and losses which are recognised in consolidated income statement. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated income statement. Interest income from these financial assets is included in consolidated income statement using the effective interest rate method.

Equity securities

The Group subsequently measures all equity securities at fair value. Where the Group's management has elected to present fair value gains and losses on equity securities in OCI, there is no subsequent reclassification of fair value gains and losses to consolidated income statement following the derecognition of the investment. Dividends from such investments continue to be recognised in consolidated income statement when the Group's right to receive payments is established.

(d) Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next twelve months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.10 Investments and other financial assets (continued)

(d) Impairment (continued)

General approach (continued)

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

For debt securities at FVOCI, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt securities are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt securities.

Debt securities at FVOCI and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- | | | |
|---------|---|--|
| Stage 1 | — | Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs |
| Stage 2 | — | Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs |
| Stage 3 | — | Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs |

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group determines the ECLs based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

4.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount are reported in the consolidated statement of financial position where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.12 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of the reporting period.

4.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in selling expenses.

4.14 Properties held for sale

Properties acquired for subsequent resale are stated at the lower of cost and net realisable value. Net realisable value is determined by the management based on prevailing market conditions.

4.15 Properties under development

Properties under development comprise the cost of land, development expenditure and borrowing costs capitalised, and are carried at the lower of cost and net realisable value. Net realisable value takes into account the proceeds ultimately expected to be realised, less applicable variable selling expenses and the anticipated costs to complete. Upon completion, the properties are transferred to properties held for sale. Properties under development included in the current assets are expected to be realised in, or is intended for sale in the Group's normal operating cycle.

4.16 Amounts due from/to joint ventures, associates and related companies

Amounts due from joint ventures, associates and related companies are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Amounts due to joint ventures, associates and related companies are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

4.17 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.18 Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

4.19 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

4.20 Trade payables, other payables and accruals

Trade payables are obligations to pay for materials or services that have been acquired in the ordinary course of business from suppliers. Trade payables, other payables and accruals are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables, other payables and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The Group classifies financial liabilities that arise from a supplier finance arrangement within trade payables in the consolidated statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in the Group's normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not part of the arrangement. Cash flows related to liabilities arising from supplier finance arrangements that are classified in trade payables in the consolidated statement of financial position are included in operating activities in the consolidated statement of cash flows. There were no significant non-cash changes in the carrying amounts of these financial liabilities.

4.21 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

4.22 Borrowing costs

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.22 Borrowing costs (continued)

Relevant general and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in consolidated income statement in the period in which they are incurred.

Borrowing costs include interest expense, interest in respect of lease liability and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The exchange gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity had borrowed funds in its functional currency, and the borrowing costs actually incurred on foreign currency borrowings.

When the construction of the qualifying assets takes more than one accounting period, the amount of foreign exchange differences eligible for capitalisation is determined for each annual period and are limited to the difference between the hypothetical interest amount for the functional currency borrowings and the actual interest incurred for foreign currency borrowings. Foreign exchange differences that did not meet the criteria for capitalisation in previous years should not be capitalised in subsequent years.

4.23 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in OCI or directly in equity. In this case the tax is also recognised in OCI or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries, joint ventures and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary difference. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and joint arrangements except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.23 Taxation (continued)

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets are recognised to the extent that their future utilisation is probable. Deferred income tax arising from revaluation of investment properties is recognised on the rebuttable presumption that the recovery of the carrying amount of the properties would be through sale and calculated at the applicable tax rates.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

4.24 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

4.25 Employee benefits

(a) Retirement benefits

The Group participates in mandatory provident fund schemes ("MPF") in Hong Kong which are defined contribution plan generally funded through payments to trustee-administered funds. The assets of the scheme are held separately from those of the Group in independently administered funds.

Pursuant to the relevant regulations of the government in Chinese mainland, the subsidiaries in Chinese mainland participate in the municipal government contribution scheme whereby the subsidiaries are required to contribute to the scheme for the retirement benefit of eligible employees. The municipal government of Chinese mainland is responsible for the entire benefit obligations payable to the retired employees. The only obligation of the Group with respect to the scheme is to pay the ongoing contributions required by the scheme. The Group's contributions to the scheme are expensed as incurred.

(b) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.25 Employee benefits (continued)

(c) Other employee benefits

Defined benefit plans

The Group's statutory obligation to pay long service payment in Hong Kong is a defined benefit plan. The cost of providing benefits relating to long service payment is determined using the projected unit credit actuarial valuation method. The liability recognised in the consolidated statement of financial position in respect of long service payment is the net obligation, representing the present value of the future long service payment benefits reduced by entitlements from accrued benefits arising from MPF contributions made by the Group.

Remeasurements arising from the defined benefit pension plans, comprising

- actuarial gains and losses; and
- investment returns associated with the MPF employer contributions and other experience adjustments (excluding amounts included in net interest on the net defined benefit liability)

are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained profits through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Group recognises the following changes in the net defined benefit obligation under "costs of sales" and "administrative, selling and other operating expenses" in the consolidated income statement by function:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- net interest expense or income



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.26 Share-based payments

(a) Equity-settled share-based payment transactions

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed over the vesting period, with a corresponding increase in equity (share option reserve).

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in consolidated income statement such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve. When the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium.

When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

(b) Share-based payment transactions among group entities

Incentive shares granted by an intermediate holding company to the employees of the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the fair value of incentive shares on the date of grant, is recognised as an expense over the vesting period, with a corresponding credit to equity.

At the end of each reporting period, the Group revises its estimates of the number of incentive shares that are expected to be vested. The impact of the revision of the original estimates, if any, is recognised in the consolidated income statement, with a corresponding adjustment to equity.

4.27 Revenue recognition

Revenue is recognised when or as the control of the good or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time. Control of the good or service is transferred over time if the Group's performance:

- (a) Provides all of the benefits received and consumed simultaneously by the customer;
- (b) Creates or enhances an asset that the customer control as the Group performs; or
- (c) Does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.27 Revenue recognition (continued)

If control of the good or service transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the good or service.

The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best depict the Group's performance in satisfying the performance obligation:

- (a) Direct measurements of the value transferred by the Group to the customer; or
- (b) The Group's efforts or inputs to the satisfaction of the performance obligation relative to the total expected efforts or inputs ("input method").

Incremental costs incurred to obtain a contract, if recoverable, are capitalised as contract related assets and subsequently amortised when the related revenue is recognised.

(a) Revenue from contracts with customers

(i) *Revenue from construction contracts*

Revenue from construction contracts is recognised when or as the construction projects are transferred to the customer. Depending on the terms of the contracts and the laws that are applicable to the contracts, control of the construction projects may transfer over time or at a point in time. If (1) the Group creates or enhances an asset that the customer controls as the asset is created or enhanced, or (2) construction projects have no alternative use to the Group contractually and the Group has an enforceable right to payment from the customers for performance completed to date, the Group satisfies the performance obligation over time and therefore, recognises revenue over time in accordance with the input method for measuring progress.

The excess of cumulative revenue recognised in consolidated income statement over the cumulative billings to customers is recognised as contract assets. The excess of cumulative billings to customers over the cumulative revenue recognised in consolidated income statement is recognised as contract liabilities.

(ii) *Thermoelectricity business*

Revenue from thermoelectricity business consists of revenue from the supply of heat, steam and electricity, and connection service income.

Revenue from the supply of heat, steam and electricity are recognised over time based upon output delivered and capacity provided at rates specified under contract terms.

Connection service income received and receivable, to the extent which is attributable to the initial pipeline construction and connection of transmission of heat and steam, is recognised over time upon the completion of services provided for the relevant connection works. Connection service attributable to the continuing heat and steam transmission is recorded as contract liabilities and recognised on a straight-line basis over the expected service period of heat and steam transmission to be rendered with reference to the term of the operating licence of the relevant entities.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.27 Revenue recognition (continued)

(a) Revenue from contracts with customers (continued)

(iii) Toll revenue

Toll revenue from road and bridge operations is recognised at the time when services are rendered.

(iv) Sales of goods

Revenue from sales of goods are recognised at a point in time when goods are delivered and title has been passed.

(v) Services income

Revenue from services income, including consultancy service incomes, commission income, technical service income and management service income, is recognised over time when the corresponding services are rendered.

(b) Revenue from other sources

(i) Income from interests in infrastructure project investment

Income from interests in infrastructure project investment is accrued on a time basis, by making reference to the carrying amount and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash flows through the expected life of the infrastructure project to that project's net carrying amount at initial recognition.

(ii) Lease of machinery

Income from lease of machinery is recognised on a straight-line basis over the terms of the relevant leases.

(iii) Insurance income

Revenue from insurance service is recognised proportionally over the period of coverage.

(iv) Interest income generated from construction related investment projects

Interest income from construction related investment projects is recognised on an accrual basis, making reference to the carrying amount and at the interest rate specified under contract terms.

(v) Interest income

Interest income on financial assets at amortised cost and debt securities at FVOCI (debt) is calculated using the effective interest method is recognised in the consolidated income statement as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.27 Revenue recognition (continued)

(b) Revenue from other sources (continued)

(vi) Dividend income

Dividends are received from equity securities at FVOCI (equity). Dividends are recognised as investment income, other income and other gains/(losses), net in the consolidated income statement when the right to receive payment is established.

(vii) Rental income

Rental income is recognised in the consolidated income statement on a straight-line basis over the lease term.

4.28 Government grant

Government grant is recognised when the Group complied with prerequisite conditions and there is a reasonable assurance that the grant will be received.

4.29 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability, other than that assumed in a business combination, is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

4.30 Insurance contracts

The Group assesses at the end of each reporting period the liabilities under its insurance contracts using current estimates of future cash flows. If the carrying amount of the relevant insurance liabilities is less than the best estimate of the expenditure required to settle the relevant insurance liabilities at the end of the reporting period, the Group recognises the entire difference in the consolidated income statement. These estimates are recognised only when the outflow is probable and the estimates can be reliably measured.

4.31 Dividends distribution

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the consolidated financial statements. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.32 Contract related assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are reclassified to trade receivables when the right to the consideration becomes unconditional.

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract assets are assessed for impairment under the same approach adopted for impairment assessment of trade receivables. Contract liabilities are recognised as revenue when the Group transfers the goods or services to the customers and therefore satisfied its performance obligation.

The incremental costs of obtaining a contract with a customer are capitalised and presented as contract related assets, if the Group expects to recover those costs, and are subsequently amortised on a systematic basis that is consistent with the transfer to the customers of the goods or services to which the assets relate. The Group recognises an impairment loss in the consolidated income statement to the extent that the carrying amount of the contract related assets recognised exceeds the remaining amounts of consideration that the Group expects to receive less the costs that relate directly to providing those goods or services that have not been recognised as expenses.

4.33 Perpetual capital securities

Perpetual capital securities with no contracted obligation to repay its principal or to pay any distribution are classified as part of equity.

4.34 Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.34 Related parties (continued)

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

4.35 Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in the consolidated financial statements. The Group will adjust the amounts recognised in the consolidated financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in the consolidated financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

5. FINANCIAL RISK MANAGEMENT

5.1 Financial instruments by category

	2025 RMB'000	2024 RMB'000 (restated)
Financial assets		
Financial assets at amortised cost		
Interests in infrastructure project investments	3,467,993	3,688,437
Amounts due from investee companies	13,193	13,632
Loan receivables	44,524	—
Loans to joint ventures	1,034,191	999,497
Loan to an associate	1,348	—
Amounts due from joint ventures	5,665,536	5,818,712
Amounts due from associates	263,610	451,987
Amounts due from related companies	7,706	27,233
Trade and other receivables	148,878,600	140,500,262
Deposits	15,043	22,989
Bank balances and cash	30,328,604	28,589,158
Financial assets at fair value through other comprehensive income	496,307	235,093
	190,216,655	180,347,000

	2025 RMB'000	2024 RMB'000 (restated)
Financial liabilities		
Financial liabilities at amortised cost		
Trade payables, other payables and accruals	96,447,267	94,119,227
Deposits received	191,627	36,746
Amounts due to joint ventures	1,092,957	978,670
Amounts due to associates	60,058	61,450
Amounts due to related companies	398,968	320,130
Bank borrowings	72,157,962	68,076,232
Guaranteed notes payable and corporate bonds	13,244,394	12,802,598
Loan from a fellow subsidiary	155,000	251,100
Lease liabilities	314,228	306,183
	184,062,461	176,952,336

The Group's exposure to various risks associated with the financial instruments is discussed below. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.2 Financial risk factors

The Group's activities expose itself to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Currency risk

The Group and the Company undertake certain transactions denominated in foreign currencies, primarily with respect to the HK\$ and United States dollar ("US\$"), hence exposures to exchange rate fluctuation arise. The Group and the Company currently do not use any derivative contracts to hedge against their exposure to currency risk. The management manages its foreign currency risk by closely reviewing the movement of the foreign currency rate and adjust the financing structure if needed.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At 31 December 2025, if RMB had weakened/strengthened 5% (2024: 5%) against HK\$ with all other variables held constant, the consolidated profit before tax for the year would have been approximately RMB7,321,000 lower/higher (2024 restated: RMB13,121,000 lower/higher).

(ii) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to floating rate trade and other receivables, floating rate bank borrowings and bank deposits. Interest rate risk on bank deposits is considered immaterial and therefore have been excluded from the sensitivity analysis below. The Group currently does not have any interest rate hedging policy. However, from time to time, if interest rate fluctuates significantly, appropriate measures would be taken to manage interest rate exposure. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate arising from its variable rate bank borrowings and borrowing rates offered by The People's Bank of China arising from its variable rate bank borrowings and trade and other receivables. For details of trade and other receivables and bank borrowings, please refer to notes 27 and 38, respectively, to the consolidated financial statements.

The Group is also exposed to fair value interest rate risk in relation to fixed interest debt securities, guaranteed notes payable and corporate bonds. Fair value interest rate risk on fixed interest debt securities is considered immaterial. Management will also consider hedging significant interest rate exposure should the need arises.

The sensitivity analyses below have been determined based on the exposure to interest rates for variable rate trade and other receivables and bank borrowings. The analysis is prepared assuming the amount of asset and liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 (2024: 50) basis points increase or decrease representing management's assessment of the reasonably possible change in interest rates is used.

If interest rates had been 50 (2024: 50) basis points higher/lower with all other variables held constant, the profit before tax would decrease/increase by approximately RMB67,700,000 (2024 restated: RMB127,003,000).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.2 Financial risk factors (continued)

(b) Credit risk

As at 31 December 2025, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on bank balances and cash is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or state-owned financial institutions in Chinese mainland.

The credit risk on amounts due from investee companies, joint ventures and associates, loan receivables, and loans to joint ventures and associates is limited because the counterparties, which are engaged in property development, property investment and provision of construction services in Hong Kong, Chinese mainland and Macau, have strong financial positions.

The credit risk on interests in infrastructure project investments, contract assets, deposits and trade and other receivables is limited because the counterparties are mainly PRC government-related entities. The Group assessed the credit losses against interests in infrastructure project investments, contract assets, deposits and trade and other receivables and the related expected credit loss is insignificant to the consolidated financial statement of the Group.

Other than concentration of credit risk on bank balances and cash, interests in infrastructure project investments, amounts due from investee companies, joint ventures and associates, and long term trade receivables, the Group does not have any other significant concentration of credit risk. Trade receivables, loan receivables, loans to joint ventures and associates and financial assets at FVOCI (debt) consist of a large number of parties, spread across diverse industries and geographical areas.

Financial assets measured at amortised cost are all classified under Stage 1 for measurement of ECLs except for trade receivables and contract assets that do not contain a significant financing component which apply simplified approach in calculating ECLs.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.2 Financial risk factors (continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within one year or on demand RMB'000	Between one and two years RMB'000	Between two and five years RMB'000	Over five years RMB'000	Total RMB'000
The Group					
At 31 December 2025					
Trade payables, other payables and accruals*	75,936,023	8,792,304	11,718,940	—	96,447,267
Deposits received	191,627	—	—	—	191,627
Amounts due to joint ventures	1,092,957	—	—	—	1,092,957
Amounts due to associates	60,058	—	—	—	60,058
Amounts due to related companies	398,968	—	—	—	398,968
Bank borrowings	20,550,030	20,606,366	35,246,370	4,344,894	80,747,660
Guaranteed notes payable and corporate bonds	1,367,456	3,493,309	9,031,219	—	13,891,984
Loan from a fellow subsidiary	155,000	—	—	—	155,000
Lease liabilities	129,578	76,529	86,833	45,781	338,721
	99,881,697	32,968,508	56,083,362	4,390,675	193,324,242

* Financial liabilities that are part of the supplier finance arrangements of RMB3,042,221,000 (2024 restated: RMB3,371,598,000) were included in trade payables in the statement of financial position.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.2 Financial risk factors (continued)

(c) Liquidity risk (continued)

	Within one year or on demand RMB'000 (restated)	Between one and two years RMB'000 (restated)	Between two and five years RMB'000 (restated)	Over five years RMB'000 (restated)	Total RMB'000 (restated)
The Group					
At 31 December 2024					
Trade payables, other payables and accruals*	81,509,470	6,297,571	6,312,186	—	94,119,227
Deposits received	36,746	—	—	—	36,746
Amounts due to joint ventures	978,670	—	—	—	978,670
Amounts due to associates	61,450	—	—	—	61,450
Amounts due to related companies	320,130	—	—	—	320,130
Bank borrowings	18,846,899	22,691,136	27,689,004	8,783,304	78,010,343
Guaranteed notes payable and corporate bonds	2,718,441	1,325,003	9,546,447	—	13,589,891
Loans from a fellow subsidiary	255,100	—	—	—	255,100
Lease liabilities	123,294	95,757	76,599	36,812	332,462
	104,850,200	30,409,467	43,624,236	8,820,116	187,704,019

5.3 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, redeem guaranteed notes payable, issue and redeem perpetual capital securities, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current bank borrowings, guaranteed notes payable and corporate bonds as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital represents the equity attributable to owners of the Company, perpetual capital securities and non-controlling interests.

The Group's overall strategy remains unchanged from prior year. The net gearing ratio is 68.5% (2024: 73.6%) as at 31 December 2025.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.4 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2025 and 2024.

	At 31 December 2025			Total RMB'000
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	
Debt and equity securities at FVOCI				
Listed debt securities	446,758	—	—	446,758
Unlisted equity securities	—	—	49,549	49,549
	446,758	—	49,549	496,307

	At 31 December 2024			Total RMB'000 (restated)
	Level 1 RMB'000 (restated)	Level 2 RMB'000 (restated)	Level 3 RMB'000 (restated)	
Debt and equity securities at FVOCI				
Listed debt securities	184,000	—	—	184,000
Unlisted equity securities	—	—	51,093	51,093
	184,000	—	51,093	235,093

There were no transfers between the levels during the year (2024: Nil).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.4 Fair value estimation (continued)

The following table presents the changes in level 3 instruments for the years ended 31 December 2025 and 2024:

	Equity securities at FVOCI	
	2025 RMB'000	2024 RMB'000 (restated)
At 1 January	51,093	177,817
Exchange adjustments	(1,544)	4,230
Transfer to interests in associates	—	(130,954)
At 31 December	49,549	51,093

The changes in fair value of the above financial instruments in level 3 were recognised in OCI.

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1, which are classified as financial assets at FVOCI.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Market value provided by the issuers as their best estimate of the fair value of the investment.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The unobservable inputs of the valuation include estimated revenue and discount rate by reference to other investments that are substantially the same. Changing unobservable inputs used in the level 3 valuation to reasonable alternative assumptions would not change significantly the fair values recognised.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.4 Fair value estimation (continued)

The fair value of the following financial assets and liabilities approximate to their carrying amounts:

- Interests in infrastructure project investments
- Trade and other receivables and deposits
- Bank balances and cash
- Loans from/(to) joint ventures, an associate and a fellow subsidiary
- Loan receivables
- Amounts due from/(to) joint ventures, associates, related companies and investee companies
- Trade payables, other payables and accruals and deposits received
- Bank borrowings
- Guaranteed notes payable and corporate bonds

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

6.1 Progress of construction works

The Group recognises revenue according to the progress towards complete satisfaction of performance obligation of the individual contract of construction works. The progress is determined by the aggregated cost for the individual contract incurred at the end of the reporting period compared with the estimated budgeted cost. Management's estimation of the cost incurred to date and the budgeted cost is primarily based on construction budget and actual cost report prepared by internal quantity surveyors, where applicable. Corresponding revenue from contract work is also estimated by management based on the progress and budgeted revenue. Because of the nature of the activities undertaken in construction contracts, the date at which the contract activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group regularly reviews and revises the estimation of both contract revenue and contract cost in the budget prepared for each construction contract as the contract progresses.

6.2 Estimation of foreseeable losses in respect of construction works

Management estimates the amount of foreseeable losses of construction works based on the management budgets prepared for the construction works. Budgeted construction income is determined in accordance with the terms set out in the relevant contracts. Budgeted construction costs which mainly comprise sub-contracting charges and costs of materials are prepared by management on the basis of quotations from time to time provided by the major sub-contractors/suppliers/vendors involved and experience of management. A foreseeable loss is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. In order to keep the budget accurate and up-to-date, management conducts periodic review on the management budgets by comparing the budgeted amounts to the actual amounts incurred.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.3 Recoverability of receivables, contract assets and amounts due from related parties

The provision for receivables, contract assets and amounts due from related parties are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

6.4 Impairment of property, plant and equipment, trademark, project backlogs and licences, and goodwill

The Group regularly reviews whether there are any indications of impairment and recognises an impairment loss if the carrying amount of an asset is lower than its recoverable amount. The Group tests annually for impairment for those intangible assets that have an indefinite useful life, i.e. goodwill and licences. The recoverable amounts have been determined based on the higher of the fair value less costs of disposal and value in use calculations. These calculations require the use of estimates, such as discount rates, future profitability and growth rates.

6.5 Impairment of concession operating rights

Determining whether concession operating rights are impaired requires an estimation of the recoverable amount. In measuring the recoverable amount of the concession operating rights, the Group has looked at the value in use, based on the following factors: the expected future traffic volumes, expected future toll fee level, length of operating rights, maintenance costs and discount rates (the "Relevant Factors").

In arriving at the recoverable amount of the concession operating rights, the management exercised their judgement with reference to these Relevant Factors in estimating the recoverable amounts of the toll road operating rights.

6.6 Estimate of fair value of investment properties

The fair values of investment properties involve certain assumptions of market rent, market price and capitalisation rate. Favourable or unfavourable changes to these assumptions would result in changes in the fair values of the Group's investment properties and corresponding adjustments to the amount of gain or loss recognised in the consolidated income statement.

6.7 Income and deferred tax

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts and relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

7. REVENUE

Revenue represents the revenue arising from construction contracts, construction related investment projects, facade contracting business, infrastructure operation, industrial plant reconstruction, project consultancy services, sales of building materials, machinery leasing, insurance contracts and rental income from investment properties.

An analysis of the revenue is as follows:

	Notes	2025 RMB'000	2024 RMB'000 (restated)
Revenue from construction contracts		42,786,319	43,493,174
Revenue from construction related investment projects	(a)	51,084,853	53,835,484
Revenue from facade contracting business		2,999,234	3,603,619
Revenue from infrastructure operation	(b)	716,120	662,035
Others	(c)	2,861,974	3,728,359
		100,448,500	105,322,671
Revenue from contracts with customers	(d)		
Timing of revenue recognition			
— Over time		95,063,432	99,085,276
— At a point in time		2,557,720	3,005,186
		97,621,152	102,090,462
Revenue from other sources			
— Interest income generated from construction related investment projects	(a)	2,559,731	2,601,285
— Others	(e)	267,617	630,924
		2,827,348	3,232,209
		100,448,500	105,322,671

Notes:

- (a) Revenue from construction related investment projects mainly comprises revenue generated from the provision of construction services under Public-Private-Partnership ("PPP") model and government targeted repurchase of resettlement housing project, and the corresponding interest income.
- (b) Revenue from infrastructure operation comprises revenue from thermoelectricity business and toll road operation.
- (c) Revenue from others mainly comprises revenue from industrial plant reconstruction, project consultancy services, sales of building materials, machinery leasing, insurance contracts and rental income from investment properties.
- (d) The revenue recognised for the years ended 31 December 2025 and 2024 are recognised over time, except for toll road operation, sales of building materials and industrial plant reconstruction of approximately RMB172,848,000 (2024 restated: RMB121,631,000), RMB1,026,380,000 (2024 restated: RMB1,996,791,000) and RMB1,358,492,000 (2024 restated: RMB886,764,000), respectively, which were recognised at a point in time.
- (e) The amount mainly comprises revenue from machinery leasing, insurance contracts and rental income from investment properties.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

8. SEGMENT INFORMATION

The Group's reportable segments, based on information reported to the chief operating decision maker for the purposes of resources allocation and performance assessments, include (i) the Group's share of revenue and results of joint ventures, and (ii) geographical locations where the Group's subsidiaries operate, namely Chinese mainland (other than Hong Kong and Macau), Hong Kong and Macau.

China State Construction Development Holdings Limited ("CSC Development"), a limited liability company incorporated in the Cayman Islands and listed on the Main Board of the SEHK, and its subsidiaries (collectively referred to as the "CSC Development Group") are currently managed by a separate business team. The chief operating decision maker regards the CSC Development Group as a distinct reportable segment and assesses its performance based on its overall result.

Segment revenue and results for the years ended 31 December 2025 and 2024 are as follows:

	Segment revenue		Gross profit		Segment results	
	2025 RMB'000	2024 RMB'000 (restated)	2025 RMB'000	2024 RMB'000 (restated)	2025 RMB'000	2024 RMB'000 (restated)
Reportable segments						
Chinese mainland	53,599,388	55,283,576	13,331,315	12,963,315	11,887,623	11,722,441
Hong Kong and Macau	43,142,125	45,631,763	2,234,506	2,481,000	1,989,315	2,120,199
Hong Kong	39,753,764	37,594,330	1,464,227	1,387,588	1,241,727	1,113,009
Macau	3,388,361	8,037,433	770,279	1,093,412	747,588	1,007,190
CSC Development Group	3,706,987	4,407,332	415,878	885,257	295,200	719,746
	100,448,500	105,322,671	15,981,699	16,329,572	14,172,138	14,562,386
Share of revenue/results of joint ventures	3,636,250	3,207,697			846,409	583,499
Total	104,084,750	108,530,368			15,018,547	15,145,885
Unallocated corporate expense and income/ gain, net					(593,476)	(665,459)
Gain on disposal of subsidiaries					—	62,312
Share of profits of associates					12,068	244,813
Finance costs					(2,469,668)	(2,948,312)
Profit before tax					11,967,471	11,839,239

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

8. SEGMENT INFORMATION (continued)

Measurement

Performance is measured based on segment result that is used by the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment revenue of Hong Kong and Macau comprises the revenue mainly from construction contracts, machinery leasing, insurance contracts, rental income from investment properties and others while segment revenue of regions in Chinese mainland comprises the revenue from construction contracts, interest income and construction income generated from construction related investment projects, toll road operation, sales of building materials and industrial plant reconstruction.

Segment revenue of the CSC Development Group represents revenue from facade contracting business, project consultancy services, general contracting business, thermoelectricity business and operations management derived from Hong Kong, Macau, Chinese mainland and overseas operations.

The revenue, gross profit and results of the Group are allocated based on operations of the segments. Taxation is not allocated to reportable segments.

Operating and reportable segment results represent the profit/loss earned or incurred by each segment excluding non-recurring investment income, other income and other gains/(losses), net, finance costs, share of profits of associates and unallocated corporate expenses. This is the measurement basis reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Amounts included in the measure of segment profit or loss:

	Chinese mainland		Hong Kong		Macau		CSC Development Group		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(restated)		(restated)		(restated)		(restated)		(restated)
Allowance for doubtful debts on trade and other receivables	—	(17,647)	(7,178)	—	—	—	(21,411)	—	(28,589)	(17,647)
Depreciation and amortisation	(391,388)	(346,770)	(288,815)	(294,966)	(18,205)	(57,182)	(180,886)	(177,385)	(879,294)	(876,303)
Gain on disposal of property, plant and equipment, net	303	4,016	1,614	5,948	—	—	109,936	10,008	111,853	19,972
Gain/(loss) on fair value changes of investment properties, net	1,556	(4,182)	(58,018)	(146,583)	(4,788)	4,972	(4,536)	—	(65,786)	(145,793)
Gain on disposal of investment properties	6,442	908	—	—	—	—	—	—	6,442	908
Impairment on concession operating right, net	(84,000)	—	—	—	—	—	—	—	(84,000)	—



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

8. SEGMENT INFORMATION (continued)

Other geographical information

	Non-current assets		Additions to property, plant and equipment	
	2025 RMB'000	2024 RMB'000 (restated)	2025 RMB'000	2024 RMB'000 (restated)
Chinese mainland	9,266,319	8,497,417	598,219	581,614
Hong Kong	5,873,964	5,297,233	356,168	298,206
Macau	1,979,704	2,021,130	14,135	94,869
Others	18,298	373,874	3,781	879
	17,138,285	16,189,654	972,303	975,568

Non-current assets excluded financial assets at FVOCI, deferred tax assets, interests in infrastructure project investments, amounts due from investee companies, trade and other receivables, loans to joint ventures, interests in joint ventures and associates and loan receivables.

Investments in financial assets that are managed by the treasury department are not considered to be segment assets. These are investments in debt and equity securities that are classified as financial assets at FVOCI.

The information of the CSC Development Group was allocated to the Hong Kong, Macau, Chinese mainland and others in accordance with the locations that the CSC Development Group operated in.

Segment assets and liabilities

No assets and liabilities are included in the measures of the Group's segment reporting that are used by the chief operating decision maker for performance assessment and resource allocation. Accordingly, no segment assets and liabilities are presented.

Major customers' information

In 2025 and 2024, no revenue from sales to a single customer represents 10 percent or more of the Group's total revenue.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

9. INVESTMENT INCOME, OTHER INCOME AND OTHER GAINS/(LOSSES), NET

	2025 RMB'000	2024 RMB'000 (restated)
Interest income on:		
Bank deposits	281,235	273,959
Debt securities at FVOCI	12,578	8,326
Loans to joint ventures	6,754	17,044
Deposits with a fellow subsidiary	860	2,056
Dividend income from equity securities at FVOCI	23,244	10,870
Gain on disposal of:		
Property, plant and equipment, net	111,853	19,972
Subsidiaries	—	62,312
Investment properties	6,442	908
Debt securities at FVOCI	160	—
Gain on acquisition of a subsidiary	23,068	—
Loss on fair value changes of investment properties, net	(65,786)	(145,793)
Impairment on concession operating rights, net	(84,000)	—
Service income	45	5,365
Others	(67,747)	(43,326)
	248,706	211,693

10. FINANCE COSTS

	2025 RMB'000	2024 RMB'000 (restated)
Interest on bank borrowings	2,112,657	2,555,002
Interest on guaranteed notes payable and corporate bonds	384,261	357,741
Interest on loan from a joint venture	—	34,601
Interest on loans from a fellow subsidiary	2,053	9,633
Interest on lease liabilities	11,041	9,118
Others	3,126	28,479
	2,513,138	2,994,574
Less: Capitalised in the cost of qualifying assets	(43,470)	(46,262)
	2,469,668	2,948,312



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

11. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

The emoluments paid or payable to each of the eight (2024: eight) directors were as follows:

	Notes	Fee RMB'000	Other emoluments			Total emoluments RMB'000
			Salaries and allowances RMB'000	Contributions to retirement benefit schemes RMB'000	Performance related incentive payment RMB'000 (Note (i))	
For the year ended 31 December 2025						
Non-executive Directors						
Yan Jianguo		—	—	—	—	—
Ye Nan	(ii)	—	—	—	—	—
Executive Directors						
Zhang Haipeng	(iii)	—	—	—	—	—
Wang Xiaoguang		—	1,298	17	1,123	2,438
Hung Cheung Shew	(iv)	—	3,799	—	1,451	5,250
Independent Non-executive Directors						
Wong Wai Ching		376	—	—	—	376
Chan Tze Ching Ignatius		376	—	—	—	376
Chan Fan	(vi)	376	—	—	—	376
		1,128	5,097	17	2,574	8,816
For the year ended 31 December 2024 (restated)						
Non-executive Directors						
Yan Jianguo		—	—	—	—	—
Executive Directors						
Zhang Haipeng	(iii)	—	881	10	—	891
Wang Xiaoguang		—	1,260	16	1,200	2,476
Hung Cheung Shew	(iv)	—	3,099	—	2,749	5,848
Independent Non-executive Directors						
Raymond Leung Hai Ming	(v)	162	—	—	—	162
Wong Wai Ching		375	—	—	—	375
Chan Tze Ching Ignatius		375	—	—	—	375
Chan Fan	(vi)	214	—	—	—	214
		1,126	5,240	26	3,949	10,341

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

11. BENEFITS AND INTERESTS OF DIRECTORS (continued)

(a) Directors' and chief executive's emoluments (continued)

Notes:

- (i) The performance related incentive payment is determined primarily based on the performance of each director and the profitability of the Group.
- (ii) Mr. Ye Nan was appointed as a non-executive director of the Company with effect from 22 March 2025.
- (iii) Mr. Zhang Haipeng decided to waive his director's emoluments and ceased to receive any director's emolument with effect from 1 August 2024.
- (iv) The monthly salary of Mr. Hung Cheung Shew has been adjusted to HK\$281,200 with effect from 1 February 2024.
- (v) Dr. Raymond Leung Hai Ming retired as an independent non-executive director of the Company with effect from 6 June 2024.
- (vi) Mr. Chan Fan was appointed as an independent non-executive director of the Company with effect from 6 June 2024.

No emolument was paid by the Group to any of the directors as inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emolument during the years ended 31 December 2025 and 2024, except as mentioned in note 11(a)(iii) above.

Of the five individuals with the highest emoluments, one (2024: one) is director of the Group whose emolument is disclosed above. Details of the remuneration for the year of the remaining four (2024: four) highest paid employees who are neither a director nor chief executive of the Group are as follows:

	2025 RMB'000	2024 RMB'000 (restated)
Salaries and allowances	10,614	9,339
Contributions to retirement benefit schemes	33	49
Performance related incentive payments	1,347	1,974
	11,994	11,362

The number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

	2025	2024 (restated)
RMB2,500,001 to RMB3,000,000	1	2
RMB3,000,001 to RMB3,500,000	3	2
	4	4

(b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2024: Nil).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

12. INCOME TAX EXPENSES, NET

	2025 RMB'000	2024 RMB'000 (restated)
Current tax:		
Hong Kong profits tax	168,193	194,540
Other jurisdictions income tax	2,818,335	2,375,238
Chinese mainland land appreciation tax ("LAT")	20,796	37,616
Chinese mainland withholding income tax	156,247	154,155
	3,163,571	2,761,549
Over provision in prior years:		
Hong Kong profits tax	(39,893)	(74,835)
Other jurisdictions income tax	(136,626)	(115,907)
	(176,519)	(190,742)
Deferred tax, net (Note 23)	(24,954)	48,150
Income tax expenses for the year, net	2,962,098	2,618,957

Hong Kong profits tax is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits, except for the Company which was a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of the Company was taxed at 8.25% and the remaining assessable profits were taxed at 16.5%. Income taxes arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions.

The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation was gazetted in Hong Kong on 6 June 2025, the jurisdiction in which the Company is listed, and has come into effect retroactively from 1 January 2025. As of 31 December 2025, Pillar Two legislation has been enacted or substantively enacted and has taken effect in Hong Kong, Luxembourg, Singapore and the United Kingdom in which the Group operates.

The Group has assessed its potential exposure based on the information available regarding the full-year financial performance of the Group for the year ended 31 December 2025. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Group should benefit from the transitional Country-by-Country Reporting safe harbour for most of the jurisdictions in which the Group operates, and the Group does not expect a significant exposure to Pillar Two income tax. The Group continues to follow Pillar Two legislative developments, as more countries prepare to enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated financial statements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

12. INCOME TAX EXPENSES, NET (continued)

The tax charge for the year can be reconciled to the profit before tax per the consolidated income statement as follows:

	2025 RMB'000	2024 RMB'000 (restated)
Profit before tax	11,967,471	11,839,239
Share of profits of		
Joint ventures	(846,409)	(583,499)
Associates	(12,068)	(244,813)
	11,108,994	11,010,927
Tax at domestic income tax rate of 16.5% (2024: 16.5%)	1,832,984	1,816,803
Effect of different tax rates of profit arising from other jurisdictions	728,393	617,978
Chinese mainland withholding income tax	156,247	154,155
LAT	20,796	37,616
Tax effect of LAT	(3,431)	(6,207)
Tax effect of expenses not deductible for tax purpose	290,592	225,648
Tax effect of income not taxable for tax purpose	(51,102)	(124,450)
Tax effect of tax losses not recognised	216,377	201,560
Tax effect of utilisation of previously unrecognised tax losses	(31,515)	(71,013)
Overprovision in prior years	(176,519)	(190,742)
Others	(20,724)	(42,391)
Tax charge for the year	2,962,098	2,618,957



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

13. PROFIT FOR THE YEAR

	2025 RMB'000	2024 RMB'000 (restated)
Profit for the year has been arrived at after charging/(crediting):		
Contracts costs	83,301,249	88,017,685
Cost of inventories sold	678,033	480,862
Cost of supply of heat, steam and electricity	270,510	289,605
Employee benefits expense (including directors' emoluments):		
Staff costs	6,509,788	6,347,267
Contributions to retirement benefit plans	459,564	404,967
Share-based payment	—	6,768
	6,969,352	6,759,002
Depreciation of property, plant and equipment	515,238	540,072
Depreciation of right-of-use assets	203,662	175,889
	718,900	715,961
Amortisation of concession operating rights (included in costs of sales)	144,537	144,537
Amortisation of trademark and licences (included in administrative, selling and other operating expenses)	15,857	15,805
Auditor's remuneration:		
Audit services	12,144	11,103
Non-audit services	440	625
	12,584	11,728
Short-term lease expense in respect of:		
Plant and machinery	413,956	221,233
Land and buildings	33,241	28,519
	447,197	249,752
Rental income from operating leases	(81,616)	(87,831)
Less: Direct operating expenses from property that generated rental income	18,869	24,653
Net rental income	(62,747)	(63,178)
Allowance for doubtful debts on trade and other receivables, net	28,589	17,647
Exchange losses/(gain), net	110,006	(83,219)

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

14. DIVIDENDS

	2025 RMB'000	2024 RMB'000 (restated)
Dividends recognised as distributions during the year:		
2024 Final, paid — HK28.5 cents per share (2024: 2023 Final, paid — HK28.5 cents per share)	1,398,546	1,339,097
2025 Interim, paid — HK34.0 cents per share (2024: 2024 Interim, paid — HK33.0 cents per share)	1,648,685	1,515,124
	3,047,231	2,854,221

The final dividend of HK28.5 cents (2024: HK28.5 cents) per share amounting to approximately RMB1,354,889,000 (2024 restated: RMB1,398,546,000) in aggregate, has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2025 RMB'000	2024 RMB'000 (restated)
Earnings		
Earnings for the purposes of basic and diluted earnings per share	8,588,443	8,565,331

	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	5,233,967	5,037,617

Diluted earnings per share is the same as basic earnings per share as the Company did not have any dilutive potential ordinary shares during the years ended 31 December 2025 and 2024.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

16. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings RMB'000	Heat and electricity supply facilities RMB'000	Machinery RMB'000	Furniture, fixtures and equipment RMB'000	Motor vehicles RMB'000	Construction in progress RMB'000	Total RMB'000
Cost							
At 1 January 2024 (restated)	4,731,023	1,818,751	1,412,477	556,035	139,862	103,470	8,761,618
Exchange adjustments (restated)	30,784	(810)	15,716	(7,238)	2,181	(1,205)	39,428
Additions (restated)	113,270	614	254,213	148,340	32,331	426,800	975,568
Reclassification upon the completion of construction (restated)	54,895	20,694	18,988	11,237	—	(105,814)	—
Transfer between property, plant and equipment and investment properties, net (restated)	8,235	—	—	—	—	—	8,235
Transfer from property held for sale (restated)	197,631	—	—	—	—	—	197,631
Disposal of subsidiaries (restated)	—	—	—	(251)	(290)	—	(541)
Disposals (restated)	(61,484)	—	(152,218)	(82,126)	(16,906)	—	(312,734)
At 31 December 2024 and 1 January 2025 (restated)	5,074,354	1,839,249	1,549,176	625,997	157,178	423,251	9,669,205
Exchange adjustments	(45,006)	(1,243)	(16,926)	(8,184)	(8,133)	(255)	(79,747)
Additions	51,266	503	351,143	154,190	60,329	354,872	972,303
Acquisition of subsidiaries	149,678	—	166,117	8,188	81,819	—	405,802
Reclassification upon the completion of construction	237,550	40,306	99,163	21,010	—	(398,029)	—
Transfer between property, plant and equipment and investment properties, net	(160,239)	—	—	—	—	—	(160,239)
Transfer from property under development	604,533	—	—	—	—	—	604,533
Disposals	(410,582)	—	(104,172)	(34,599)	(16,494)	(22,823)	(588,670)
At 31 December 2025	5,501,554	1,878,815	2,044,501	766,602	274,699	357,016	10,823,187
Depreciation							
At 1 January 2024 (restated)	986,217	1,093,190	1,088,144	348,539	101,866	—	3,617,956
Exchange adjustments (restated)	8,813	(2,577)	19,001	3,978	1,347	—	30,562
Charge for the year (restated)	283,779	64,981	99,057	77,097	15,158	—	540,072
Disposal of subsidiaries (restated)	—	—	—	(145)	(123)	—	(268)
Disposals (restated)	(20,150)	—	(149,241)	(82,126)	(14,719)	—	(266,236)
At 31 December 2024 and 1 January 2025 (restated)	1,258,659	1,155,594	1,056,961	347,343	103,529	—	3,922,086
Exchange adjustments	(27,415)	(534)	(524)	(6,782)	(3,219)	—	(38,474)
Charge for the year	193,729	66,048	126,970	94,794	33,697	—	515,238
Acquisition of subsidiaries	14,376	—	56,827	4,325	26,224	—	101,752
Transfer between property, plant and equipment and investment properties, net	(33,308)	—	—	—	—	—	(33,308)
Disposals	(35,269)	—	(73,824)	(26,770)	(13,673)	—	(149,536)
At 31 December 2025	1,370,772	1,221,108	1,166,410	412,910	146,558	—	4,317,758
Carrying values							
At 31 December 2025	4,130,782	657,707	878,091	353,692	128,141	357,016	6,505,429
At 31 December 2024 (restated)	3,815,695	683,655	492,215	278,654	53,649	423,251	5,747,119

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

16. PROPERTY, PLANT AND EQUIPMENT (continued)

The carrying values of land and buildings shown above are situated on:

	2025 RMB'000	2024 RMB'000 (restated)
Land and buildings in Hong Kong under medium term leases	2,357,417	1,803,632
Heat and electricity plants in Chinese mainland under medium term leases	142,164	157,187
Other premises in Chinese mainland under medium term leases	1,556,034	1,442,122
Freehold land in Macau	63,353	66,015
Freehold land in Canada	11,814	346,739
	4,130,782	3,815,695

17. LEASES

(a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

	2025 RMB'000	2024 RMB'000 (restated)
Right-of-use assets		
Prepaid land lease payment (Note)	424,114	341,808
Others	375,383	303,970
	799,497	645,778
Lease liabilities		
Current	111,097	124,532
Non-current	203,131	181,651
	314,228	306,183

Note: The Group has prepaid land lease payment for leasehold land located in Chinese mainland with PRC government under medium term leases.

Additions to the right-of-use assets during the year were approximately RMB276,804,000 (2024 restated: RMB334,978,000).

At 31 December 2025, leasehold land included in right-of-use assets of approximately RMB105,356,000 (2024: Nil) had been pledged to secure banking facilities granted to the Group (Note 38).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

17. LEASES (continued)

(b) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases:

	2025 RMB'000	2024 RMB'000 (restated)
Depreciation charge of right-of-use assets		
Prepaid land lease payment	9,320	24,677
Others	194,342	151,212
	203,662	175,889

The total cash outflow for leases during the year was approximately RMB655,734,000 (2024 restated: RMB487,104,000).

(c) The Group's leasing activities and how these are accounted for

The Group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of 1 to 10 years (2024: 1 to 9 years), but may have extension options as described in (d) below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

(d) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(e) Further information about the leasing activities of the Group as a lessor is disclosed in note 49 to the consolidated financial statements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

18. INVESTMENT PROPERTIES

	Completed investment properties RMB'000	Investment property under construction RMB'000	Total RMB'000
At 1 January 2024 (restated)	4,714,005	1,572,850	6,286,855
Additions (restated)	—	24,674	24,674
Transfer between property, plant and equipment and investment properties, net (restated)	(8,235)	—	(8,235)
Transfer from properties held for sale (restated)	188,270	—	188,270
Disposals (restated)	(2,782)	—	(2,782)
Exchange adjustments (restated)	57,814	36,650	94,464
Change in fair value (restated)	(157,719)	11,926	(145,793)
Reclassification upon the completion of construction (restated)	1,646,100	(1,646,100)	—
At 31 December 2024 and 1 January 2025 (restated)	6,437,453	—	6,437,453
Transfer between property, plant and equipment and investment properties, net	126,931	—	126,931
Transfer from properties held for sale	376,224	—	376,224
Disposals	(8,256)	—	(8,256)
Exchange adjustments	(128,450)	—	(128,450)
Change in fair value	(65,786)	—	(65,786)
At 31 December 2025	6,738,116	—	6,738,116

(a) Valuation process of the Group

The fair value of the investment properties has been arrived at based on an open market valuation performed by Jones Lang LaSalle Limited, KPMG, 廣東均正房地產土地資產評估諮詢有限公司 and 深圳市深信資產評估土地房地產估價有限公司. They are independent qualified professional valuers not connected with the Group and have appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

For completed investment properties, the valuation included the use of inputs that are not based on an observable market data (level 3 assets). The valuations were arrived at using the approach of (i) applying capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence; and (ii) by making reference to comparables as available in the relevant market.

For the investment property under construction, the valuation was arrived at using the residual approach, which essentially involves determination of gross development value ("GDV").

All of the Group's leasehold property interests (i.e. right-of-use assets) to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

18. INVESTMENT PROPERTIES (continued)

(b) Fair value measurements using significant unobservable inputs

The valuation for completed investment properties was arrived at by considering the capitalised income derived from the existing tenancies and the reversionary potential of the properties and, where appropriate, by reference to market evidence of transaction prices for similar properties in the same locations and conditions. All investment properties carried at fair value under level 3 valuation method as at 31 December 2025 and 2024.

In arriving at the value for the investment property under construction, the Group has adopted the residual approach, which essentially involves determination of GDV based on a hypothetical development scheme as at the date of valuation. The estimated development cost for the proposed development including construction costs and professional fees together with allowances on interest payment and developer's profit are deducted from the established GDV. The resultant figure is being the existing state of the property.

Information about fair value measurements using significant unobservable inputs

Description	Fair value at 31 December 2025 RMB'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs
Completed investment properties				
Properties in Hong Kong	2,034,000	Market and Income Capitalisation Approach	(1) capitalisation rate (2) market rent per square foot per month (3) average market price per square foot for office portion	2.9% HK\$43–HK\$141 HK\$17,322
Properties in Macau	180,090	Income Capitalisation Approach	(1) capitalisation rate (2) market rent per square foot per month	3.25%–3.375% HK\$5–HK\$20
Property in Macau	1,593,900	Direct Comparison Approach	(1) market price per square foot	HK\$69,286– HK\$98,849
Properties in Chinese mainland	69,533	Direct Comparison Approach	(1) market price per square foot	RMB929–RMB2,795
Properties in Chinese mainland	2,860,593	Income Capitalisation Approach	(1) capitalisation rate (2) market rent per square foot per month	3.5%–6.5% RMB1–RMB14

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

18. INVESTMENT PROPERTIES (continued)

(b) Fair value measurements using significant unobservable inputs (continued)

Information about fair value measurements using significant unobservable inputs (continued)

Description	Fair value at 31 December 2024 RMB'000 (restated)	Valuation techniques	Unobservable inputs	Range of unobservable inputs
Completed investment properties				
Properties in Hong Kong	2,180,199	Market and Income Capitalisation Approach	(1) capitalisation rate (2) market rent per square foot per month (3) average market price per square foot for office portion	2.9% HK\$45–HK\$179 HK\$21,100
Properties in Macau	193,812	Income Capitalisation Approach	(1) capitalisation rate (2) market rent per square foot per month	3.0%–3.1% HK\$9–HK\$15
Property in Macau	1,646,100	Direct Comparison Approach	(1) market price per square foot	HK\$83,020– HK\$94,420
Properties in Chinese mainland	72,429	Direct Comparison Approach	(1) market price per square foot	RMB975–RMB2,991
Properties in Chinese mainland	2,344,913	Income Capitalisation Approach	(1) capitalisation rate (2) market rent per square foot per month	4.0%–6.5% RMB1–RMB16

For completed investment properties, prevailing market rents are estimated based on management and independent valuers' view of recent lettings transactions within the subject properties and other comparable properties. The higher the rent, the higher the fair value.

Capitalisation rates are estimated by independent valuers and management based on the risk profile of the properties being valued and the market conditions. The lower the rate, the higher the fair value.

(c) Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals receivable monthly. Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

For minimum lease payments receivable on leases of investment properties, please refer to note 49 to the consolidated financial statements for details.

At 31 December 2025, investment properties of approximately RMB243,012,000 (2024: Nil) had been pledged to secure banking facilities granted to the Group (Note 38).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

19. INTERESTS IN INFRASTRUCTURE PROJECT INVESTMENTS

	2025 RMB'000	2024 RMB'000 (restated)
Interests in infrastructure project investments	3,467,993	3,688,437
Less: Current portion	(220,466)	(612,492)
Non-current portion	3,247,527	3,075,945

Interests in infrastructure project investments represent funding denominated in RMB advanced to joint ventures for PPP infrastructure projects located in Chinese mainland. The Group is responsible to provide finance for the construction of the infrastructure of these projects, whereby the Group's return is predetermined in accordance with the provisions of the relevant agreements. The duration of the projects ranges from 5 to 22 years.

The effective interest rates on the infrastructure project investments range from 4.8% to 12.1% (2024: 5.5% to 12.7%) per annum. The interests in infrastructure project investments were not past due as at 31 December 2025 and 2024.

The directors reviewed individually the infrastructure projects' operations and financial positions as at 31 December 2025 and 2024 based on the present values of estimated future cash flows from those investments, discounted at their respective original effective interest rates.

At 31 December 2025, interests in infrastructure project investments of approximately RMB1,362,375,000 (2024 restated: RMB1,462,800,000) had been pledged to secure banking facilities granted to the Group (Note 38).

20. INTERESTS IN JOINT ARRANGEMENTS

(a) Joint ventures

	2025 RMB'000	2024 RMB'000 (restated)
Cost of investments, unlisted	12,750,414	12,756,017
Share of post-acquisition profits and other comprehensive income, net of dividends	3,594,494	2,957,281
	16,344,908	15,713,298

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

20. INTERESTS IN JOINT ARRANGEMENTS (continued)

(a) Joint ventures (continued)

Particulars regarding the principal joint ventures as at 31 December 2025 and 2024 are as follows:

Name of entity	Form of business structure	Place of incorporation/ operations	Percentage of interest held by the Group		Principal activities
			2025 %	2024 %	
Nanjing Changjiang Second Bridge Company Limited	Incorporated	Chinese mainland	65	65	Operation and management of a toll bridge
長沙中建國際發展有限公司	Incorporated	Chinese mainland	65	65	Infrastructure investment
中建(武漢光谷)建設有限公司	Incorporated	Chinese mainland	50	50	Infrastructure investment
中建(唐山曹妃甸)工程建設有限公司	Incorporated	Chinese mainland	72	72	Infrastructure investment
安徽蚌五高速公路投資管理有限公司	Incorporated	Chinese mainland	70	70	Infrastructure investment
貴州正習高速公路投資管理有限公司	Incorporated	Chinese mainland	30	30	Infrastructure investment
貴州中建秀印高速公路有限公司	Incorporated	Chinese mainland	50	50	Infrastructure investment
貴州雷榕高速公路投資管理有限公司	Incorporated	Chinese mainland	69	69	Infrastructure investment
曲阜尼山文旅置業有限責任公司	Incorporated	Chinese mainland	60	60	Infrastructure investment
上海臨博海蒼城市建設發展有限公司	Incorporated	Chinese mainland	49	49	Infrastructure investment
中建國際(襄陽)建設有限公司	Incorporated	Chinese mainland	70	70	Infrastructure investment

Aggregate information of joint ventures that are not individually material

Set out below is the aggregate financial information of joint ventures that are not individually material:

	2025 RMB'000	2024 RMB'000 (restated)
Aggregate carrying value	16,344,908	15,713,298
Aggregate amounts of the Group's share:		
Post-tax profit from continuing operations	846,409	583,499
Other comprehensive loss	1,996	11,212
Total comprehensive income	848,405	594,711

There are no contingent liabilities relating to the Group's interests in joint ventures as at 31 December 2025 and 2024. At 31 December 2025, there are unpaid committed investments relating to the Group's interests in joint ventures of approximately RMB353,680,000 (2024 restated: RMB353,680,000).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

20. INTERESTS IN JOINT ARRANGEMENTS (continued)

(b) Joint operations

In addition to the construction projects undertaken by certain joint ventures as listed above, the Group has also established joint arrangements with other contractors to undertake construction and engineering projects in the form of joint operations.

Particulars regarding the principal joint operations as at 31 December 2025 and 2024 are as follows:

Name of entity	Form of business structure	Place of incorporation/ operations	Percentage of interest held by the Group		Principal activities
			2025 %	2024 %	
CSME — Southa Joint Venture	Unincorporated	Hong Kong	51	51	Mechanical and electrical engineering works
Hong Kong Resources Recovery Park CS(HK) — CC(MACAU) — STEC JOINT VENTURE	Unincorporated	Hong Kong Macau	70 75	70 75	Civil engineering works
CSME — Krueger Joint Venture	Unincorporated	Hong Kong	55	—*	Mechanical and electrical engineering works

* Incorporated in 2025

21. INTERESTS IN ASSOCIATES

	2025 RMB'000	2024 RMB'000 (restated)
Unlisted companies		
Cost of investments in associates	2,708,286	2,647,975
Share of post-acquisition profits and other comprehensive income, net of dividends	984,111	1,319,989
	3,692,397	3,967,964
Loans to associates	1,716,045	1,898,190
Amount due from an associate	177,475	183,390
	5,585,917	6,049,544

As at 31 December 2024, included in the cost of investments in associates was goodwill of approximately RMB460,000 (restated) arising from acquisitions of associates in prior years.

The loans to associates of approximately RMB1,716,045,000 (2024 restated: RMB1,898,190,000) are unsecured, interest free and are not expected to be repaid within twelve months after the end of reporting period. The balances are denominated in HK\$ and RMB.

Amount due from an associate is unsecured, interest free and is not expected to be repaid within twelve months after the end of reporting period. The balance is denominated in HK\$.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

21. INTERESTS IN ASSOCIATES (continued)

Particulars regarding the principal associates as at 31 December 2025 and 2024 are follows:

Name of entity	Form of business structure	Place of incorporation/ operations	Class of shares held	Proportion of nominal value of issued share capital held by the Group		Principal activities
				2025 %	2024 %	
Fast Shift Investments Limited	Incorporated	BVI/Macau	Non-voting class B [#]	29	29	Investment holding
澳門水泥廠有限公司	Incorporated	Macau	Ordinary	31.34	31.34	Manufacture and sale of ready-mixed concrete
Macfull Limited	Incorporated	Hong Kong	Ordinary	20	20	Property development
中建(泉州)城市發展有限公司	Incorporated	Chinese mainland	Ordinary	35	35	Property development
株洲中海宏洋地產有限公司	Incorporated	Chinese mainland	Ordinary	30	30	Property development
珠海市海悅房地產開發有限公司	Incorporated	Chinese mainland	Ordinary	20	20	Property development

Holder of non-voting class B shares of Fast Shift, through Fast Shift's interest in Nova Taipa — Urbanizações, Limitada ("NTUL"), is entitled to 29% (2024: 29%) of the economic benefits in or losses arising from the residential portion of Nova City Phase V in Macau owned and developed by NTUL

Set out below is the aggregate financial information of the Group's associates that are not individually material:

	2025 RMB'000	2024 RMB'000 (restated)
Aggregate carrying value	3,692,397	3,967,964
Aggregate amounts of the Group's share:		
Post-tax profit from continuing operations	12,068	244,813
Other comprehensive (loss)/income	(36,005)	20,450
Total comprehensive (loss)/income	(23,937)	265,263

There are no contingent liabilities relating to the Group's interests in associates as at 31 December 2025 and 2024.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

22. CONCESSION OPERATING RIGHTS

	2025 RMB'000	2024 RMB'000 (restated)
Cost		
At 1 January and 31 December	5,596,352	5,596,352
Amortisation and impairment		
At 1 January	2,956,728	2,812,191
Amortisation for the year	144,537	144,537
Impairment for the year	84,000	—
At 31 December	3,185,265	2,956,728
Carrying values		
At 31 December	2,411,087	2,639,624

The concession operating rights relate to Shanxi Yangquan Yangwu Expressway (Yangquan to Yuxian section) and Class 1 Highway from Yangquan to Niangziguan, Shanxi Province with net carrying amounts of approximately RMB2,411,087,000 (2024 restated: RMB2,639,624,000), both of which are located in Chinese mainland. The carrying amount is measured by the construction and other costs incurred by the Group plus estimated profit margin, which is calculated by making reference to similar projects undertaken in Chinese mainland. The Group has been granted by the relevant local government authorities the rights to operate the respective toll roads for 30 years from the date of approval by the local government. The operation of Shanxi Yangquan Yangwu Expressway (Yangquan to Yuxian section) is from 8 May 2011 to 7 May 2041 and Class 1 Highway from Yangquan to Niangziguan, Shanxi Province is from 22 July 2015 to 21 July 2045. According to the relevant government authorities' approval documents and the relevant regulations, the Group is responsible for construction of the toll expressways, acquisition of the related facilities and equipment, operations, management, maintenance and overhaul of the toll roads during the approved operating periods. The toll fees collected during the operating periods are attributable to the Group. The relevant concession operating rights and relevant assets are required to be returned to the local government authorities when the operating rights periods expire without any payments made to the Group.

At 31 December 2025 and 2024, the Group appointed an independent professional traffic consultant to perform traffic studies and an independent valuer to perform value-in-use calculation of Shanxi Yangquan Yangwu Express (Yangquan to Yuxian section) and Class 1 Highway from Yangquan to Niangziguan, Shanxi Province using income approach. During the year, since the business performance of Shanxi Yangquan Yangwu Expressway (Yangquan to Yuxian section) was worse than expected which an impairment indicator is considered. Based on the valuation result, the Group considered that the recoverable amount of the concession intangible assets of the mentioned expressways was lower than its carrying value, and an impairment provision amounting to RMB84,000,000 was made for the year accordingly. The assessment relied on the key assumptions, including future traffic volumes, toll fee levels, length of operating rights, maintenance costs and discount rates. An average revenue growth rate of 8% to 14% (2024: 11% to 13%) and a pre-tax discount rate of 8 to 9% (2024: 9%) have been used in the value-in-use calculation.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

23. DEFERRED TAXATION

The analysis of the Group's deferred tax liabilities/(assets) is as follows:

	Revaluation of investment properties RMB'000	Accelerated tax depreciation RMB'000	Concession operating rights RMB'000	Deferred income RMB'000	Undistributed earnings of Chinese mainland subsidiaries and joint ventures RMB'000	Recognition of intangible assets on business combination RMB'000	Revaluation of land RMB'000	Tax losses RMB'000	Others RMB'000	Total RMB'000
At 1 January 2024 (restated)	399,485	7,833	24,980	(94,900)	34,780	28,093	4,000	(2,335)	22,614	424,550
Exchange adjustments (restated)	7,821	197	—	3	843	465	97	(158)	(1,222)	8,046
Charged/(credited) to consolidated income statement (restated) (Note 12)	22,018	461	—	191	—	(13,178)	—	(6,169)	44,827	48,150
At 31 December 2024 and 1 January 2025 (restated)	429,324	8,491	24,980	(94,706)	35,623	15,380	4,097	(8,662)	66,219	480,746
Exchange adjustments	(27,020)	(310)	—	(36)	(1,149)	(400)	(132)	(417)	556	(28,908)
Acquisition of subsidiaries	8,038	19,575	—	—	—	—	12,521	—	10,907	51,041
Charged/(credited) to consolidated income statement (Note 12)	(66)	16,786	(884)	1,857	—	(4,924)	—	(36,151)	(1,572)	(24,954)
At 31 December 2025	410,276	44,542	24,096	(92,885)	34,474	10,056	16,486	(45,230)	76,110	477,925

The following is the analysis of the deferred tax balances for financial reporting purposes:

	2025 RMB'000	2024 RMB'000 (restated)
Deferred tax assets	114,660	104,379
Deferred tax liabilities	(592,585)	(585,125)
	(477,925)	(480,746)

At the end of the reporting period, the Group has unused tax losses of approximately RMB7,905,437,000 (2024 restated: RMB6,934,204,000) not recognised in the consolidated financial statements. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future taxable profit streams. Included in unrecognised tax losses are losses of approximately RMB5,177,220,000 (2024 restated: RMB4,838,258,000) that will expire within five years. Other losses may be carried forward indefinitely.

Pursuant to the PRC Corporate Income Tax Law, withholding tax is levied on dividends declared to foreign investors from foreign enterprises established in Chinese mainland and applies to earnings after 31 December 2007. The aggregate amount of temporary differences attributable to the unremitted earnings associated with investments in subsidiaries and joint ventures in Chinese mainland for which deferred tax liabilities have not been recognised totalled approximately RMB43,989,806,000 (2024 restated: RMB41,211,635,000) as at 31 December 2025.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

24. TRADEMARK, PROJECT BACKLOGS, LICENCES AND GOODWILL

	Trademark RMB'000	Project backlogs RMB'000	Licences RMB'000	Goodwill RMB'000	Total RMB'000
Cost					
At 1 January 2024 (restated)	196,770	41,186	156,300	524,519	918,775
Exchange adjustments (restated)	4,768	998	219	12,709	18,694
At 31 December 2024 and 1 January 2025 (restated)	201,538	42,184	156,519	537,228	937,469
Addition	123	—	—	—	123
Exchange adjustments	(6,501)	(1,361)	(299)	(17,330)	(25,491)
At 31 December 2025	195,160	40,823	156,220	519,898	912,101
Amortisation					
At 1 January 2024 (restated)	115,603	41,186	41,234	—	198,023
Charge for the year (restated)	9,914	—	5,891	—	15,805
Exchange adjustments (restated)	2,963	998	—	—	3,961
At 31 December 2024 and 1 January 2025 (restated)	128,480	42,184	47,125	—	217,789
Charge for the year	9,967	—	5,890	—	15,857
Exchange adjustments	(4,340)	(1,361)	—	—	(5,701)
At 31 December 2025	134,107	40,823	53,015	—	227,945
Carrying values					
At 31 December 2025	61,053	—	103,205	519,898	684,156
At 31 December 2024 (restated)	73,058	—	109,394	537,228	719,680

The intangible assets include trademark, project backlogs, construction licences and goodwill recognised from various acquisitions of subsidiaries by the Group.

The estimated useful lives of trademark and project backlogs of 20 years and 3 years, respectively, are based on the terms of existing contracts and historical data.

A Chinese mainland construction licence was acquired as part of a business combination. It is recognised at its fair value at the date of acquisition and is subsequently amortised on a straight-line basis over its estimated useful life of 25 years. Its carrying amount is approximately RMB94,250,000 (2024 restated: RMB100,141,000) as at 31 December 2025.

The construction licences with carrying amount of approximately RMB8,955,000 (2024 restated: RMB9,253,000) were granted by the Works Branch, Development Bureau of the Hong Kong Special Administrative Region ("HKSAR"). The construction licences basically have no legal life but are renewable every year as long as the subsidiary holding the licences is able to comply with certain provisions and requirements set out by the Works Branch, Development Bureau of the HKSAR throughout the relevant period.

Goodwill is allocated to the Group's CGU of the CSC Development Group. For impairment assessment of goodwill, the recoverable amount of the CSC Development Group CGU as at 31 December 2025 was determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections was 9.6% and cash flows beyond the five-year period were extrapolated using a growth rate of 2.25%. The recoverable amount of the CSC Development Group as at 31 December 2024 was determined based on fair value less costs of disposal by making reference to its market share price.

Based on the impairment testing at the end of the reporting period, the management considers that there is no impairment of the Group's construction licences, trademark and goodwill.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Classification of equity and debt securities at FVOCI

Equity and debt securities at FVOCI comprise:

- Equity securities which are not held for trading and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers the classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

(b) Equity securities at FVOCI

Equity securities at FVOCI comprise the following individual investments:

	2025 RMB'000	2024 RMB'000 (restated)
Non-current assets		
Unlisted securities		
Equity securities	49,549	51,093

On disposal of these equity securities, any related balance within the investment revaluation reserve will be reclassified to retained profits.

(c) Debt securities at FVOCI

Debt securities at FVOCI comprise the following individual investments:

	2025 RMB'000	2024 RMB'000 (restated)
Non-current assets		
Listed securities		
Debt securities listed in Hong Kong (Note)	375,675	122,690
Debt securities listed in overseas	71,083	54,145
	446,758	176,835
Current assets		
Listed securities		
Debt securities listed in overseas	—	7,165

On disposal of these debt securities, any related balance within the investment revaluation reserve will be reclassified to consolidated income statement.

Note: At 31 December 2025, an amount of approximately RMB45,135,000 (2024 restated: RMB44,067,000) included in the carrying amount of debt securities listed in Hong Kong, represents debentures issued by a subsidiary of COLI, a fellow subsidiary of the Group.

The maximum exposure to credit risk at the reporting date is the carrying value of the debt securities. As at 31 December 2025, none of these financial assets is past due or impaired. As at 31 December 2024, accumulated impairment loss on debt securities was RMB169,931,000 (restated).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

(d) Financial assets at FVOCI are denominated in the following currencies:

	2025 RMB'000	2024 RMB'000 (restated)
RMB	3,217	3,217
US\$	446,758	184,000
Macao Pataca ("MOP")	46,332	47,876
	496,307	235,093

The financial assets were presented as non-current assets unless they matured, or management intended to dispose of them within twelve months from the end of the reporting period.

26. AMOUNTS DUE FROM INVESTEE COMPANIES

Amounts due from investee companies are unsecured, interest free and repayable on demand. No repayment is expected within next twelve months from the end of the reporting period.

At 31 December 2025, these amounts include advances to subsidiaries of COLI, a fellow subsidiary of the Group, amounting to approximately RMB13,193,000 (2024 restated: RMB13,632,000).

27. TRADE AND OTHER RECEIVABLES

	Note	2025 RMB'000	2024 RMB'000 (restated)
Trade receivables and retention receivables		116,220,105	118,883,793
Less: Allowance for doubtful debts		(170,712)	(134,096)
		116,049,393	118,749,697
Other receivables		40,439,745	28,010,987
Trade and other receivables	(a)	156,489,138	146,760,684
Less: Current portion		(102,867,305)	(96,355,321)
Non-current portion		53,621,833	50,405,363

Note:

- (a) Trade receivables and retention receivables include balances with related companies amounting to approximately RMB3,403,636,000 (2024 restated: RMB3,392,225,000), which are unsecured, interest free and repayable in accordance with the terms of relevant agreements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

27. TRADE AND OTHER RECEIVABLES (continued)

The analysis of trade and other receivables, including the ageing analysis of trade receivables, net of allowance for doubtful debts, presented based on the invoice date or the term of the related contract, is as follows:

	Notes	2025 RMB'000	2024 RMB'000 (restated)
Trade receivables, net of allowance for doubtful debts, aged:			
0–30 days		15,375,221	7,326,794
31–90 days		13,017,791	7,201,822
Over 90 days	(a)	80,045,843	97,960,659
		108,438,855	112,489,275
Retention receivables		7,610,538	6,260,422
Other receivables		40,439,745	28,010,987
Trade and other receivables		156,489,138	146,760,684
Less: Current portion		(102,867,305)	(96,355,321)
Non-current portion	(b)	53,621,833	50,405,363

Notes:

- (a) Included in the receivables aged over 90 days are receivables attributable to the construction related investment projects amounting to approximately RMB76,366,316,000 (2024 restated: RMB73,931,964,000).
- (b) The balances of non-current portion are mainly attributable to certain construction related investment projects in Chinese mainland. Certain balances are interest bearing in accordance with the relevant contract terms. The amount is expected to be gradually and fully recovered from 2027 to 2035, with approximately RMB24,476,255,000 in 2027, RMB12,033,085,000 in 2028, RMB7,158,368,000 in 2029 and, RMB9,954,125,000 in 2030 to 2035. As a result, they are classified as non-current.

Retention receivables are interest free and recoverable at the end of the retention period of individual construction contracts ranging from 1 to 3 years. At 31 December 2025, the amount of retention receivables expected to be recovered after more than one year is approximately RMB3,891,296,000 (2024 restated: RMB2,793,361,000).

Except for the receivables arising from construction contracts, including construction related investment projects which are billed and payable in accordance with the terms of relevant agreements, the Group generally allows an average credit period of not exceeding 90 days to its trade customers and the retention receivables are recoverable upon the expiry of defect liability period of construction.

At 31 December 2025, trade receivables of approximately RMB7,671,543,000 (2024 restated: RMB8,096,188,000) are pledged to secure banking facilities granted to the Group (Note 38).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

27. TRADE AND OTHER RECEIVABLES (continued)

Movement in the allowance for doubtful debts

	2025 RMB'000	2024 RMB'000 (restated)
At 1 January	134,096	114,396
Exchange adjustments	(2,916)	2,053
Acquisition of subsidiaries	10,943	—
Impairment losses recognised on trade receivables, net	15,711	17,647
Impairment losses recognised on retention receivables, net	12,878	—
At 31 December	170,712	134,096

Before accepting any new customer, the Group will assess the potential customer's credit quality and will define a credit limit. Limits attributed to customers are reviewed every year.

Other receivables

The analysis of other receivables is as follows:

	Notes	2025 RMB'000	2024 RMB'000 (restated)
Payments for government targeted repurchase project	(a)	28,251,379	14,382,101
Bid and other deposits	(b)	2,539,901	858,651
Advances receivables	(c)	752,178	1,254,521
Value added tax and other taxes recoverable		8,160,963	10,864,101
Others		735,324	651,613
		40,439,745	28,010,987

Notes:

- (a) The balance represents amounts paid to local governments for acquisitions of land for construction of government targeted repurchase projects. It will be reclassified to trade receivables over the period of the contract by reference to the progress towards completion satisfaction of that performance obligation.
- (b) The balance represents bid deposits, performance bonds, wage guarantee deposits and other deposits for construction related projects. These balances will be refunded upon completion of tender process or projects.
- (c) The balance represents construction and material purchase costs paid on behalf of sub-contractors and employers of construction related projects. It includes balances with fellow subsidiaries amounting to approximately RMB138,817,000 (2024 restated: RMB83,991,000), which are unsecured, interest free and repayable on demand.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

27. TRADE AND OTHER RECEIVABLES (continued)

Trade and other receivables are denominated in the following currencies:

	2025 RMB'000	2024 RMB'000 (restated)
HK\$	7,944,138	7,889,690
RMB	147,734,586	137,809,892
MOP	685,924	887,020
US\$	40,848	49,100
Others	83,642	124,982
	156,489,138	146,760,684

28. AMOUNTS DUE FROM/(TO) JOINT VENTURES AND LOANS TO JOINT VENTURES

Amounts due from/(to) joint ventures are unsecured, interest free and repayable on demand. The balances are mainly denominated in RMB.

Loans to joint ventures is unsecured, carrying interest at 2% to 5.50% (2024: 4.75% to 5.50%) per annum and is not expected to be repaid within twelve months after the end of the reporting period, except for a loan of RMB12,339,000 which is recoverable on demand (2024: Nil). The balances are mainly denominated in HK\$, RMB and EURO (2024: HK\$ and RMB).

29. LOAN RECEIVABLES

Loan receivables are unsecured and carrying interest at 1.8% to 5.0% per annum. The portion repayable within next twelve months from the end of reporting periods are classified as current assets.

30. INVENTORIES

	2025 RMB'000	2024 RMB'000 (restated)
Raw materials and consumables	183,443	271,187
Work in progress	5,267	2,497
Finished goods	271,383	148,030
	460,093	421,714



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

31. PROPERTIES UNDER DEVELOPMENT

	2025 RMB'000	2024 RMB'000 (restated)
Properties under development	6,690,654	7,029,266

Included in the amount are properties under development of approximately RMB5,827,037,000 (2024 restated: RMB5,758,428,000) not expected to be completed and ready for sale within twelve months from the end of the reporting period.

At 31 December 2025, properties under development of approximately RMB686,868,000 (2024: Nil) had been pledged to secure banking facilities granted to the Group (Note 38).

32. CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group has recognised the following assets/(liabilities) related to contracts with customers:

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000 (restated)	1 January 2024 RMB'000 (restated)
Contract assets related to construction services	(a)	30,752,495	26,241,434	19,607,039
Contract liabilities related to Construction services	(b)	(8,544,523)	(7,910,895)	(8,609,674)
Thermoelectricity business		(848,089)	(900,188)	(940,865)
		(9,392,612)	(8,811,083)	(9,550,539)
Less: Current portion		9,001,131	8,324,669	9,013,482
Non-current portion		(391,481)	(486,414)	(537,057)

Notes:

- (a) Contract assets are related to construction services and consist of unbilled amount resulting from construction when revenue recognised exceeds the amount billed to the customer.
- (b) The Group receives payments from customers based on billing schedule as established in contracts. Payments are usually received in advance of the performance under the contracts which are mainly from construction services.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

32. CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)

The following table shows the amount of the revenue recognised in the current reporting period which relates to contract liability balance at the beginning of the year and the amount relating to performance obligations that were satisfied in previous years:

	2025 RMB'000	2024 RMB'000 (restated)
Revenue recognised that was included in the contract liability balance at the beginning of the year:		
Construction services	3,461,983	3,812,753
Thermoelectricity business	364,493	360,344
	3,826,476	4,173,097
Revenue recognised from performance obligations satisfied/partially satisfied in previous periods:		
Construction services	573,586	209,017

The following table shows the amount of unsatisfied performance obligations:

	2025 RMB'000	2024 RMB'000 (restated)
Expected to be recognised within one year	85,985,975	106,720,500
Expected to be recognised after one year	67,540,230	72,246,811
	153,526,205	178,967,311

For all other contracts with an original expected duration of one year or less or are billed based on time incurred, as permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

For retention receivables, please refer to note 27 to the consolidated financial statements for details.

33. AMOUNTS DUE FROM/(TO) ASSOCIATES AND LOAN TO AN ASSOCIATE

Amounts due from/(to) associates are unsecured, interest free and repayable on demand. The balances are mainly denominated in RMB.

Loan to an associate is unsecured, interest free and recoverable on demand. The balance is denominated in HK\$.

34. AMOUNTS DUE FROM/(TO) RELATED COMPANIES

The amounts due from/(to) related companies are unsecured, interest free and repayable on demand. The balances are mainly denominated in RMB.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

35. BANK BALANCES AND CASH

	Notes	2025 RMB'000	2024 RMB'000 (restated)
Bank balances and cash		30,328,604	28,589,158
Less: Pledged bank deposits	(a)	(280,918)	(82,868)
Cash and cash equivalents	(b)	30,047,686	28,506,290

Notes:

- (a) Bank deposits are pledged and earn interest at fixed rates from 0.050% to 0.45% (2024: 0.10%) per annum.
- (b) Bank balances, excluding bank current accounts, earn interest at market rates ranging from 0.001% to 4.5% (2024: 0.001% to 5.330%) per annum. Bank balances comprise fixed deposits held by the Group with an original maturity of three months or less.

Bank balances include balances with a fellow subsidiary of the Group, which is a non-bank financial institution in Chinese mainland, amounting to approximately RMB239,295,000 (2024 restated: RMB57,002,000).

Bank balances and cash are denominated in the following currencies:

	2025 RMB'000	2024 RMB'000 (restated)
HK\$	4,017,101	4,394,751
RMB	23,654,828	22,893,104
MOP	1,420,266	913,465
US\$	908,148	259,417
Others	328,261	128,421
	30,328,604	28,589,158

In respect of the balance denominated in RMB of the Group's subsidiaries incorporated in Chinese mainland, conversion into foreign currencies is subject to the Regulations of the People's Republic of China on the Management of Foreign Exchanges and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

36. ASSETS CLASSIFIED AS HELD FOR SALES

	Note	2025 RMB'000	2024 RMB'000 (restated)
Assets classified as held for sales			
Non-current assets classified as held for sales			
— Interests in an associate	(a)	7,792	—

Note:

- (a) On 31 December 2025, the Group entered into an equity transfer agreement with a related party to dispose of its 15% equity interest in an associate at a consideration of RMB7,533,000. The transaction was completed on 11 February 2026.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

37. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

An analysis of trade payables, other payables and accruals, including the ageing analysis of trade payables, presented based on the invoice date, is as follows:

	2025 RMB'000	2024 RMB'000 (restated)
Trade payables, aged:		
0–30 days	33,416,894	57,995,748
31–90 days	6,688,162	870,299
Over 90 days	33,841,135	11,136,905
	73,946,191	70,002,952
Retention payables	8,536,038	7,296,325
Other payables and accruals	13,965,038	16,819,950
	96,447,267	94,119,227

Included in trade payables and retention payables are balances with related companies amounting to approximately RMB13,568,928,000 (2024 restated: RMB12,395,547,000), which are unsecured, interest free and repayable in accordance with the terms of relevant agreements.

Other payables and accruals mainly comprise staff cost, value added tax, other tax and other operating expenses payables. Included in other payables and accruals are balances with the immediate holding company and related companies amounting to approximately RMB19,014,000 (2024 restated: RMB1,395,000) and RMB663,457,000 (2024 restated: RMB325,963,000) respectively, which are unsecured, interest free and repayable on demand.

The average credit period on trade and construction cost payables is 60 days. At 31 December 2025, the amount of retention payables expected to be settled after more than one year is approximately RMB5,010,842,000 (2024 restated: RMB3,626,432,000).

Trade payables, other payables and accruals are denominated in the following currencies:

	2025 RMB'000	2024 RMB'000 (restated)
HK\$	18,794,365	16,722,398
RMB	75,880,459	75,695,864
MOP	1,749,080	1,646,733
US\$	15,075	14,111
Others	8,288	40,121
	96,447,267	94,119,227



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

38. BANK BORROWINGS

	2025 RMB'000	2024 RMB'000 (restated)
Bank borrowings, secured	10,879,847	10,132,988
Bank borrowings, unsecured	61,278,115	57,943,244
	72,157,962	68,076,232
Less: Current portion	(15,096,365)	(13,295,756)
Non-current portion	57,061,597	54,780,476
Carrying amount repayable:		
Within one year or on demand	15,096,365	13,295,756
More than one year but not exceeding two years	19,483,463	21,092,129
More than two years but not more than five years	33,571,190	25,334,618
More than five years	4,006,944	8,353,729
	72,157,962	68,076,232

The fair values of bank borrowings approximate their carrying amounts as the impact of discounting is not significant.

The secured bank borrowings are secured by leasehold land included in right-of-use assets, investment properties, interests in infrastructure project investments, properties under development, properties held for sale and trade receivables (2024: interests in infrastructure project investments, properties held for sale and trade receivables). The unsecured bank borrowings included the bank borrowings with financial covenants which are required to be fulfilled by the Group to the banks.

Bank borrowings are denominated in the following currencies:

	2025 RMB'000	2024 RMB'000 (restated)
HK\$	13,077,735	13,680,615
RMB	59,069,324	54,395,617
Singapore Dollar ("SGD")	10,903	—
	72,157,962	68,076,232

The effective interest rates of bank borrowings are as follows:

	2025			2024		
	HK\$ %	RMB %	SGD %	HK\$ %	RMB %	SGD %
Bank borrowings, secured	—	2.99	—	—	3.74	—
Bank borrowings, unsecured	3.34	2.43	1.96	4.99	3.02	—

Certain bank borrowings of RMB10,374,208,000 (2024 restated: RMB10,058,088,000) which were classified as non-current liabilities as at the end of the reporting period is subject to covenants including leverage ratios, gearing ratios and minimum net assets requirements with respective applicable test dates on 31 December of each year until maturity. The Group considers there is no indication that it will have difficulties in complying with these covenants.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

39. LOAN FROM A FELLOW SUBSIDIARY

As at 31 December 2025, the loans from a fellow subsidiary is unsecured, carrying interest ranging from 2.11% to 2.25% (2024: 4.22%) per annum and repayable within a year. The balance is denominated in RMB (2024: HK\$).

40. SHARE CAPITAL

	Number of shares	Amount RMB'000	Amount HK\$'000
Authorised:			
Ordinary shares of HK\$0.025 each	60,000,000,000	1,590,000	1,500,000
Issued and paid up:			
At 1 January 2024, 31 December 2024 and 1 January 2025 (restated)	5,037,616,668	118,098	125,940
Issuance of ordinary shares on share subscription (Note)	244,600,000	5,706	6,115
At 31 December 2025	5,282,216,668	123,804	132,055

Note:

On 11 March 2025, the Company entered into a subscription agreement with an independent third party (the "Subscriber"), pursuant to which the Company agreed to issue, in pursuant to the General Mandate, and the Subscriber agreed to subscribe, an aggregate of 244,600,000 shares of the Company at a subscription price of HK\$12.26 per share for an aggregate cash consideration of HK\$2,998,796,000 (equivalent to RMB2,797,877,000) (the "2025 Subscription"). The 2025 Subscription was completed on 14 March 2025. The cash proceeds were credited to share capital and share premium account of RMB5,706,000 and RMB2,792,171,000, respectively. The new shares rank pari passu with the then existing shares in all respects.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

41. SHARE PREMIUM AND RESERVES

	Share premium RMB'000 (restated)	Special reserve RMB'000 (restated) (Note (a))	Capital redemption reserve RMB'000 (restated) (Note (b))	Investment revaluation reserve RMB'000 (restated)	Translation reserve RMB'000 (restated)	Statutory reserve RMB'000 (restated) (Note (c))	Retained profits RMB'000 (restated) (Note (d))	Total RMB'000 (restated)
At 1 January 2024	17,374,775	(5,265,794)	300	128,956	(443,246)	1,950,390	42,384,849	56,130,230
Profit for the year	—	—	—	—	—	—	8,565,331	8,565,331
Gain on fair value changes of debt securities at FVOCI	—	—	—	4,551	—	—	—	4,551
Exchange differences on translation of subsidiaries	—	—	—	—	(141,932)	—	—	(141,932)
Exchange differences on translation of joint ventures	—	—	—	—	11,212	—	—	11,212
Exchange differences on translation of associates	—	—	—	—	20,450	—	—	20,450
Remeasurement loss on defined benefit obligations (Note 44)	—	—	—	—	—	—	(4,667)	(4,667)
Total comprehensive income/ (loss) for the year	—	—	—	4,551	(110,270)	—	8,560,664	8,454,945
Capital contribution relating to share-based payment borne by an intermediate holding company (Note 45)	—	6,564	—	—	—	—	—	6,564
Cancellation of incentive shares (Note 45)	—	(20,548)	—	—	—	—	20,548	—
2023 final dividend paid	—	—	—	—	—	—	(1,339,097)	(1,339,097)
2024 interim dividend paid	—	—	—	—	—	—	(1,515,124)	(1,515,124)
Transfer from special reserve	—	(46,579)	—	—	—	—	46,232	(347)
Transfer to statutory reserve	—	—	—	—	—	1,097,283	(1,097,283)	—
Unclaimed dividends forfeited	—	—	—	—	—	—	100	100
Transfer to retained earnings due to reclassification of equity security at FVOCI	—	—	—	(93,145)	—	—	93,145	—
Total transactions with owners, recognised directly in equity	—	(60,563)	—	(93,145)	—	1,097,283	(3,791,479)	(2,847,904)
At 31 December 2024	17,374,775	(5,326,357)	300	40,362	(553,516)	3,047,673	47,154,034	61,737,271

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

41. SHARE PREMIUM AND RESERVES (continued)

	Share premium RMB'000	Special reserve RMB'000 (Note (a))	Capital redemption reserve RMB'000 (Note (b))	Investment revaluation reserve RMB'000	Translation reserve RMB'000	Statutory reserve RMB'000 (Note (c))	Retained profits RMB'000 (Note (d))	Total RMB'000
At 1 January 2025 (restated)	17,374,775	(5,326,357)	300	40,362	(553,516)	3,047,673	47,154,034	61,737,271
Profit for the year	—	—	—	—	—	—	8,588,443	8,588,443
Gain on fair value changes of debt securities at FVOCI	—	—	—	5,304	—	—	—	5,304
Release of investment revaluation reserve to consolidated income statement upon disposal of debt securities at FVOCI	—	—	—	(2,675)	—	—	—	(2,675)
Exchange differences on translation of subsidiaries	—	—	—	—	237,680	—	—	237,680
Exchange differences on translation of joint ventures	—	—	—	—	1,996	—	—	1,996
Exchange differences on translation of associates	—	—	—	—	(36,005)	—	—	(36,005)
Remeasurement loss on defined benefit obligations (Note 44)	—	—	—	—	—	—	(5,433)	(5,433)
Total comprehensive income/ (loss) for the year	—	—	—	2,629	203,671	—	8,583,010	8,789,310
Issuance of ordinary shares	2,792,171	—	—	—	—	—	—	2,792,171
Cancellation of incentive shares (Note 45)	—	(5,781)	—	—	—	—	5,781	—
Change in shareholding in a subsidiary after share repurchased	—	282	—	—	—	—	—	282
2024 final dividend paid	—	—	—	—	—	—	(1,398,546)	(1,398,546)
2025 interim dividend paid	—	—	—	—	—	—	(1,648,685)	(1,648,685)
Transfer from special reserve	—	(46,877)	—	—	—	—	53,802	6,925
Transfer to statutory reserve	—	—	—	—	—	1,010,613	(1,010,613)	—
Total transactions with owners, recognised directly in equity	2,792,171	(52,376)	—	—	—	1,010,613	(3,998,261)	(247,853)
At 31 December 2025	20,166,946	(5,378,733)	300	42,991	(349,845)	4,058,286	51,738,783	70,278,728



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

41. SHARE PREMIUM AND RESERVES (continued)

Notes:

- (a) Special reserve mainly represents merger reserve arose from business combinations under common control, reserve arose from the changes in shareholding of subsidiaries, capital contribution relating to share-based payment borne by an intermediate holding company, work safety funds and insurance general reserve.
- (b) Capital redemption reserve represents the amount by which the Company's issued share capital was diminished on cancellation of ordinary shares repurchased.
- (c) Statutory reserve of the Group represents a general and development fund reserve applicable to the overseas and Chinese mainland subsidiaries which were established in accordance with the relevant regulations.
- (d) Included in retained profits as at 31 December 2025 is the proposed 2025 final dividend of approximately RMB1,354,889,000 (2024 restated: RMB1,398,546,000).

42. PERPETUAL CAPITAL SECURITIES

On 9 June 2021, a subsidiary of the Group issued US\$500,000,000 3.4% subordinated perpetual capital securities (the "2021 Perpetual Capital Securities"). The 2021 Perpetual Capital Securities do not have maturity dates and the distribution payments can be deferred at the discretion of either the subsidiary or the Company. Therefore, the 2021 Perpetual Capital Securities are classified as equity instruments and recorded in equity in the consolidated statement of financial position. When the subsidiary or the Company elects to declare dividends to their shareholders, the Group shall make distributions to the holders of 2021 Perpetual Capital Securities at the distribution rates as defined in the subscription agreements.

On 16 November 2023, a subsidiary of the Group issued RMB2,000,000,000 3.50% perpetual medium term notes (the "2023 Perpetual Medium Term Notes"). The 2023 Perpetual Medium Term Notes have a maturity of 3+N years and the distribution payments can be deferred at the discretion of either the subsidiary or the Company. Therefore, the 2023 Perpetual Medium Term Notes are classified as equity instruments and recorded in equity in the consolidated statement of financial position. When the subsidiary or the Company elects to declare dividends to their shareholders, the Group shall make distributions to the holders of 2023 Perpetual Medium Term Notes at the distribution rates as defined in the subscription agreements.

On 24 September 2024, a subsidiary of the Group issued RMB1,500,000,000 2.29% perpetual medium term notes (the "2024 Perpetual Medium Term Notes"). The 2024 Perpetual Medium Term Notes have a maturity of 3+N years and the distribution payments can be deferred at the discretion of either the subsidiary or the Company. Therefore, the 2024 Perpetual Medium Term Notes are classified as equity instruments and recorded in equity in the consolidated statement of financial position. When the subsidiary or the Company elects to declare dividends to their shareholders, the Group shall make distributions to the holders of 2024 Perpetual Medium Term Notes at the distribution rates as defined in the subscription agreements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

43. GUARANTEED NOTES PAYABLE AND CORPORATE BONDS

	Notes	2025 RMB'000	2024 RMB'000 (restated)
US\$250,000,000 3.875% guaranteed notes	(a)	1,752,058	1,808,958
RMB960,000,000 2.98% corporate bonds	(b)	—	960,000
RMB1,500,000,000 3.09% corporate bonds	(c)	—	1,500,000
RMB1,040,000,000 2.70% corporate bonds	(d)	—	1,040,000
RMB1,100,000,000 2.88% corporate bonds	(e)	1,099,759	1,099,390
RMB2,000,000,000 2.84% corporate bonds	(f)	1,998,703	1,998,316
RMB900,000,000 2.54% corporate bonds	(g)	899,393	899,218
RMB2,000,000,000 2.30% corporate bonds	(h)	1,998,559	1,998,172
RMB1,500,000,000 2.12% corporate bonds	(i)	1,499,035	1,498,544
RMB2,000,000,000 1.83% corporate bonds	(j)	1,998,631	—
RMB2,000,000,000 1.81% corporate bonds	(k)	1,998,256	—
		13,244,394	12,802,598
Less: Current portion		(1,099,759)	(2,460,000)
Non-current portion		12,144,635	10,342,598

Notes:

- (a) In November 2017, a subsidiary of the Company issued guaranteed notes with an aggregate principal amount of US\$250,000,000 (the "2017 Notes"). The 2017 Notes bear fixed interest at the rate of 3.875% per annum payable semi-annually, are unconditionally and irrevocably guaranteed by the Company. The 2017 Notes shall become immediately due and payable in the event of the failure to perform or observe certain conditions set out in the trust deed which includes, inter alia, the negative pledge given by the Company and the said subsidiary. The 2017 Notes will mature on 29 November 2027 at the principal amount. The fair value of the 2017 Notes at 31 December 2025 was estimated at approximately RMB1,743,628,000 (2024 restated: RMB1,753,818,000), which was determined based on the closing market price of the 2017 Notes at that date and is within level 1 of the fair value hierarchy.
- (b) On 2 April 2022, a subsidiary of the Company completed its public issuance of medium term notes (first phase) with a principal amount of RMB960,000,000 (the "2022 Bonds I") in Chinese mainland. The 2022 Bonds I have a maturity of 3 years and the coupon rate is 2.98% per annum. The 2022 Bonds I were listed on the China Inter-bank Bond Market. The 2022 Bonds I were matured and fully repaid on 2 April 2025 at the principal amount. The fair value of the 2022 Bonds I at 31 December 2024 was estimated at approximately RMB963,062,000 (restated), which was determined based on the closing market price of the 2022 Bonds I at that date and was within level 1 of the fair value hierarchy.
- (c) On 27 April 2022, a subsidiary of the Company completed its public issuance of medium term notes (second phase) with a principal amount of RMB1,500,000,000 (the "2022 Bonds II") in Chinese mainland. The 2022 Bonds II have a maturity of 3 years and the coupon rate is 3.09% per annum. The 2022 Bonds II were listed on the China Inter-bank Bond Market. The 2022 Bonds II were matured and fully repaid on 27 April 2025 at the principal amount. The fair value of the 2022 Bonds II at 31 December 2024 was estimated at approximately RMB1,506,300,000 (restated), which was determined based on the closing market price of the 2022 Bonds II at that date and was within level 1 of the fair value hierarchy.
- (d) On 19 August 2022, a subsidiary of the Company completed its public issuance of medium term notes (third phase) with a principal amount of RMB1,040,000,000 (the "2022 Bonds III") in Chinese mainland. The 2022 Bonds III have a maturity of 3 years and the coupon rate is 2.70% per annum. The 2022 Bonds III were listed on the China Inter-bank Bond Market. The 2022 Bonds III were matured and fully repaid on 19 August 2025 at the principal amount. The fair value of the 2022 Bonds III at 31 December 2024 was estimated at approximately RMB1,046,115,000 (restated), which was determined based on the closing market price of the 2022 Bonds III at that date and was within level 1 of the fair value hierarchy.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

43. GUARANTEED NOTES PAYABLE AND CORPORATE BONDS (continued)

Notes: (continued)

- (e) On 21 August 2023, a subsidiary of the Company completed its public issuance of medium term notes (first phase) with a principal amount of RMB1,100,000,000 (the "2023 Bonds") in Chinese mainland. The 2023 Bonds have a maturity of 3 years and the coupon rate is 2.88% per annum. The 2023 Bonds were listed on the Shenzhen Stock Exchange. The 2023 Bonds will mature on 22 August 2026 at the principal amount. The fair value of the 2023 Bonds at 31 December 2025 was estimated at approximately RMB1,107,807,000 (2024 restated: RMB1,117,490,000), which was determined based on the closing market price of the 2023 Bonds at that date and is within level 1 of the fair value hierarchy.
- (f) On 28 February 2024, a subsidiary of the Company completed its public issuance of medium term notes (first phase) with a principal amount of RMB2,000,000,000 (the "2024 Bonds I") in Chinese mainland. The 2024 Bonds I have a maturity of 5 years and the coupon rate is 2.84% per annum. The 2024 Bonds I were listed on the China Inter-bank Bond Market. The 2024 Bonds I will mature on 28 February 2029 at the principal amount. The fair value of the 2024 Bonds I at 31 December 2025 was estimated at approximately RMB2,041,940,000 (2024 restated: RMB2,066,920,000), which was determined based on the closing market price of the 2024 Bonds I at that date and is within level 1 of the fair value hierarchy.
- (g) On 24 April 2024, a subsidiary of the Company completed its public issuance of corporate bonds (first phase) with a principal amount of RMB900,000,000 (the "2024 Bonds II") in Chinese mainland. The 2024 Bonds II have a maturity of 5 years and the coupon rate is 2.54% per annum. The 2024 Bonds II were listed on the Shenzhen Stock Exchange. The 2024 Bonds II will mature on 24 April 2029 at the principal amount. The fair value of the 2024 Bonds II at 31 December 2025 was estimated at approximately RMB919,431,000 (2024 restated: RMB907,101,000), which was determined based on the closing market price of the 2024 Bonds II at that date and is within level 1 of the fair value hierarchy.
- (h) On 17 July 2024, a subsidiary of the Company completed its public issuance of medium term notes (second phase) with a principal amount of RMB2,000,000,000 (the "2024 Bonds III") in Chinese mainland. The 2024 Bonds III have a maturity of 5 years and the coupon rate is 2.30% per annum. The 2024 Bonds III were listed on the China Inter-bank Bond Market. The 2024 Bonds III will mature on 19 July 2029 at the principal amount. The fair value of the 2024 Bonds III at 31 December 2025 was estimated at approximately RMB2,008,040,000 (2024 restated: RMB2,025,720,000), which was determined based on the closing market price of the 2024 Bonds III at that date and is within level 1 of the fair value hierarchy.
- (i) On 27 November 2024, a subsidiary of the Company completed its public issuance of medium term notes (fourth phase) with a principal amount of RMB1,500,000,000 (the "2024 Bonds IV") in Chinese mainland. The 2024 Bonds IV have a maturity of 3 years and the coupon rate is 2.12% per annum. The 2024 Bonds IV were listed on the China Inter-bank Bond Market. The 2024 Bonds IV will mature on 29 November 2027 at the principal amount. The fair value of the 2024 Bonds IV at 31 December 2025 was estimated at approximately RMB1,507,215,000 (2024 restated: RMB1,510,860,000), which was determined based on the closing market price of the 2024 Bonds IV at that date and is within level 1 of the fair value hierarchy.
- (j) On 10 January 2025, a subsidiary of the Company completed its public issuance of medium term notes (first phase) with a principal amount of RMB2,000,000,000 (the "2025 Bonds I") in Chinese mainland. The 2025 Bonds I have a maturity of 3 years and the coupon rate is 1.83% per annum. The 2025 Bonds I were listed on the China Inter-bank Bond Market. The 2025 Bonds I will mature on 14 January 2028 at the principal amount. The fair value of the 2025 Bonds I at 31 December 2025 was estimated at approximately RMB2,029,518,000, which was determined based on the closing market price of the 2025 Bonds I at that date and is within level 1 of the fair value hierarchy.
- (k) On 8 August 2025, a subsidiary of the Company completed its public issuance of medium term notes (second phase) with a principal amount of RMB2,000,000,000 (the "2025 Bonds II") in Chinese mainland. The 2025 Bonds II have a maturity of 3 years and the coupon rate is 1.81% per annum. The 2025 Bonds II were listed on the China Inter-bank Bond Market. The 2025 Bonds II will mature on 11 August 2028 at the principal amount. The fair value of the 2025 Bonds II at 31 December 2025 was estimated at approximately RMB2,002,838,000, which was determined based on the closing market price of the 2025 Bonds II at that date and is within level 1 of the fair value hierarchy.
- (l) On 23 October 2024, a subsidiary of the Company completed its public issuance of super short-term commercial papers with a principal amount of RMB1,000,000,000 (the "2024 Commercial Papers") in Chinese mainland. The 2024 Commercial Papers have a maturity of 60 days and the coupon rate is 1.94% per annum. The 2024 Commercial Papers were listed on the China Inter-bank Bond Market. The 2024 Commercial Papers were matured and fully repaid on 23 December 2024 at the principal amount.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

43. GUARANTEED NOTES PAYABLE AND CORPORATE BONDS (continued)

Notes: (continued)

- (m) On 9 January 2025, a subsidiary of the Company completed its public issuance of super short-term commercial papers with a principal amount of RMB1,000,000,000 (the "2025 Commercial Papers I") in Chinese mainland. The 2025 Commercial Papers I have a maturity of 77 days and the coupon rate is 1.67% per annum. The 2025 Commercial Papers I were listed on the China Inter-bank Bond Market. The 2025 Commercial Papers I were matured and fully repaid on 28 March 2025 at the principal amount.
- (n) On 29 May 2025, a subsidiary of the Company completed its public issuance of super short-term commercial papers with a principal amount of RMB1,000,000,000 (the "2025 Commercial Papers II") in Chinese mainland. The 2025 Commercial Papers II have a maturity of 119 days and the coupon rate is 1.64% per annum. The 2025 Commercial Papers II were listed on the China Inter-bank Bond Market. The 2025 Commercial Papers II were matured and fully repaid on 26 September 2025 at the principal amount.
- (o) On 30 May 2025, a subsidiary of the Company completed its public issuance of super short-term commercial papers with a principal amount of RMB1,500,000,000 (the "2025 Commercial Papers III") in Chinese mainland. The 2025 Commercial Papers III have a maturity of 119 days and the coupon rate is 1.64% per annum. The 2025 Commercial Papers III were listed on the China Inter-bank Bond Market. The 2025 Commercial Papers III were matured and fully repaid on 26 September 2025 at the principal amount.
- (p) On 16 July 2025, a subsidiary of the Company completed its public issuance of super short-term commercial papers with a principal amount of RMB1,000,000,000 (the "2025 Commercial Papers IV") in Chinese mainland. The 2025 Commercial Papers IV have a maturity of 166 days and the coupon rate is 1.50% per annum. The 2025 Commercial Papers IV were listed on the China Inter-bank Bond Market. The 2025 Commercial Papers IV were matured and fully repaid on 30 December 2025 at the principal amount.
- (q) On 17 September 2025, a subsidiary of the Company completed its public issuance of super short-term commercial papers with a principal amount of RMB1,000,000,000 (the "2025 Commercial Papers V") in Chinese mainland. The 2025 Commercial Papers V have a maturity of 71 days and the coupon rate is 1.53% per annum. The 2025 Commercial Papers V were listed on the China Inter-bank Bond Market. The 2025 Commercial Papers V were matured and fully repaid on 28 November 2025 at the principal amount.
- (r) On 18 September 2025, a subsidiary of the Company completed its public issuance of super short-term commercial papers with a principal amount of RMB2,000,000,000 (the "2025 Commercial Papers VI") in Chinese mainland. The 2025 Commercial Papers VI have a maturity of 70 days and the coupon rate is 1.53% per annum. The 2025 Commercial Papers VI were listed on the China Inter-bank Bond Market. The 2025 Commercial Papers VI were matured and fully repaid on 28 November 2025 at the principal amount.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

44. DEFINED BENEFIT OBLIGATIONS

Long service payment

The Group is obligated to pay long service payment to qualifying employees in Hong Kong with a minimum of 5 years employment period upon retirement or termination of employment under certain circumstances, in accordance with the Hong Kong Employment Ordinance (the "Employment Ordinance"). Long service payment is calculated based on the last monthly salary of the employees and the number of years of service. There are provisions under the Employment Ordinance permitting employers to offset employees' long service payment against the accrued benefits attributable to employer's contributions to the MPF Scheme. In 2022, the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Bill 2022 (the "Amendment Bill") was enacted, such that the Company can no longer use accrued benefits arising from MPF mandatory employer contributions to offset employees' long service payment accrued as from the transition date in 2025. The enactment of the Amendment Bill is treated as a plan amendment. Except for the statutory right to offset as described above, the long service payment benefits are unfunded.

The liability recognised in the consolidated statement of financial position in respect of long service payment is the net obligation, representing the present value of the future long service payment benefits reduced by entitlements from accrued benefits arising from MPF contributions made by the Group.

The net long service payment obligation is exposed to interest rate risk, the risk of changes in the longevity at retirement or termination of employment for the Group's employees, expected rate of future salary increase and market risk associated with investment returns of employees' MPF Scheme.

The present value of the net defined benefit obligations was carried out on 31 December 2025 by Towers Watson Hong Kong Limited, an independent qualified professional valuer, using the projected unit credit actuarial valuation method.

The principal actuarial assumptions used as at the end of the reporting period are as follows:

	2025	2024
Discount rate (%)	2.8	3.6
Expected rate of salary increases (%)	4.0	4.0

Movements in the present value of the net defined benefit obligations are as follows:

	2025 RMB'000	2024 RMB'000 (restated)
At 1 January	28,037	21,388
Service cost	5,993	5,017
Interest cost	906	677
Benefit paid	(4,782)	(4,330)
Remeasurements	5,433	4,667
Exchange adjustments	(1,053)	618
At 31 December	34,534	28,037

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

45. SHARE-BASED PAYMENTS

Pursuant to the A-shares Restricted Stock Incentive Plan (Phase IV) (the "Incentive Plan (Phase IV)") of CSCECL, a total of 34,620,000 incentive shares and 5,490,000 incentive shares were granted to certain employees of the Company (including three directors and certain senior management) on 23 December 2020 and 23 December 2021 (collectively, the "Grant Dates (Phase IV)"), respectively, with an exercise price of RMB3.060 per share. The incentive shares granted are subject to a lock-up period of two years' service from each of the Grant Dates (Phase IV) (the "Lock-Up Periods (Phase IV)"). During the Lock-Up Periods (Phase IV), the incentive shares are not transferable, nor subject to any guarantee, indemnity or pledge. One-third of the awards are vested each year starting from the beginning of the third year on a time-apportionment basis since each of the Grant Dates (Phase IV). Subject to CSCECL's achievement of performance conditions and individual's key performance indicators, the restriction over these shares will be removed, otherwise, CSCECL has a constructive obligation to repurchase the ordinary shares in cash if the performance conditions of CSCECL or the individual's key performance indicators are not achieved.

The fair value of incentive shares on the Grant Dates (Phase IV) determined using a comparable generally accepted methodology was RMB1.94 per share. The significant inputs into the methodology include closing price of RMB5 per share on the Grant Dates (Phase IV), exercise price of RMB3.060 per share and share-based payments cap at 30% or 40% of respective two years' employees remuneration.

From the Grant Dates (Phase IV) up to 31 December 2023, 13,810,000 incentive shares were exercised, in aggregate, in accordance with the Incentive Plan (Phase IV) and 720,000 incentive shares lapsed, in aggregate, due to transfer or resignation of directors and employees. No incentive shares were cancelled during this period.

22,600,000 and 2,980,000 incentive shares were cancelled in 2024 and 2025, respectively, in accordance with the Incentive Plan (Phase IV).



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

46. ACQUISITION OF SUBSIDIARIES

Hong Kong

The Group previously held 31.5% interests in a group of entities and classified as interests in associates. During the year, all the existing shareholders authorised the Group to vote at the board meeting on behalf. Pursuant to the delegation of voting rights, the Group continues to hold 31.5% interests in these entities but will be the key decision maker. Consequently, the Group deemed to have control and consolidated these entities.

On the acquisition date, there were no other material assets and liabilities other than those disclosed in the table below.

	RMB'000
Net assets acquired:	
Property, plant and equipment	173,294
Right-of-use assets	6,462
Interests in joint ventures	579
Financial assets at fair value through other comprehensive income	2,306
Deferred tax assets	1,279
Inventories	2,361
Trade and other receivables	153,259
Amounts due from joint ventures	58,442
Amounts due from related companies	10,938
Loan to an associate	1,345
Loan receivables	37,004
Bank balances and cash	125,031
Trade payables, other payables and accruals	(233,840)
Amounts due to related companies	(8,275)
Bank borrowings	(49,500)
Deferred tax liabilities	(20,854)
Tax payables	(24,257)
	235,574
Non-controlling interests	(138,112)
	97,462
Satisfied by:	
Interests in associates	97,462

An analysis of the net cash and cash equivalents in respect of the acquisition of subsidiaries is as follows:

	RMB'000
Bank balances and cash acquired and net inflow of cash and cash equivalents included in cash flows related to investing activities	125,031

Since the acquisition, the entity contributed RMB310,806,000 to the Group's revenue and RMB70,394,000 to the consolidated profit for the year ended 31 December 2025.

Had the combination taken place at the beginning of the period, the revenue from continuing operations of the Group and the profit of the Group for the year ended 31 December 2025 would have been RMB597,768,000 and RMB83,814,000, respectively.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

46. ACQUISITION OF SUBSIDIARIES (continued)

Chinese mainland

The Group also acquired the following subsidiaries during the year ended 31 December 2025 :

Name of subsidiaries acquired	Equity interest acquired	Month of acquisition
廣東海朝科技產業發展有限公司	81%	May 2025
重慶中建海龍兩江建築科技有限公司	100%	December 2025

On the acquisition date, there were no other material assets and liabilities other than those disclosed in the table below.

	RMB'000
Net assets acquired:	
Property, plant and equipment	130,756
Right-of-use assets	85,175
Deferred tax assets	6,076
Inventories	20,896
Properties held for sale	610,505
Trade and other receivables	62,488
Deposits and prepayments	182
Bank balances and cash	161,178
Trade payables, other payables and accruals	(289,958)
Bank borrowings	(506,856)
Deferred tax liabilities	(37,542)
Tax payables	(23,645)
	219,255
Non-controlling interests	(40,202)
Gain on acquisition of a subsidiary	(23,068)
	155,985
Satisfied by:	
Cash consideration	71,140
Interests in joint ventures	84,845
	155,985

An analysis of the net cash and cash equivalents in respect of the acquisition of subsidiaries is as follows:

	RMB'000
Cash consideration	(71,140)
Bank balances and cash acquired	161,178
Net inflow of cash and cash equivalents included in cash flows related to investing activities	90,038



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

47. CASH FLOW INFORMATION

Reconciliation of liabilities arising from financing activities

	Liabilities from financing activities					
	Guaranteed notes payable and corporate bonds	Lease liabilities	Loan from a fellow subsidiary	Loan from a joint venture	Bank borrowings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024 (restated)	8,863,801	209,925	600,000	2,400,000	61,585,520	73,659,246
Cash flows (restated)	3,893,703	(159,278)	(352,950)	(2,400,000)	6,997,159	7,978,634
Exchange adjustments (restated)	42,678	(5,495)	4,050	—	276,936	318,169
Other non-cash movements (restated)	2,416	261,031	—	—	(783,383)	(519,936)
At 31 December 2024 and 1 January 2025 (restated)	12,802,598	306,183	251,100	—	68,076,232	81,436,113
Cash flows	500,000	(208,537)	(92,860)	—	3,962,770	4,161,373
Acquisition of subsidiaries	—	—	—	—	556,356	556,356
Exchange adjustments	(58,383)	(2,138)	(3,240)	—	(437,396)	(501,157)
Other non-cash movements	179	218,720	—	—	—	218,899
At 31 December 2025	13,244,394	314,228	155,000	—	72,157,962	85,871,584

48. CONTINGENT LIABILITIES

As at 31 December 2025, the Group provided guarantees amounted to approximately RMB760,811,000 (2024 restated: RMB721,151,000) for the repayment of the mortgage bank loans granted to purchasers of the Group's properties.

The fair value of the guarantees is not significant and the directors of the Company consider that in the event of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalties and therefore no provision has been made in these consolidated financial statements for the guarantees.

49. OPERATING LEASE ARRANGEMENTS

The Group as lessor

The Group leases its investment properties under operating lease arrangements. All of the properties leased out have committed tenants for the next 1 to 11 years (2024: 1 to 10 years) without termination options granted to tenants.

At 31 December 2025 and 2024, the Group had contracted with tenants for the following future minimum lease payments:

	2025 RMB'000	2024 RMB'000 (restated)
Within one year	111,364	77,987
After one year but within two years	77,390	48,565
After two years but within three years	48,593	26,230
After three years but within four years	35,417	15,646
After four years but within five years	26,016	15,413
After five years	57,162	29,539
	355,942	213,380

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

50. COMMITMENTS

At 31 December 2025 and 2024, the Group has the following commitments contracted but not provided for in the consolidated financial statements:

	2025 RMB'000	2024 RMB'000 (restated)
Contracted but not provided for		
— construction in progress for property, plant and equipment	10,602	30,502

For unpaid committed investments relating to the Group's interests in joint ventures, please refer to note 20(a) for details.

51. RELATED PARTY TRANSACTIONS

(a) Transactions

Apart from the balances due from or to related parties detailed elsewhere in the consolidated financial statements, the Group entered into the following material transactions with the immediate holding company, an intermediate holding company, fellow subsidiaries, a related company, associates and joint ventures during the year:

	2025 RMB'000	2024 RMB'000 (restated)
Fellow subsidiaries		
Rental income	7,590	7,785
Rental expenses	360	1,453
Security service payments	18,971	18,281
Revenue from construction contracts	490,190	854,813
Project consultancy service income	1,787	16,931
Construction costs	5,122,086	4,043,323
Revenue from connection service	11,638	11,638
Insurance premium income	1,285	1,246
Interest income on debt securities at FVOCI	2,648	2,639
Interest income on deposits	860	2,056
Interest expenses	2,053	9,633
Management fee income	183	7,388
Management fee expenses	9,672	4,473
Sales of building materials	4,195	—
Purchase of construction materials	374,865	29,237
Associates		
Purchase of construction materials	195,854	341,279
Revenue from construction contracts	264,565	515,687
Project consultancy service income	664	3,656



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

51. RELATED PARTY TRANSACTIONS (continued)

(a) Transactions (continued)

	2025 RMB'000	2024 RMB'000 (restated)
Joint ventures		
Revenue from construction contracts	760,785	1,696,238
Interest income	6,754	17,044
Interest expenses	—	34,601
Immediate holding company		
Insurance premium income	2,211	2,018
Intermediate holding company		
Revenue from construction contracts	20,324	145,866
Related company		
Revenue from construction contracts	6,581	2,086
Project consultancy service income	6,080	11,008

(b) Significant transactions with other government-related entities in Chinese mainland

Certain of the Group's business are operated in an economic environment currently predominated by entities directly or indirectly owned, controlled or significantly influenced by the PRC government. In addition, the Group itself is part of a larger group of companies under CSCEC which is controlled by the PRC government.

Apart from transactions with its immediate holding company, intermediate holding company, fellow subsidiaries, related company, associates and joint ventures of the Group, the Group has entered into transactions with other government-related entities including but not limited to the following:

- Revenue from construction contract
- Investment income
- Finance costs

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not government-related.

Certain of the Company's subsidiaries had entered into various transactions with government-related entities, including general banking facilities transactions with certain banks and financial institutions which are government-related entities, in their ordinary course of business. In view of the nature of those banking transactions, the directors are of the opinion that separate disclosure would not be meaningful.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

51. RELATED PARTY TRANSACTIONS (continued)

(c) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2025 RMB'000	2024 RMB'000 (restated)
Short-term benefits	34,611	41,160
Post-employment benefits	222	257
	34,833	41,417

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Apart from transactions with associates and joint ventures, certain related party transactions also constitute connected transactions or continuing connected transactions under the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules") for which the disclosure requirements in accordance with Chapter 14A of the Listing Rules had been duly complied with.



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

52. COMPANY STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT

	2025 RMB'000	2024 RMB'000 (restated)
Non-current Assets		
Interests in subsidiaries	20,268,808	13,475,988
Current Assets		
Amounts due from subsidiaries	11,638,963	16,028,538
Bank balances and cash	211,364	61,097
	11,850,327	16,089,635
Current Liabilities		
Other payables	21,604	33,202
Tax payable	73	424
Bank borrowings	3,541,992	3,252,344
Loan from a fellow subsidiary	—	251,100
	3,563,669	3,537,070
Net Current Assets	8,286,658	12,552,565
Total Assets less Current Liabilities	28,555,466	26,028,553
Capital and Reserves		
Share capital	123,804	118,098
Share premium and reserves (Note)	21,391,859	19,018,042
	21,515,663	19,136,140
Non-current Liability		
Bank borrowings	7,039,803	6,892,413
	28,555,466	26,028,553

On behalf of the Board

Zhang Haipeng
Director

Wang Xiaoguang
Director

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

52. COMPANY STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT (continued)

Note:

	Share premium RMB'000	Special reserve RMB'000	Capital redemption reserve RMB'000	Translation reserve RMB'000	Retained profits RMB'000	Total RMB'000
At 1 January 2024 (restated)	17,374,775	31,489	300	1,345,389	212,710	18,964,663
Profit for the year (restated)	—	—	—	—	2,734,380	2,734,380
Exchange differences on translation (restated)	—	—	—	167,049	—	167,049
Total comprehensive income for the year (restated)	—	—	—	167,049	2,734,380	2,901,429
Capital contribution relating to share-based payment borne by an intermediate holding company (restated)	—	6,071	—	—	—	6,071
Cancellation of incentive shares (restated)	—	(20,548)	—	—	20,548	—
2023 final dividend paid (restated)	—	—	—	—	(1,339,097)	(1,339,097)
2024 interim dividend paid (restated)	—	—	—	—	(1,515,124)	(1,515,124)
Unclaimed dividends forfeited (restated)	—	—	—	—	100	100
At 31 December 2024 and 1 January 2025 (restated)	17,374,775	17,012	300	1,512,438	113,517	19,018,042
Profit for the year	—	—	—	—	2,755,269	2,755,269
Exchange differences on translation	—	—	—	(126,392)	—	(126,392)
Total comprehensive income for the year	—	—	—	(126,392)	2,755,269	2,628,877
Issuance of ordinary shares	2,792,171	—	—	—	—	2,792,171
2024 final dividend paid	—	—	—	—	(1,398,546)	(1,398,546)
2025 interim dividend paid	—	—	—	—	(1,648,685)	(1,648,685)
Transfer from special reserve	—	(17,012)	—	—	17,012	—
At 31 December 2025	20,166,946	—	300	1,386,046	(161,433)	21,391,859



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

53. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 December 2025 and 2024 are as follows:

Name of subsidiary	Place of incorporation/ operations	Issued and fully paid up share/registered capital	Attributable equity interest held		Principal activities
			2025 %	2024 %	
Directly held by the Company:					
China Overseas Insurance Limited	Hong Kong	550,000,000 ordinary shares of HK\$550,000,000	100	100	Insurance business
China Overseas Insurance Services Limited	Hong Kong	500,000 ordinary shares of HK\$500,000	100	100	Insurance brokerage services
China State Construction Engineering (Hong Kong) Limited	Hong Kong	2,655,569,190 ordinary shares of HK\$2,655,569,190 and 844,430,810 non-voting deferred shares of HK\$844,430,810	100	100	Building construction, civil and foundation engineering works and investment holding
China State Construction Science and Technology Limited	Hong Kong	100 ordinary shares of HK\$100	100	100	Provision of related installation repairs and maintenance services
Add Treasure Holdings Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
Zetson Enterprises Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
China State Construction Finance (Cayman) I Limited	Cayman Islands/ Hong Kong	1 ordinary share of US\$1	100	100	Issuance of guaranteed notes
CS International Holdings Limited	Hong Kong	1 ordinary share of HK\$1	100	100	Investment holding
China State Construction International Investments Limited	Hong Kong	1 ordinary share of HK\$1	100	100	Investment holding
Ever Power Group Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
China State Construction Finance (Cayman) II Limited	Cayman Islands/ Hong Kong	1 ordinary share of US\$1	100	100	Issuance of guaranteed notes
China State Construction Finance (Cayman) III Limited	Cayman Islands/ Hong Kong	1 ordinary share of US\$1	100	100	Issuance of guaranteed notes
China State Construction Hailong Technology Group Limited	Cayman Islands/ Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
Barkgate Enterprises Limited	BVI/Hong Kong	200 ordinary shares of US\$1 each	100	100	Investment holding
China Construction Engineering (Macau) Company Limited	Macau	MOP300,000,000	100	100	Building construction, civil engineering works and investment holding
Indirectly held by the Company:					
China Overseas Building Construction Limited	Hong Kong	129,999,900 ordinary shares of HK\$1,299,999,000 and 100 non-voting deferred shares of HK\$1,000	100	100	Building construction, project management and investment holding
China Overseas (Hong Kong) Limited	Hong Kong	5,000,000 ordinary shares of HK\$50,000,000	100	100	Investment holding and provision of management services
China State Civil Engineering Limited	Hong Kong	1,999,900 ordinary shares of HK\$19,999,000 and 100 non-voting deferred shares of HK\$1,000	100	100	Civil engineering works, project management and investment holding
China State Foundation Engineering Limited	Hong Kong	249,500,000 ordinary shares of HK\$249,500,000 and 500,000 non-voting deferred shares of HK\$500,000	100	100	Foundation engineering works and project management
China State Machinery Limited	Hong Kong	2 ordinary shares of HK\$2	100	100	Lease of plant and machinery

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

53. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name of subsidiary	Place of incorporation/ operations	Issued and fully paid up share/registered capital	Attributable equity interest held		Principal activities
			2025 %	2024 %	
Indirectly held by the Company: (continued)					
China State Mechanical & Electrical Engineering Limited	Hong Kong	100,000,000 ordinary shares of HK\$100,000,000	100	100	Mechanical and electrical engineering works and project management
CSCEC Trade Mark Limited	Hong Kong	2 ordinary shares of HK\$2	100	100	Holding of trade marks
China Overseas Foundation Engineering Limited	Hong Kong	1 ordinary share of HK\$1	100	100	Property investment
Eastgood Investments Limited	Hong Kong	2 ordinary shares of HK\$2	100	100	Investment holding
China Overseas Mechanical & Electrical Engineering Limited	Hong Kong	100 ordinary shares of HK\$100	100	100	Mechanical and electrical engineering works and project management
Far East Facade (Hong Kong) Limited	Hong Kong	900,000 ordinary shares of HK\$188,952,242 and 5,000 non-voting deferred shares of HK\$500,000	70.79	70.78	Design, manufacture and installation of curtain walls, aluminium windows and other related products
Speedclass Development Limited	Hong Kong	100 ordinary shares of HK\$100	100	100	Project management
Treasure Construction Engineering Limited	Hong Kong	150,000,000 ordinary shares of HK\$150,000,000	70.79	70.78	Building construction
Transcendence Company Limited	Hong Kong	1 ordinary share of HK\$1	100	100	Sales and distribution of construction materials
China Overseas Public Utility Investment Limited	BVI/Hong Kong	1 ordinary share of US\$1	70.79	70.78	Investment holding
China Overseas Ports Investment Company Limited	BVI/Hong Kong	64,100,000 ordinary shares of US\$1 each	100	100	Investment holding
China Overseas Technology Holdings Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
Citycharm Investments Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
China State Hailong Construction Technology Company Limited	Hong Kong	1 ordinary share of HK\$1	100	100	Manufacturing and sales of precast structures
Fuller Sky Enterprises Limited	BVI	1 ordinary share of US\$1	70.79	70.78	Investment holding
Perfect Castle Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
Oceanic Empire Holdings Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
Value Idea Investments Limited	BVI	1 ordinary share of US\$1	70.79	70.78	Investment holding
Weedon International Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
Gamma Windows and Walls International Inc.	Canada	100 common shares of CAD53,362.36 each	66.28	66.27	Design, manufacture and installation of curtain walls, aluminium windows and other related products
China State Construction Development Holdings Limited (iii)	Cayman Islands/ Hong Kong	2,255,045,000 ordinary shares of HK\$0.01 each	70.79	70.78	Investment holding
Alchmex International Construction Limited	United Kingdom/ Hong Kong	20,000,000 ordinary shares of GBP1 each	100	100	Building construction, civil and marine engineering works, project and construction management
Far East Facade (UK) Limited	United Kingdom	1 ordinary share of GBP1	70.79	70.78	Design, manufacture and installation of curtain walls, aluminium windows and other related products
COHL (Macao) Commercial and Industrial Company Limited	Macau	MOP200,000	100	100	Investment holding
CSFE (Macao) Limited	Macau	MOP200,000	100	100	Foundation engineering works
CSME (Macao) Limited	Macau	MOP200,000	100	100	Mechanical and electrical engineering works and investment holding
Far East Facade (Macao) Limited	Macau	MOP25,000	70.79	70.78	Installation of curtain walls, aluminium windows and other related products



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

53. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name of subsidiary	Place of incorporation/ operations	Issued and fully paid up share/registered capital	Attributable equity interest held		Principal activities
			2025 %	2024 %	
Indirectly held by the Company: (continued)					
C.S.H.K. Dubai Contracting L.L.C.	United Arab Emirates	1,000 ordinary shares of AED1,000 each	100	100	Building construction and road contracting
Gamma North Corporation	United States of America	1 share of US\$1	66.28	66.27	Manufacture of curtain walls, aluminium windows and other related products
Gamma USA, Inc.	United States of America	1,000 shares of US\$0.001 each	66.28	66.27	Design, manufacture and installation of curtain walls, aluminium windows and other related products
Precious Deluxe Global Limited	BVI/Hong Kong	1 ordinary share of US\$1	100	100	Investment holding
On Success Development Limited	Hong Kong	10,000 shares of HK\$1 each	100	100	Property investment
Advocate Properties Limited	Hong Kong	10,000,000 shares of HK\$1 each	100	100	Investment holding
中建投資（珠海）有限公司 (i) (ii)	Chinese mainland	HK\$250,000,000	100	100	Property investment and management
瀋陽皇姑熱電有限公司 (i) (ii)	Chinese mainland	RMB680,660,000	70.79	70.78	Generation and supply of heat and electricity and investment holding
中海建築有限公司 (i) (ii)	Chinese mainland	RMB350,000,000	100	100	Building construction, civil engineering works and investment holding
中海監理有限公司 (ii)	Chinese mainland	RMB50,000,000	70.79	70.78	Provision of project consultancy service
中海海龍科技有限公司 (i) (ii)	Chinese mainland	RMB100,000,000	100	100	Manufacturing and sales of precast structures
安徽海龍建築工業有限公司 (ii)	Chinese mainland	RMB10,000,000	100	100	Manufacturing and sales of precast structures
山東海龍建築科技有限公司 (ii)	Chinese mainland	RMB30,000,000	100	100	Manufacturing and sales of precast structures
宿州海龍建築科技有限公司 (i) (ii)	Chinese mainland	RMB10,000,000	100	100	Manufacturing and sales of precast structures
中建陽泉基礎設施投資有限公司 (i) (ii)	Chinese mainland	RMB100,000,000	100	100	Infrastructure construction and operation
陽泉市陽五高速公路投資管理有限公司 (ii)	Chinese mainland	RMB202,000,000	100	100	Infrastructure construction and operation
深圳市中建宏達投資有限公司(ii)	Chinese mainland	RMB200,000,000	100	100	Investment holding
深圳市中海投資有限公司 (ii)	Chinese mainland	RMB3,500,000,000	100	100	Investment holding
中海創業投資（深圳）有限公司 (i) (ii)	Chinese mainland	US\$29,800,000	100	100	Investment holding
中建國際投資集團有限公司 (i) (ii)	Chinese mainland	US\$2,768,000,000	100	100	Investment holding
中海物流（深圳）有限公司 (ii)	Chinese mainland	RMB53,437,250	100	100	Property investment
遠東力進幕牆（上海）有限公司 (formerly known as 上海力進鋁質 工程有限公司) (ii)	Chinese mainland	RMB100,000,000	70.79	70.78	Design, manufacture and installation of curtain walls, aluminium windows and other related products
遠東幕牆（深圳）有限公司 (i) (ii)	Chinese mainland	HK\$70,000,000	70.79	70.78	Manufacture of curtain walls, aluminium windows and other related products
遠東綠能科技（廣東）有限公司 (formerly known as 遠東光伏 科技（廣東）有限公司) (i) (ii)	Chinese mainland	RMB50,000,000	70.79	70.78	Manufacture of building-integrated photovoltaics curtain walls and other related products
Far East Facade (Singapore) Pte. Limited	Singapore	2,000,000 ordinary shares of SGD2,000,000	70.79	70.78	Design, manufacture and installation of curtain walls, aluminium windows and other related products
中建興業投資（湖南）有限公司 (i) (ii)	Chinese mainland	RMB200,000,000	70.79	70.78	Investment holding
湖南遠東力進建築工程有限公司 (ii)	Chinese mainland	RMB50,000,000	70.79	70.78	Consultancy and construction service

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

53. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name of subsidiary	Place of incorporation/ operations	Issued and fully paid up share/registered capital	Attributable equity interest held		Principal activities
			2025 %	2024 %	
Indirectly held by the Company: (continued)					
中建國際工程有限公司 (i) (ii)	Chinese mainland	RMB5,000,000,000	100	100	Building construction, civil engineering works and investment holding
廣東海昱建設工程有限公司 (ii)	Chinese mainland	RMB140,000,000	100	100	Infrastructure investment
廣州海旭投資開發有限公司 (ii)	Chinese mainland	RMB50,000,000	100	100	Infrastructure investment
廣州海耀投資開發有限公司 (ii)	Chinese mainland	RMB50,000,000	100	100	Infrastructure investment
合肥中建國際投資發展有限公司(ii)	Chinese mainland	RMB200,000,000	100	100	Infrastructure investment
南京海鑄建設發展有限公司 (i) (ii)	Chinese mainland	RMB730,000,000	100	100	Infrastructure investment
合肥嘉環建設有限公司 (ii)	Chinese mainland	RMB100,000,000	100	100	Infrastructure investment
中建國際投資 (山東) 有限公司 (i) (ii)	Chinese mainland	RMB1,800,000,000	100	100	Infrastructure investment
廣東順德海德開發建設有限公司 (ii)	Chinese mainland	RMB50,000,000	100	100	Infrastructure investment
青島海創建築科技有限公司 (i) (ii)	Chinese mainland	RMB1,445,400,000	100	100	Infrastructure investment
武漢海旭建設有限公司(ii)	Chinese mainland	RMB50,000,000	100	100	Infrastructure investment
溫州海澤建設發展有限公司 (i) (ii)	Chinese mainland	RMB50,000,000	100	100	Infrastructure investment
中建國際投資 (杭州) 有限公司 (i) (ii)	Chinese mainland	RMB813,124,000	100	100	Infrastructure investment
天津海嘉建設發展有限公司 (ii)	Chinese mainland	RMB800,000,000	100	100	Infrastructure investment
濰博海嘉建設有限公司 (i) (ii)	Chinese mainland	RMB1,096,017,398	100	100	Infrastructure investment
中建國際投資 (河南) 有限公司 (i) (ii)	Chinese mainland	RMB200,000,000	100	100	Infrastructure investment
瑞安海銘建設發展有限公司 (i) (ii)	Chinese mainland	RMB240,000,000	100	100	Infrastructure investment
合肥江輝建設有限公司 (ii)	Chinese mainland	RMB10,000,000	99	99	Infrastructure investment
湖州海昱建設有限公司 (i) (ii)	Chinese mainland	RMB10,000,000	90	90	Infrastructure investment
佛山海睿投資開發有限公司 (i) (ii)	Chinese mainland	RMB105,500,000	100	100	Infrastructure investment
長沙海嘉建設有限公司 (ii)	Chinese mainland	RMB692,000,000	90	90	Infrastructure investment
鹽城海勝建設發展有限公司 (i) (ii)	Chinese mainland	RMB734,000,000	100	100	Infrastructure investment
福州海旭建設發展有限公司 (ii)	Chinese mainland	RMB30,000,000	100	100	Infrastructure investment
泰州海鑄置業有限公司 (i) (ii)	Chinese mainland	RMB19,000,000	70	70	Infrastructure investment
廬江海創建設有限公司 (ii)	Chinese mainland	RMB695,011,764	90	90	Infrastructure investment
南昌海博建設有限公司 (ii)	Chinese mainland	RMB100,000,000	95	95	Infrastructure investment
青島海新建築科技有限公司 (i) (ii)	Chinese mainland	RMB710,000,000	100	100	Infrastructure investment
淮安海嘉建設有限公司 (ii)	Chinese mainland	RMB608,810,000	100	100	Infrastructure investment
滁州海嘉同創建設管理有限公司 (ii)	Chinese mainland	RMB588,000,000	69	69	Infrastructure investment
無錫海銘建設發展有限公司 (i) (ii)	Chinese mainland	RMB128,000,000	100	100	Infrastructure investment
合肥江晨建設有限公司 (ii)	Chinese mainland	RMB10,000,000	99	99	Infrastructure investment
福州海勝建設發展有限公司 (ii)	Chinese mainland	RMB20,000,000	100	100	Infrastructure investment
溫州海勝置業有限公司 (ii)	Chinese mainland	RMB50,000,000	100	100	Infrastructure investment
溫州海新建設發展有限公司 (i) (ii)	Chinese mainland	RMB50,000,000	100	100	Infrastructure investment
合肥海泓建設有限公司 (ii)	Chinese mainland	RMB700,000,000	90	90	Infrastructure investment
鄭州海河建設工程有限公司 (i) (ii)	Chinese mainland	RMB200,000,000	100	100	Infrastructure investment
蕪湖海茲建設有限公司 (ii)	Chinese mainland	RMB100,000,000	100	100	Infrastructure investment
廣州海致投資開發有限公司(ii)	Chinese mainland	RMB10,000,000	100	100	Infrastructure investment
溫州海旭建築工程有限公司 (i) (ii)	Chinese mainland	RMB332,500,000	100	100	Infrastructure investment
南京海揚建設發展有限公司 (i) (ii) (iv)	Chinese mainland	RMB338,500,000	100	—	Infrastructure investment
蕪湖海鳴建設有限公司 (i) (ii) (iv)	Chinese mainland	RMB214,400,000	100	—	Infrastructure investment
福清海旭建設發展有限公司 (ii)	Chinese mainland	RMB30,000,000	100	100	Infrastructure investment
合肥海昭建設有限公司 (ii) (iv)	Chinese mainland	RMB950,000,000	90	—	Infrastructure investment
寧波海昱建設有限公司 (ii)	Chinese mainland	RMB360,000,000	100	100	Infrastructure investment
濰坊海悅建設有限公司 (i) (ii)	Chinese mainland	RMB437,029,728	100	100	Infrastructure investment
鄭西海嘉建設有限公司 (i) (ii)	Chinese mainland	RMB100,000,000	75	75	Infrastructure investment
徐州海勝建設發展有限公司 (i) (ii)	Chinese mainland	RMB439,782,000	100	100	Infrastructure investment



Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2025

53. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name of subsidiary	Place of incorporation/ operations	Issued and fully paid up share/registered capital	Attributable equity interest held		Principal activities
			2025 %	2024 %	
Indirectly held by the Company: (continued)					
江門海悅建設有限公司 (ii)	Chinese mainland	RMB100,000,000	99.99	99.99	Infrastructure investment
中海建築（臨沂）有限公司 (i) (ii)	Chinese mainland	RMB368,081,910	100	100	Infrastructure investment
中海海耀建築（煙臺）有限公司 (ii)	Chinese mainland	RMB360,146,284	100	100	Infrastructure investment
蕪湖海宇建設有限公司 (i) (ii)	Chinese mainland	RMB171,400,000	100	100	Infrastructure investment
徐州海銘置業有限公司 (i) (ii)	Chinese mainland	RMB510,950,000	100	100	Infrastructure investment
台州海華建設發展有限公司 (ii)	Chinese mainland	RMB386,001,000	100	100	Infrastructure investment
中建海嘉建設工程有限公司 (ii)	Chinese mainland	RMB130,000,000	100	100	Infrastructure investment
長豐海勝建設有限公司 (ii)	Chinese mainland	RMB200,000,000	100	100	Infrastructure investment
福州海悅建設發展有限公司 (ii)	Chinese mainland	RMB50,000,000	100	100	Infrastructure investment

Notes:

- (i) Registered as foreign owned enterprise
- (ii) Limited liability company registered in Chinese mainland
- (iii) Listed company
- (iv) Incorporated in 2025

None of the subsidiaries had issued any debt securities outstanding at the end of the year or at any time during the year, except for China State Construction Finance (Cayman) II Limited and 中建國際投資集團有限公司, which have issued guaranteed notes payable and corporate bonds of US\$250,000,000 (2024: US\$250,000,000) and RMB11,500,000,000 (2024: RMB11,000,000,000), respectively (Note 43).

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Company's directors, result in particulars of excessive length.

FIVE YEAR FINANCIAL SUMMARY

CONSOLIDATED RESULTS

	For the year ended 31 December				
	2021 RMB'000 (restated)	2022 RMB'000 (restated)	2023 RMB'000 (restated)	2024 RMB'000 (restated)	2025 RMB'000
Revenue	63,857,741	87,596,752	101,678,208	105,322,671	100,448,500
Profit before finance costs	9,004,494	11,305,277	12,840,834	13,959,239	13,578,662
Share of profits of					
Joint ventures	304,998	236,393	563,192	583,499	846,409
Associates	646,600	286,849	281,198	244,813	12,068
Finance costs	(2,203,935)	(2,569,629)	(2,864,652)	(2,948,312)	(2,469,668)
Profit before tax	7,752,157	9,258,890	10,820,572	11,839,239	11,967,471
Income tax expense, net	(1,610,117)	(1,983,621)	(2,137,196)	(2,618,957)	(2,962,098)
Profit for the year	6,142,040	7,275,269	8,683,376	9,220,282	9,005,373
Profit for the year attributable to:					
Owners of the Company	5,617,526	6,834,956	8,192,656	8,565,331	8,588,443
Holders of perpetual capital securities	384,199	254,113	272,481	339,297	228,808
Non-controlling interests	140,315	186,200	218,239	315,654	188,122
	6,142,040	7,275,269	8,683,376	9,220,282	9,005,373



Five Year Financial Summary (continued)

CONSOLIDATED NET ASSETS

	As at 31 December				
	2021 RMB'000 (restated)	2022 RMB'000 (restated)	2023 RMB'000 (restated)	2024 RMB'000 (restated)	2025 RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	4,176,407	4,285,438	5,143,662	5,747,119	6,505,429
Right-of-use assets	450,642	501,622	545,101	645,778	799,497
Investment properties	4,162,500	6,230,639	6,286,855	6,437,453	6,738,116
Interests in infrastructure project investments	4,650,031	4,173,190	3,315,382	3,075,945	3,247,527
Interests in joint ventures	14,931,125	14,758,595	15,359,944	15,713,298	16,344,908
Interests in associates	7,589,947	6,584,682	5,553,626	6,049,544	5,585,917
Concession operating rights	3,073,235	2,928,698	2,784,161	2,639,624	2,411,087
Deferred tax assets	141,096	105,334	111,838	104,379	114,660
Trademark, project backlogs and licences	216,075	208,878	196,233	182,452	164,258
Goodwill	469,063	508,344	524,519	537,228	519,898
Financial assets at fair value through other comprehensive income	563,033	480,380	352,948	227,928	496,307
Amounts due from investee companies	171,986	203,703	201,619	13,632	13,193
Trade and other receivables	44,201,019	46,891,538	50,485,568	50,405,363	53,621,833
Loans to joint ventures	729,788	728,352	1,165,619	999,497	1,021,852
Loan receivables	—	—	—	—	37,530
	85,525,947	88,589,393	92,027,075	92,779,240	97,622,012
CURRENT ASSETS	92,533,006	112,798,719	142,689,067	170,658,642	183,067,287
TOTAL ASSETS	178,058,953	201,388,112	234,716,142	263,437,882	280,689,299
NON-CURRENT LIABILITIES					
Bank borrowings	(38,852,848)	(40,002,342)	(46,589,894)	(54,780,476)	(57,061,597)
Guaranteed notes payables and corporate bonds	(6,573,479)	(7,709,022)	(6,363,801)	(10,342,598)	(12,144,635)
Contract liabilities	(541,690)	(584,230)	(537,057)	(486,414)	(391,481)
Defined benefit obligations	—	—	(21,388)	(28,037)	(34,534)
Deferred tax liabilities	(422,831)	(447,223)	(536,388)	(585,125)	(592,585)
Loan from a joint venture	(2,400,000)	(2,400,000)	—	—	—
Lease liabilities	(47,465)	(98,732)	(106,018)	(181,651)	(203,131)
	(48,838,313)	(51,241,549)	(54,154,546)	(66,404,301)	(70,427,963)
CURRENT LIABILITIES	(75,453,028)	(90,485,684)	(113,117,517)	(125,960,561)	(129,884,261)
TOTAL LIABILITIES	(124,291,341)	(141,727,233)	(167,272,063)	(192,364,862)	(200,312,224)
NET ASSETS	53,767,612	59,660,879	67,444,079	71,073,020	80,377,075

PARTICULARS OF MAJOR INVESTMENT PROPERTIES

Address	Use	Lease term	Approximate gross floor area (sq.ft)	Group's interest %
(a) 11th, 12th and 13th Floors, China Construction Commercial Building, Rua do Campo No: 78, Macau	Commercial	Freehold	11,603	100
(b) 1st, 2nd, 3rd, 13th, 14th, 22nd and 23rd Floors, Zhongjian Commercial Building, Yingbin Road South, Gongbei District, Zhuhai, Guangdong Province, Chinese mainland	Commercial	Medium term lease	60,692	100
(c) Shop A on Ground Floor and Car Parking Spaces, Nos. 1 to 24 on 1st Floor, Fu Po Garden, Estrada Marginal do Hipodromo No: 70-76, Macau	Commercial	Medium term lease	6,542	100
(d) Shops on Basement, Ground Floor and 1st Floor, Car Parking Spaces Nos. 1 to 6 on 1st Floor and Nos. 15 to 16 on 2nd Floor, Edificio Ou Va, Rua da Ribeira do Patane No: 109-115, Avenida Marginal do Patane No: 26-36, Macau	Commercial	Freehold	9,530	100
(e) Shops A, C and E on Ground Floor, Shops B and D on 1st Floor, office floors Rooms A to B and E to F on 4th Floor, Rooms B to D on 5th Floor, Rooms E to F on 6th Floor, Rooms A to E on 7th Floor, 8th Floor, Rooms B to F on 9th Floor, Rooms A to F on 11th Floor, Rooms A to B on 12th Floor, Rooms C to E on 15th Floor, 16th Floor, Rooms A to E on 18th Floor, 19th Floor and Rooms A to E on 20th Floor, 6 car parking spaces on basement floor and 61 car parking spaces on 2nd and 3rd Floors, China Overseas Building, 139 Hennessy Road and 138 Lockhart Road, Wanchai, Hong Kong	Commercial	Medium term lease	100,010	100
(f) Room 201-401, Building #1, 371 Ding Mao Qiao Road, Zhenjiang, Jiangsu Province, Chinese mainland	Commercial	Medium term lease	389,380	100



Particulars of Major Investment Properties (continued)

Address	Use	Lease term	Approximate gross floor area (sq.ft)	Group's interest %
(g) Factory at Lot No. 8, North of Dabieshan Road, South of Yonghe Road, East of Yunshan Road, West of Shuishan Road, Yeji Economic Development Zone, Luan, Anhui Province, Chinese mainland	Industrial	Medium term lease	1,182,724	100
(h) Factory 1-7 and 15, South of Yinxing Road, East of Jingui Road, West of Small and Micro Pioneer Park, Yeji Economic Development Zone, Luan, Anhui Province, Chinese mainland	Industrial	Medium term lease	890,753	100
(i) Yao Li Factory, West of 2nd Industrial Road, Yao Li Industrial Zone, Yeji District, Luan, Anhui Province, Chinese mainland	Industrial	Medium term lease	340,898	100
(j) China Overseas Logistics Centre, Mingzhu Road, Yantian District, Shenzhen, Guangdong Province, Chinese mainland	Industrial	Medium term lease	566,960	100
(k) M8, Travessa do Roquete No. 11 and Rua de Se Nos. 9-13, Macau	Commercial	Freehold	79,933	100
(l) Basement and Car Parking Space, Room 401-1001 of Building #1 and #2, Room 801-1001 of Building #3, Room 501-1001 of Building #4, #5, #6 and #7 and Room 501-901 of Building #8, #9, #10 and #11, No.88 Yongqi Road, Dongfeng Town, Zhongshan, Guangdong Province, Chinese mainland	Industrial	Medium term lease	906,281	100



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