BBMG 金隅

# 北京金隅集團股份有限公司
# BBMG CORPORATION*

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

*Stock Code : 2009*

# 2026

# INTERIM REPORT

*For Identification Purposes Only

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# CORPORATE INFORMATION

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

* *For identification purposes only*

# CORPORATE INFORMATION

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| **Committees** | |
| *Audit and Risk Committee* | Tam Kin Fong *(Chairman)*<br>Kong Qinghui<br>Duan Zhihui<br>Zhao Xinjun<br>Liu Taigang<br>Hong Yongmiao<br>Yin Yuanping |
| *Remuneration and Nomination Committee* | Liu Taigang *(Chairman)*<br>Kong Qinghui<br>Hong Yongmiao<br>Tam Kin Fong<br>Yin Yuanping |
| *Strategic and Sustainability Committee* | Jiang Yingwu *(Chairman)*<br>Gu Yu<br>Zheng Baojin<br>Zhao Xinjun<br>Liu Taigang<br>Hong Yongmiao<br>Tam Kin Fong<br>Yin Yuanping |
| *Executive Committee* | Jiang Yingwu *(Chairman)*<br>Gu Yu<br>Zheng Baojin |
| **Authorised Representatives** | Jiang Yingwu<br>Lau Fai Lawrence |
| **Board Secretary** | Zhang Jianfeng |
| **Company Secretary** | Lau Fai Lawrence |

# CORPORATE INFORMATION

**Listing Information**

*A Shares*

| | |
|---|---|
| A Share registrar | China Securities Depository and Clearing Corporation Limited, Shanghai Branch<br>3rd Floor, China Insurance Building<br>166 Lujiazui Road East, Pudong New District, Shanghai, the PRC |
| Place of listing | Shanghai Stock Exchange |
| Stock name | BBMG |
| Board lot | 100 shares |
| Stock code | 601992.SH |

*H Shares*

| | |
|---|---|
| H Share registrar | Computershare Hong Kong Investor Services Limited<br>Shops 1712-1716, 17th Floor, Hopewell Centre<br>183 Queen's Road East, Wan Chai, Hong Kong |
| Place of listing | The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") |
| Stock name | BBMG |
| Board lot | 1,000 shares |
| Stock code | 02009.HK |

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|---|---|
| **Principal bankers** | Industrial and Commercial Bank of China Limited<br>Agricultural Bank of China Limited<br>Bank of Beijing Co., Ltd.<br>China Construction Bank Corporation<br>Bank of China Limited |
| **Independent auditor** | Deloitte Touche Tohmatsu Certified Public Accountants LLP<br>Certified Public Accountants |
| **Legal advisers** | Haiwen & Partners LLP<br>*As to Hong Kong law*<br><br>Guantao Law Firm<br>*As to PRC law* |

# CHAIRMAN'S STATEMENT

## CHAIRMAN'S STATEMENT

**Dear Shareholders,**

In the first half of 2026, facing dual pressures of the complex and severe market environment and the dampening effect on the two main businesses of building materials and real estate, the Company thoroughly implemented the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), adopted a series of measures to stabilize growth, prevented and mitigated various risks, strengthened scientific and technological innovation, and accelerated industrial transformation and upgrading.

## REVIEW

In the first half of 2026, the Company remained focused on its goals to overcome difficulties, steadily advancing various key tasks; iteratively optimized the industrial layout, together with transformation, activating growth momentum; empowered the business through innovation, green development, and digital intelligence, accelerating the accumulation and formation of new quality drivers; and improved the basic management system, continuously enhancing corporate governance.

**Modern green building materials segment:** the cement business was continuously strengthened in foundation, tapped in potential, and reduced in cost, achieving cost reduction and efficiency enhancement of approximately RMB550 million in the first half of 2026. The strategic layout was continuously optimized. In the first half of 2026, the Company's mine resource reserves increased by 300 million tonnes, and through the approach of "new construction + asset-light operation", the Company added 13.95 million cubic meters of concrete production capacity, 5.6 million tonnes of aggregate production capacity and 300,000 tonnes of mortar production capacity. The Company deepened the construction of a unified big market, and steadily improved the capacity utilization rate and market control in core regions. The Company completed equity integration of the cement and concrete businesses, and continuously unleashed the advantages of integrated operation and industrial chain synergy. Integrated marketing and industrial chain synergy were deepened in the new materials business, with revenue from strategic customers increasing by 53% year-on-year. The Company's new material sector accelerated its leap. In the first half of 2026, the proportion of operating revenue from new material sector in the manufacturing sector rose to 25.9%.

## CHAIRMAN'S STATEMENT

**Property segment:** In terms of the property development business, the Company upheld the concept of refined cost management and control, and implemented the management and control requirements covering all employees, the entire process and all elements, with a cost reduction of approximately RMB200 million in total. The Company adhered to the principle of "ensuring delivery, accelerating sales and expediting collection", with Beijing Huaxi Yunjin basically selling out within 13 months after its launch. The Company deeply engaged in urban renewal and accelerated the revitalization of self-owned land, with the self-owned land coordination project in Haidian District progressing smoothly. The commercial operation business remained stable, with new, expanded and renewed leases for office buildings, parks and commercial properties exceeding 100,000 square meters. In terms of the comprehensive service business, the "one-stop · ecological · full-cycle" BBMG "good services" system was further refined and entered the pilot and deduction stage. The Company's property management business successfully won its first bid for the national-level ministry and commission project "Yard 41" (41號院), and the Company successfully signed contract in relation to the property management service project of TCC Gongliang Building (台泥公亮大樓) in Hangzhou, the dual-platinum accredited landmark. The management areas of external properties increased by 260,000 square meters.

**Science and technology service segment:** In terms of the testing and certification business, the Company expanded its external market, achieving "zero" breakthroughs in carbon verification, service certification and green building material product certification for wind turbine products outside the Company's system. In terms of the characteristic park service, the Company continuously improved its internal capabilities. BBMG Intelligent Manufacturing Workshop (Keshi Park) was fully completed and accepted, and the BRICS Technology Manager Certification Center was established in Xingfa Science and Technology Park. New progress was made in innovation platform development, and the "Beijing Key Laboratory for Intelligent R&D and Application of Future Habitat and Creative Materials", led by the Company in its application, was successfully approved.

## PROSPECT

From the perspective of macroeconomic situation, China's economy has strong resilience, great potential and sufficient vitality, and the long-term positive fundamentals remain unchanged. From the perspective of industry trends, policies such as increasing investment in infrastructure construction including the "Six Networks", advancing urban renewal campaign, urban village renovation and government-subsidized housing construction, and accelerating new industrialization, digitalization and green development will all bring new market opportunities to industries such as building materials and real estate. In terms of the building materials industry, supply-side structural reform continues to deepen, with outdated production capacity being phased out at an accelerated pace and industry concentration constantly increasing. Meanwhile, with the in-depth implementation of the "dual carbon" strategy, demand for green and low-carbon building materials, new wall materials and prefabricated building components continues to grow, opening up new tracks for industrial transformation and upgrading. In terms of the real estate industry, although the market is still in the phase of deep adjustment, the "market-driven + government-subsidized" dual-track system is being accelerated, with the construction of government-subsidized housing and sale-type subsidized housing picking up pace. Demand in areas such as urban renewal, revitalization of existing assets and "property service + life service" is growing steadily, and the real estate industry is making a smooth transition to a new development model. Meanwhile, the overseas building materials market is ushering in a window period of explosive growth, presenting significant opportunities for the Company's building materials products to expand globally.

In response to the above opportunities, the Company will leverage its full-chain hardcore strengths in material R&D, intelligent manufacturing, technology integration, project application, inspection and testing, and service operation to better implement "good houses" in urban renewal. By building a "good houses" product system with BBMG's characteristics and infusing "good materials" genes throughout the entire housing construction process, the Company will achieve a value leap from "material advantages" to "product advantages" and occupy a unique competitive niche.

In the second half of 2026, the Company will maintain unchanged goals, non-compromised standards and unwavering efforts, adopt extraordinary measures, and promote business operations to stabilize, improve and break through against the trend, ensuring the completion of all annual tasks and targets for 2026.

**Modern green building materials segment:** In terms of the cement business, the Company will comprehensively improve the level of lean operation and build a competitive advantage of "low cost + differentiation". The Company will accelerate the integrated development of the "cement+" industrial chain, extend the industrial layout of concrete and aggregate in advantageous regions, build an integrated operation system, and consolidate regional market dominance. In terms of the new materials business, the Company will accelerate the transformation and upgrade towards a comprehensive manufacturer and service provider of consumer building materials, and achieve incremental breakthroughs in emerging tracks, new regions and overseas markets.

**Property segment:** In terms of the property development business, the Company will dynamically optimize sales strategies, strengthen node control, promote rapid contract signing and payment collection for projects, and adopt multiple measures to advance inventory de-stocking and accelerate the implementation process of urban renewal. In terms of the commercial operation business, the Company will seize market opportunities and accelerate the reduction of vacant space in office buildings and parks; the Company will create characteristic products and services to comprehensively improve occupancy rates and operating efficiency in the hotel and resort business. In terms of the comprehensive service business, the Company will deepen the construction of the "good services" system, expand "property service + lifestyle service" scenarios in residential communities, and actively explore the creation of a second growth curve.

**Science and technology service segment:** The Company will expand and strengthen the brand of testing and certification, actively expand new business formats and models such as online testing, intelligent testing and export inspection. The Company will create the characteristic park service, and build a "laboratory-industry synergy" hub to accelerate the industrialization of innovation achievements. Leveraging the Group's industrial resource advantage, the Company will deeply explore high-quality supply channel, improve the logistics layout of "transformation from road haulage to rail-freight transport + green transportation", and expand value-added businesses such as warehouse supervision and multimodal transportation. The Company will specialize in talent service, strengthen the coordination of talent policies between the municipal and district level, and provide efficient and professional talent guarantee for the innovation development of the Group.

# CHAIRMAN'S STATEMENT

In the second half of 2026, the Company will coordinate the quality improvement of traditional industries, the cultivation of emerging industries, and internal and external synergy empowerment to stabilize the foundation of its main businesses, adhere to the direction of high-end, intelligent, green and integrated development, promote the "three-pronged strategy" of the new materials industry, green and low-carbon development, and digital intelligent transformation, cultivate and strengthen new drivers, and promote industrial transformation and upgrade.

I would like to take this opportunity to sincerely thank all Shareholders, regulatory authorities, customers, partners and friends from all walks of life for your constant trust on behalf of the Board of Directors. At the same time, I would also like to thank the colleagues of the Board of Directors of the Company for your diligence and dedication and all employees of the Company for your hard work. In the new journey, we will anchor goals, overcome difficulties and go all out to continuously reward investors with outstanding operating results, and lay a solid foundation for realizing the grand blueprint of the "15th Five-Year Plan" and building a world-class enterprise!

**Jiang Yingwu**
*Chairman*
Beijing, the PRC
28 August 2026

# MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

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

## (I) Principal business and business model of the Company

1. Modern green building materials segment: The Company is the leader in building materials industry in China, the third largest cement industrial group in China, and one of the largest suppliers of green, environmentally-friendly, and energy-saving building materials in Beijing-Tianjin-Hebei region. The Company is also the leader of low-carbon, green, and environmentally-friendly development, energy saving and emission reduction, and circular economy in the domestic cement industry with strong scale advantage and market dominance within the region. With cement as its core product, the Company has formed a complete industrial chain of building materials that is compatible with upstream and downstream businesses, which covers concrete, wall body and insulation materials, prefabricated building system and parts and furniture and woods, as well as an interactive mechanism that includes products and services such as decoration, architectural design and prefabricated construction contract, creating a coordinated development pattern of the whole industrial chain.

   Building material segment: Currently, the production capacity of clinker amounted to approximately 91 million tonnes; the production capacity of cement amounted to approximately 180 million tonnes; the production capacity of ready-mixed concrete (including the leased capacity) amounted to approximately 87.91 million cubic meters while the production capacity of aggregates exceeded 100 million tonnes and the annual capacity for disposal of hazardous and solid wastes amounted to approximately 5.58 million tonnes (including construction waste). The building material products and construction installation services of the Company were broadly applied in the construction of key and popular projects such as Beijing's urban sub-center, Xiong'an New Area and the Winter Olympics Stadium and were extended to popular regions such as East China, Northwest China, Sichuan-Chongqing and South China, which fully demonstrated the strengths of BBMG's modern building materials business in brand, quality and industrial chain.

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

2. Property development and operation segment: The Company has committed to property development and construction for over 40 years with the capability for comprehensive development of property projects of multiple categories. It ranks in the forefront of the industry nationwide in terms of comprehensive strength. The Company is also one of the largest holders and managers of investment properties in Beijing with the most diversified property types. The Company has received various honors such as Top 100 China Real Estate Enterprises and China Top 100 Property Management Enterprises for consecutive years. It is an AAA-rated enterprise in both quality reputation and credit standing and has great influence and brand awareness across the industry.

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

Property operation business: At present, the Company holds more than 2,778,400 sq.m. of investment properties such as high-end office buildings, commercial and industrial parks, of which approximately 725,000 sq.m. are grade B and above high-end investment properties in core areas in Beijing, and manages more than 22,840,000 sq.m. of properties. Its professional capabilities, brand awareness, occupancy rate and revenue have led the industry in Beijing and even the country for years.

## (II) Description of major industries

### 1. *Cement Industry*

In the first half of 2026, the cement industry has been affected by the factors such as overall weakening of investment, continuous in-depth adjustment in the real estate sector, insufficient project funding and lack of new projects, making the unilateral downward trend of demand in national cement difficult to reverse. According to data from the National Bureau of Statistics of China, the production volume of cement in China reached 736 million tonnes in the first half of 2026, representing a year-on-year decrease of 8.0%.

In the first half of 2026, the industry experienced its traditional slack season in the first quarter, with weak market demand causing cement prices to fall under pressure; in the second quarter, due to the weaker-than-expected recovery of downstream demand, leading to a severe imbalance between supply and demand, and combined with a rebound in coal prices, cement prices continue to decline, dragging the industry into a predicament of the "concurrent drop in volume and price".

### 2. *Property Development Industry*

In the first half of 2026, the overall real estate market continued to show signs of bottoming out. Since the second quarter of 2026, the market has experienced marginal improvement, and still shows a distinct structural feature of "core cities leading the recovery, and lower-tier cities continuing to face pressure". The sales price of commercial residential properties in first-tier cities rose month-on-month for four consecutive months, and the area of commodity housing in China for sale decreased for four consecutive months.

## MANAGEMENT DISCUSSION AND ANALYSIS

According to the National Bureau of Statistics of China, from January to June 2026, the investment in real estate development in China was RMB3,807.4 billion, representing a year-on-year decrease of 18.0%, among which, the residential property investment was RMB2,930.0 billion, representing a decrease of 17.8%. The area of newly commenced construction of real estates was 232.39 million sq.m., representing a decrease of 23.4%, of which, the area of newly commenced construction of residential properties was 169.0 million sq.m., representing a decrease of 24.1%. The area of completed real estate was 172.21 million sq.m., representing a decrease of 23.7%, of which, the area of completed residential properties was 121.48 million sq.m., representing a decrease of 25.3%. From January to June 2026, the sales area of newly-built commodity housing was 401.40 million sq.m., representing a year-on-year decrease of 11.6%, of which, the sales area of residential properties decreased by 12.4%. The sales amount of newly-built commodity housing amounted to RMB3,794.5 billion, representing a decrease of 13.6%, of which, the sales amount of residential properties decreased by 13.7%. As at the end of June 2026, the area of commodity housing for sales was 763.15 million sq.m., representing a decrease of 0.9% year-on-year, of which, the area of commodity housing unsold for less than three years was 561.67 million sq.m., representing a decrease of 3.5%.

MANAGEMENT DISCUSSION AND ANALYSIS

## SUMMARY OF FINANCIAL INFORMATION

*Unit: RMB'000*

| | **For the six months ended 30 June** | | |
|---|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) | Change |
| Operating revenue | **35,916,178** | 45,565,715 | -21.2% |
| Operating revenue from principal business | **35,630,488** | 45,220,418 | -21.2% |
| Gross profit from principal business | **3,260,103** | 4,772,870 | -31.7% |
| Gross profit margin from principal business (%) | **9.2** | 10.6 | a decrease of 1.4 percentage points |
| Total loss | **(2,662,465)** | (1,330,375) | -100.1% |
| Net loss | **(3,022,712)** | (1,908,864) | -58.4% |
| Net loss attributable to the shareholders of the parent company | **(2,171,914)** | (1,495,582) | -45.2% |
| Basic losses per share attributable to the shareholders of the parent company (net of the interests of other equity instrument) | **RMB(0.25)** | RMB(0.19) | -31.6% |

| | **As at 30 June 2026 (Unaudited)** | As at 31 December 2025 (Audited) | Change |
|---|---|---|---|
| Cash and bank balances | **18,269,720** | 16,224,112 | 12.6% |
| Current assets | **139,180,334** | 134,049,980 | 3.8% |
| Current liabilities | **104,098,273** | 91,782,638 | 13.4% |
| Net current assets | **35,082,061** | 42,267,342 | -17.0% |
| Non-current assets | **128,966,887** | 129,568,978 | -0.5% |
| Non-current liabilities | **80,675,958** | 82,920,659 | -2.7% |
| Total assets | **268,147,222** | 263,618,958 | 1.7% |
| Equity attributable to the shareholders of the parent company | **66,810,289** | 71,024,254 | -5.9% |
| Debt ratio (total liabilities to total assets) (%) | **68.9** | 66.3 | an increase of 2.6 percentage points |

## SUMMARY OF BUSINESS INFORMATION

| | For the six months ended 30 June | | |
|---|---|---|---|
| | **2026** | 2025 | **Change** |
| **Modern green building materials segment** | | | |
| Aggregate sales volume of cement and clinker (in million tonnes) | **34.89** | 37.38 | **-6.7%** |
| Sales volume of ready-mixed concrete (in million cubic metres) | **6.43** | 7.27 | **-11.6%** |
| **Property development and operation segment** | | | |
| Booked gross-floor area ("**GFA**") (in thousand sq.m.) | **115.0** | 263.6 | **-56.4%** |
| Contracted sales GFA (in thousand sq.m.) | **224.1** | 328.2 | **-31.7%** |
| GFA of investment properties (in thousand sq.m.) | **2,778.4** | 2,724.9# | **2.0%** |

# GFA of investment properties as of 31 December 2025

## DISCUSSION AND ANALYSIS ON OPERATIONS

In the first half of 2026, the Company thoroughly implemented the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), and was committed to practical actions and tackling difficulties. The Company actively responded to the complex and severe market environment, confronted the dual pressures from the downturn of the two main businesses of building materials and real estate, and implemented a series of measures to stabilize growth, prevent and defuse various risks and promote transformation and upgrade. As a result, the economic operation moved forward under pressure.

During the Reporting Period, the Group recorded an operating revenue of approximately RMB35,916.2 million, of which operating revenue from its principal business amounted to approximately RMB35,630.5 million, representing a year-on-year decrease of approximately 21.2%; total loss amounted to approximately RMB2,662.5 million, representing an increase of approximately RMB1,332.1 million or 100.1% as compared with the same period of last year; net loss amounted to approximately RMB3,022.7 million, representing an increase of approximately RMB1,113.8 million or 58.4% as compared with the same period of last year; and net loss attributable to the parent company amounted to approximately RMB2,171.9 million, representing an increase of approximately RMB676.3 million or 45.2% as compared with the same period of last year.

MANAGEMENT DISCUSSION AND ANALYSIS

## (I) Modern green building materials segment

In the first half of 2026, the revenue from principal business amounted to approximately RMB33,058.7 million, representing a year-on-year decrease of approximately 18.4%; gross profit from principal business amounted to approximately RMB2,491.1 million, representing a year-on-year decrease of approximately 31.2%.

In terms of the cement business, the Company strengthened lean operation and launched a special action of "consolidating foundation and exploring potential to reduce cost, and implementing lean operation to improve efficiency". The production costs of cement decreased by RMB17 per tonne, representing a year-on-year decrease of 8.5%. The advantages of integrated operation and the synergy effectiveness of the industrial chain continuously released. The Company deepened the construction of the unified large market, optimized marketing channels, increased the efforts on promotion of modern material products, and steadily enhanced the utilisation rate of production capacity and market control power in core areas. The sales volume of cement and clinker amounted to 34.89 million tonnes (exclusive joint ventures and associates), representing a year-on-year decrease of 6.7%, of which the sales volume of cement amounted to 31.93 million tonnes. The aggregated gross profit margin of cement and clinker was 12.4%, representing a year-on-year decrease of 8.3 percentage points. The sales volume of concrete amounted to 6,430,000 cubic meter, representing a year-on-year decrease of 11.6%. The gross profit margin of concrete was 7.4%.

In terms of the modern materials business, the Company continued to improve the integrated marketing system and mechanism, and the three regional marketing centers in Beijing-Tianjin-Hebei, northwest China and east China collaborated to tackle challenges. The Company continued to deepen overseas layout, with overseas business recording a year-on-year growth, and proactively carried out a special action of improving quality and increasing efficiency. The Company recorded revenue from its principal business of approximately RMB6,200.00 million, representing a year-on-year decrease of approximately 7.2%, and the gross profit margin was approximately 14.1%, representing a year-on-year decrease of approximately 0.7 percentage point.

As of the date of this report, the Company participated in several private equity funds such as Beijing Jingguochuang Advantage Industry Fund (北京京國創優勢產業基金), Beijing Jingguoguan Equity Investment Fund (北京京國管股權投資基金) and Beijing Jinhaicheng Technology Innovation Investment Partnership (北京金海誠科創投資合夥企業). The accumulated subscription amount was approximately RMB981 million, which has been fully paid up. The aforesaid fund has been invested in multiple enterprises in next-generation of information technology, intelligent manufacturing, healthcare, energy and environmental protection, semiconductors, new materials, state-owned asset reform and other industries. Upon the equity penetration, the shareholding ratio of the Company is very low, and the Company does not participate in the operation, management and decision-making of underlying enterprises. Therefore, these investments do not have a material impact on the operating results of the Company during the Reporting Period.

## (II) Property development and operation segment

In the first half of 2026, the Company recorded revenue from its principal business of approximately RMB2,942.9 million, representing a year-on-year decrease of approximately 43.7%, and the gross profit from its principal business was approximately RMB782.2 million, representing a year-on-year decrease of approximately 33.6%.

In terms of the property development business, the Company focused on "boosting sales, securing cash and seeking profit", grasping the market window period. The implementation of "One City, One Policy" facilitated the sales of Beijing Huaxi Yunjin (北京花溪雲錦), Yu · Haiyue (隅·海岄), Shanghai Gongyuan Dongxu (上海公園東序) and other projects, and the residential houses of Beijing Huaxi Yunjin (北京花溪雲錦) were basically sold out within 13 months after its launch. The sales area was 224,100 sq.m., representing a year-on-year decrease of approximately 31.7%. During the Reporting Period, the Company recorded business revenue of approximately RMB1,410.0 million, representing a year-on-year decrease of approximately 61.5%. The booked GFA was approximately 115,000 sq.m., representing a year-on-year decrease of approximately 56.4%. The total contracted sales amount was approximately RMB6,670.0 million, representing a year-on-year decrease of approximately 2.2%. The cash receipts amounted to approximately RMB7,920.0 million, representing a year-on-year increase of approximately 21.9%. As of 30 June 2026, the land reserve area of the Company on the equity basis was approximately 5,234,400 sq.m.

In the first half of 2026, the Company did not acquire land use right to state-owned construction land.

In terms of the property operation business, the Company adhered to multiple measures to accelerate the reduction of vacant space. The operational quality of the hotel and resort segment improved steadily, the operating efficiency of science and technology cultural park constantly increased, and the "one-stop · ecological · full-cycle" BBMG "good services" system was further improved. In the first half of 2026, the Company's property management business successfully won its first bid for a national-level ministry and commission project "Yard 41" (41號院), and the Company successfully signed contract in relation to the property management service project of TCC Gongliang Building (台泥公亮大樓) in Hangzhou, the dual-platinum accredited landmark. The management areas of external properties increased by 260,000 sq.m. As at 30 June 2026, the Company held 2,778,400 sq.m. of investment properties such as high-end office buildings, commercial and industrial parks, with a consolidated average occupancy rate of 76% (excluding newly launched projects). The grade B and above high-end investment properties held in core areas in Beijing totaled 725,000 sq.m., with a consolidated average occupancy rate of 71% and an average rental unit price of RMB7.4/sq.m./day.

## RENTAL OPERATIONS OF THE MAJOR INVESTMENT PROPERTIES OF THE GROUP AS AT 30 JUNE 2026

| Property Name | Location | | Use | Gross area *(thousand sq.m.)* | Fair value *(RMB million)* | Rental unit price *(RMB/sq.m./day)* | Average occupancy rate *(Note 1)* | Unit fair value *(RMB/sq.m.)* | Expiration of the land use right *(Year)* |
|---|---|---|---|---|---|---|---|---|---|
| Phase 1 of Global Trade Center | North Third Ring Road, Beijing | No. 36, North Third Ring East Road, Dongcheng District, Beijing | Commercial | 108.0 | 4,000.5 | 7.9 | 77% | 37,042 | 2054 |
| Phase 2 of Global Trade Center | North Third Ring Road, Beijing | No. 36, North Third Ring East Road, Dongcheng District, Beijing | Commercial | 141.0 | 4,664.8 | 8.3 | 87% | 33,084 | 2058 |
| Phase 3 of Global Trade Center | North Third Ring Road, Beijing | No. 36, North Third Ring East Road, Dongcheng District, Beijing | Commercial | 57.0 | 1,468.0 | 7.2 | 78% | 25,754 | 2058 |
| Tengda Plaza | West Second Ring Road, Beijing | No. 169, Xizhimenwai Street, Haidian District, Beijing | Commercial | 68.0 | 2,111.0 | 6.4 | 83% | 31,044 | 2045 |
| Jin Yu Building Tower A | West Second Ring Road, Beijing | No. 129, Xuanwumen West Street, Xicheng District, Beijing | Commercial | 41.0 | 1,628.0 | 7.2 | 55% | 39,707 | 2058 |
| Jin Yu Building Tower B | West Second Ring Road, Beijing | No. 129, Xuanwumen West Street, Xicheng District, Beijing | Commercial | 41.0 | 1,583.0 | 9.9 | 86% | 38,610 | 2052 |
| Jianda Building | East Second Ring Road, Beijing | No. 14, Dongtucheng Road, Chaoyang District, Beijing | Commercial | 39.0 | 676.0 | 5.7 | 85% | 17,333 | Notes 2, 3 |
| Yucheng Building | North Fourth Ring Road, Beijing | No. 27, North Fourth Ring Middle Road, Asian Sports Village Street, Chaoyang District, Beijing | Commercial | 137.0 | 6,513.0 | 8.9 | 31% | 47,540 | 2056 |
| Phase 1 of Hi-tech Industrial Park | South Sixth Ring Road, Beijing | No. 3 Courtyard, Qingxiang North Road, Daxing District, Beijing | Commercial | 122.0 | 1,113.0 | 2.2 | 91% | 9,123 | 2058 |
| Phase 2 of Hi-tech Industrial Park | South Sixth Ring Road, Beijing | No. 3 Courtyard, Qingxiang North Road, Daxing District, Beijing | Commercial | 101.0 | 553.0 | 2.3 | 48% | 5,475 | 2058 |
| Phase 3 of Hi-tech Industrial Park | South Sixth Ring Road, Beijing | No. 3 Courtyard, Qingxiang North Road, Daxing District, Beijing | Commercial | 48.0 | 377.0 | 1.9 | 100% | 7,854 | 2058 |
| Phase 2 of Intelligent Manufacturing Workshop | North Fifth Ring Road, Beijing | No. 27, Jiancaichengzhong Road, Xisanqi, Haidian District, Beijing | Commercial | 45.0 | 394.8 | 5.1 | 100% | 8,773 | 2045 |
| Subtotal | | | | 948.0 | 25,082.1 | | | | |
| Other properties (urban area of Beijing, Tianjin, etc.) | | | | 1,830.4 | 23,416.3 | | | | |
| Total | | | | 2,778.4 | 48,498.4 | 3.3 | 76% | 17,456 | |

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

### 1. Principal business operations

*Unit: RMB million*

| | Revenue from principal business | Cost of sales from principal business | Gross profit margin from principal business (%) | Year-on-year increase or decrease in revenue from principal business (%) | Year-on-year increase or decrease in cost of sales from principal business (%) | Year-on-year increase or decrease in gross profit margin from principal business |
|---|---|---|---|---|---|---|
| Modern green building materials segment | 33,058.7 | 30,567.6 | 7.5 | -18.4 | -17.1 | Decrease of approximately 1.4 percentage points |
| Property development and operation segment | 2,942.9 | 2,160.7 | 26.6 | -43.7 | -46.6 | Increase of approximately 4.0 percentage points |
| Eliminations | (371.1) | (358.0) | | | | |
| Total | 35,630.5 | 32,370.4 | 9.2 | -21.2 | -20.0 | Decrease of approximately 1.4 percentage points |

## 2. Gains from changes in fair value of investment properties

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

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

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

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

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

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

During the Reporting Period, losses arising from changes in fair value of investment properties of the Group were approximately RMB59.1 million as compared with gains arising from changes in fair value of approximately RMB203.1 million of the same period of last year.

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

(1) Selling expenses were approximately RMB1,045.0 million, representing a year-on-year decrease of approximately RMB91.3 million or 8.0%.

(2) Administrative expenses were approximately RMB3,192.8 million, representing a year-on-year decrease of approximately RMB230.8 million or 6.7%.

(3) Other gains were approximately RMB206.0 million, representing a year-on-year decrease of approximately RMB104.7 million or 33.7%. Such decrease was mainly due to carrying forward of deferred income from relevant government subsidies in relation to relocation compensation in the same period of last year to other gains.

(4) Investment losses were approximately RMB29.8 million, as compared with investment gains of approximately RMB248.1 million of the same period of last year. Such change was mainly due to the recognition of investment gains from CAMC BBMG REIT for the same period of last year.

(5) Losses from changes in fair value were approximately RMB18.9 million as compared with gains from changes in fair value of approximately RMB184.8 million in the same period of last year. Such change was mainly due to the year-on-year decrease of the valuation of fair value of the investment properties during the Reporting Period.

(6) Asset impairment gains were approximately RMB3.1 million, as compared with asset impairment losses of approximately RMB62.5 million of the same period of last year. Such change was mainly due to the provision for decline in value of inventories of property projects for the same period of last year.

(7) Non-operating expenses were approximately RMB30.7 million, representing a year-on-year decrease of approximately RMB22.3 million or 42.1%. Such decrease was mainly due to the year-on-year decrease of expenses from penalties and fines of the Company during the Reporting Period.

## 4. Cash flows

In the first half of 2026, a net increase of approximately RMB1,904.7 million in cash and cash equivalents was recognised in the consolidated financial statements of the Group, of which net cash inflow from operating activities was approximately RMB2,677.6 million, as compared with cash outflow of approximately RMB1,537.8 million of the same period of last year, which was mainly due to the increase in new land reserves during the same period of last year, resulting in a significant net outflow from operating activities; net cash outflow from investing activities was approximately RMB2,058.9 million, representing a year-on-year decrease of approximately RMB593.3 million in outflow; net cash inflow generated from financing activities was approximately RMB1,297.7 million, representing a year-on-year decrease in cash inflows of approximately RMB4,164.3 million, which was mainly due to the year-on-year decrease in the issuance scale of bonds of the Company during the Reporting Period; and the effect of changes in exchange rate on cash and cash equivalents was approximately RMB11.7 million.

## 5. Analysis on items of assets and liabilities

*Unit: RMB*

| Items | Amount at the end of the Reporting Period | Percentage of amount at the end of the Reporting Period over total assets *(%)* | Amount at the beginning of the Reporting Period | Percentage of amount at the beginning of the Reporting Period over total assets *(%)* | Change *(%)* | Explanations |
|---|---|---|---|---|---|---|
| Financial assets held for trading | 467,131,047.76 | 0.17 | 970,596,554.47 | 0.37 | -51.87 | (1) |
| Receivables financing | 578,210,612.99 | 0.22 | 850,433,443.17 | 0.32 | -32.01 | (2) |
| Non-current assets due within one year | 838,608,115.57 | 0.31 | 1,722,372,285.64 | 0.65 | -51.31 | (3) |
| Debt investments | 65,693,137.69 | 0.02 | 30,534,002.82 | 0.01 | 115.15 | (4) |
| Other debt investments | 609,197,470.37 | 0.23 | 467,784,342.37 | 0.18 | 30.23 | (5) |
| Other non-current financial assets | 1,652,356,499.89 | 0.62 | 798,123,889.85 | 0.30 | 107.03 | (6) |
| Contract liabilities | 10,858,859,029.57 | 4.05 | 7,075,184,375.04 | 2.68 | 53.48 | (7) |
| Wages payable | 188,191,360.07 | 0.07 | 298,609,978.78 | 0.11 | -36.98 | (8) |
| Short-term financing bonds payable | – | – | 1,000,644,383.56 | 0.38 | -100.00 | (9) |

Explanations:

(1) Financial assets held for trading: A decrease of approximately 51.87% from the beginning of the Reporting Period, mainly due to the decrease in investments in bond fund held for trading by the Company during the Reporting Period.

(2) Receivables financing: A decrease of approximately 32.01% from the beginning of the Reporting Period, mainly due to the increase in supply chain bills of the Company and the redemption of receivables financing held upon maturity during the Reporting Period.

(3) Non-current assets due within one year: A decrease of approximately 51.31% from the beginning of the Reporting Period, mainly due to the decrease in debt investment within one year of the Company during the Reporting Period as compared with the beginning of the Reporting Period.

(4) Debt investments: An increase of approximately 115.15% from the beginning of the Reporting Period, mainly due to purchase of trust-based debt investments by the Company during the Reporting Period.

(5) Other debt investments: An increase of approximately 30.23% from the beginning of the Reporting Period, mainly due to the increase in financial bonds investment by the Company during the Reporting Period.

(6) Other non-current financial assets: An increase of approximately 107.03% from the beginning of the Reporting Period, mainly due to the increase in investment in tier-2 capital bonds by the Company during the Reporting Period.

(7) Contract liabilities: An increase of approximately 53.48% from the beginning of the Reporting Period, mainly due to the increase in advances on pre-sale of properties of the Company during the Reporting Period.

(8) Wages payable: A decrease of approximately 36.98% from the beginning of the Reporting Period, mainly due to adjustment of human resource allocation by the Company during the Reporting Period.

(9) Short-term financing bonds payable: A decrease of 100% from the beginning of the Reporting Period, mainly due to repayment of short-term financing bonds payable falling due by the Company during the Reporting Period.

## CORE COMPETITIVENESS ANALYSIS

The Company focused on serving the construction of "four centers" of Beijing, improved the level of "four services", practiced its core mission of "manufacturing good materials, building good houses, and creating a better life", and made dedicated efforts in the development of core areas of the capital in the new era, demonstrating the value of state-owned enterprises in the capital. The Company adhered to the two core businesses of "modern green building materials, and property development and operation", continued to strengthen and expand "large building materials" and "large real estate", and fostered and developed the science and technology services industry. The Company made phased progress in the C-side strategy. Combining connotative development with outward expansion, the Company managed effective integration of internal and external resources centering on industrial chain coordination. The Company aims to become an eco-oriented enterprise that promotes comprehensive and synergistic development across its industries.

The core competitiveness of the Company is detailed as follows:

### (I) Competitive edge in coordinated development of industrial chain

Relying on the vertically integrated layout, the Company achieved synergy effects and value complementarity across multiple businesses, continuously strengthened the resilience of its industrial chain against risks, effectively countered cyclical industry headwinds, and built sustainable core competitive barriers. The Company thoroughly implemented the chain leader system working mechanism, coordinated vertical integration and horizontal collaboration across the industrial chain, steadily promoted external expansion through the integration of internal and external resources, built a BBMG industrial ecology and cultivated competitive industrial clusters, and continuously improved the full-chain industrial system and the full life-cycle service ecosystem of "good materials, good houses, and good services". Leveraging digital and intelligent technologies to empower the construction of Smart BBMG, the Company accelerated the transformation towards service-oriented manufacturing, connected the entire industrial chain covering design, production, trade, construction, operation and maintenance, and services, and demonstrated the unique full-chain advantages and comprehensive core competitiveness. Keeping close pace with market trends, the Company deepened its presence in the civil consumption sector, captured terminal traffic scenarios, and adopted multiple measures to promote industrial structure optimization and transformation and upgrading.

## (II) Competitive edge in science and technology innovation engine

The Company scientifically formulated the "15th Five-Year" special plan for scientific and technological innovation and leveraged the Strategic Advisory Committee for Scientific and Technological Innovation, composed of 16 experts (including 11 academicians of the two academies), to steer the Company's high-quality development over the next five years. In line with the 2035 plan for building a country strong in materials, the Company further refined the new materials development blueprint. The Company fully promoted the "AI + New Materials" project in Beijing and established an innovation consortium with the "Two Intelligent Institutes (智能兩院)" to leverage AI technology in empowering materials research and development. The Company made further progress in the establishment of the innovation platform. The "Beijing Key Laboratory of Future Habitat and Creative Materials", which was led by the Company in its application, was successfully approved, and the National Enterprise Technology Center successfully passed its re-evaluation. The Company continued to deepen the integration of industry, academia and research, and Jidong Equipment and the National Key Laboratory of New Metal Materials at the University of Science and Technology Beijing accelerated the joint establishment of an advanced materials R&D base. The Company continued to improve the innovation system, and completed the re-election of the science and technology association and the science and technology innovation committee, and the establishment of the young science and technology talents development alliance. A total of 182 patents were granted, including 38 invention patents and 8 software copyrights. Three standards were compiled and published. The affiliated enterprises won 3 provincial and ministerial level science and technology awards. One provincial-level "technologically advanced" enterprise was added.

## (III) Competitive edge in green and sustainable development

The Company completed the preparation of the special plan for "carbon neutrality and carbon emission peaking" for the "15th Five-Year Plan" period, issued the opinions on comprehensive treatment of solid waste, and further strengthened the green and low-carbon management system. The Company's management capabilities of "carbon neutrality and carbon emission peaking" continued to improve, with the successful launch of the information management platform of "carbon neutrality and carbon emission peaking" and the completion of the first round of "carbon footprint verification" for 12 affiliated entities. The Company continued to optimize the energy structure, and the fuel substitution rate and raw material substitution rate of the cement group reached 16.93% and 7.09%, respectively. The clinker production capacity with unit energy consumption reaching the benchmark level accounted for 76.40%. The Company accelerated the development and utilization of renewable energy. 6 photovoltaic power generation projects realized grid-connected power generation with an additional installed capacity of 13.95MW. The Company's total green electricity consumption reached 444 million kWh, representing a year-on-year increase of 12.3%. The Company's role as a "city purifier and a strong government partner" became increasingly prominent, with 1.9693 million tonnes of waste co-processed, representing a year-on-year increase of 24.45%. The Company achieved remarkable results in the green transformation. Three units including Dingxin Company (鼎鑫公司) completed the public disclosure for the full-process of ultra-low emission, two enterprises including Tianjin Zhenxing (天津振興) were recognized as national green factories, and 19 enterprises successfully obtained various green awards and subsidies with total amount of RMB39.28 million.

## (IV) Competitive edge in industry-finance integration

The Company promoted industry-finance integration to support the development of its main businesses. The Company enhanced its comprehensive strategic cooperation with key financial institutions, continuously innovated financing methods, controlled and reduced the scale of the Company's financing, expanded financing channels, reduced financing costs, ensured the Company's credit adequacy and effectively controlled and reduced the cost of capital usage. The cumulative weighted financing cost of the Company was 2.6%. The Company successfully issued renewable bonds of RMB6 billion, achieved supply chain financing of RMB1.3 billion, and completed the preparatory work before its application of the shelf offering of CMBS project. BBMG Finance Co., Ltd. (北京金隅財務有限公司) and BBMG Finance Lease Co., Ltd. (金隅融資租賃有限公司) played professional roles in improving the overall capital operation efficiency of the Company, broadening financing channels and preventing capital risks, thus realizing the organic integration of industrial capital and financial capital. The Company played the role of a platform for listed companies, improved the overall financing efficiency and continuously consolidated the financial foundation for the healthy and sustainable development of the Company. The Company actively implemented the policy of tax reduction and fee reduction, and strove for various fiscal and tax concessions of more than RMB150 million. The Company's issuer credit rating remained AAA, the financing channels were smooth in supporting the development of the main business, and the capital structure was optimized.

### (V) Competitive edge in corporate culture and branding

The core value of BBMG's corporate culture is based on the pragmatic working culture of "work with aspiration, competence, efficiency, success and prudence", the human spirits of "eight specials", the development philosophy of "integration, communion, mutual benefit and prosperity", and the corporate spirits of "three emphasis and one endeavor". We united our minds and efforts and forged ahead to carry forward culture and brand value. The Company followed the instructions of Xi Jinping, general secretary of the Communist Party of China Central Committee, on the building of world-class enterprises with outstanding products and brands, leading innovation and modern governance, facilitated full implementation of the C-end brand strategies and promoted brand upgrading, demonstrating "BBMG" Brand power. "BBMG" Brand has been consecutively honored as a well-known trademark in Beijing. In the first half of 2026, a total of 3 employees and 3 collectives were awarded the titles of model workers at or above provincial (ministerial) level and the Labor Day Medal, and Mr. Wang Yuanfei, as a representative of model workers, attended the "May Day" press conference of Beijing Federation of Trade. Good brand awareness and reputation have shaped a good cultural atmosphere and provided intellectual support for creating a new landscape of BBMG's high-quality development.

## POSSIBLE RISKS FACED BY THE COMPANY

### 1. External environment risk

Currently, China's development environment is profound and complex, presenting both strategic opportunities and risk challenges, with an increasing number of uncertain and unpredictable factors. Internationally, the rivalry among major powers continues to deepen, the economic globalization suffers from a countercurrent, the global industrial and supply chains are undergoing accelerated restructuring, and geopolitical conflicts occur frequently. As a result, enterprises face rising compliance costs for cross-border trade, greater volatility in export orders, and heightened geopolitical and policy risks associated with overseas investment. Domestically, as new-type urbanization enters a high-quality development stage of improving quality of the stock, urban renewal is being advanced across the board, and industry business models are in urgent need of transformation; concurrently, negative population growth persists, marked by the accelerating trends of aging and declining fertility, placing pressure on overall demand in the real estate and traditional building materials industries. On the consumption side, continuous upgrading shifts household consumption towards rational, diversified and one-stop services, and demand for green, intelligent and age-friendly products continues to rise, presenting structural opportunities to segments such as high-tech building materials and age-friendly building components.

Responses: In the new stage, the Company will adhere to high-quality development as its theme, take scientific and technological innovation and deepening reform as core driving forces to vigorously develop new quality productive forces and establish a more competitive market-oriented mechanism respectively, and rely on the transformation and upgrading of traditional industries, the cultivation and expansion of emerging industries, and the efficient utilization and integration of internal resources as pillars to reshape a modern industrial system with BBMG's distinctive characteristics. The Company will promote the comprehensive renewal and upgrading of the traditional building materials industry, focus on breakthroughs in material performance and expansion of application scenarios, intensify efforts to tap into the consumer market, precisely develop age-friendly products, and continuously move up the industrial and value chains. In terms of the real estate business, the Company will establish a development model of "fine development, strong operation and excellent service", which shifts from scale expansion to prioritizing quality and efficiency and from emphasizing development to balancing "development and operation", and continuously deepen its engagement in urban renewal business so as to build a sustainable development model.

## 2. Policy risk

In recent years, the state has intensively introduced restrictive policies such as solid waste treatment, carbon emission management and control, construction waste recycling, and building materials capacity control. As a result, the Company's cement, aggregate and solid waste disposal businesses continue to face dual cost pressures from normalized compliant operation and maintenance and green technological transformation. In the field of solid waste, the Ministry of Ecology and Environment's 15th Five-Year Plan for the Prevention and Control of Solid Waste Pollution clearly aims to reduce the scale of hazardous waste landfill, broadening the market space for cement kiln co-processing in an orderly manner; however, the industry entry threshold, full-process online monitoring and standards for tail gas treatment continue to be upgraded, leading to rigid increases in compliance investment. In terms of carbon control, the cement industry's 2024-2026 carbon market transition period is coming to an end, and carbon quota control will be comprehensively tightened from 2027 onward. Coupled with the national policy on energy conservation and carbon reduction, existing high-carbon clinker production lines require sustained investment in low-carbon technological transformation, with long-term rigid expenditures for carbon compliance and equipment transformation. With the implementation and improvement of supporting regulations on construction waste recycling, recycling projects across various regions are accelerating, and the supply of recycled building materials continues to expand, creating sustained substitution competition for the Company's natural aggregate business.

Responses: Seizing the development opportunities presented by the plans to boost circular economy and build Beautiful China, the Company will continue to deepen its hazardous and solid waste disposal business, optimize the comprehensive disposal layout of solid and hazardous waste, accelerate the expansion into new resource utilization and disposal businesses such as lithium battery recycling and photovoltaics, and continuously scale up and strengthen green operations to make them new engines of growth for the Group. For the cement business, the Company will accelerate the implementation of energy conservation and carbon reduction as well as full-process ultra-low emission technological transformation, improve the full-chain carbon accounting and carbon asset operation system, and hedge against the cost pressure of normalized compliance control in the carbon market in advance. For the aggregate business, the Company will proactively respond to the impact of substitution competition from recycled building materials, optimize the supply structure of aggregate products, and consolidate market share with high-quality products and brand advantages. Overall, the Company will coordinate the Group's layout for green and low-carbon transformation, extend the industrial chains of high-end green building materials and solid waste circular economy, and feed the value added from circular industries back to environmental technological transformation, thereby comprehensively driving the enterprise's high-quality and sustainable development.

## 3. Capital operation risk

In the first half of 2026, monetary policy, on a moderately loose basis, continued to strengthen both counter-cyclical and cross-cyclical adjustments, highlighting a policy orientation toward flexible intensification, targeted implementation, and improved quality and efficiency. The People's Bank of China continued to optimize its diversified monetary policy toolbox, improve the market-oriented interest rate regulation framework, and guide the steady decline of the overall social financing cost through a combination of measures such as interest rate cuts, regular liquidity injections and expansion of structural tools. The policy focus remained on expanding domestic demand and cultivating new quality productive forces, continuously increasing financial support for scientific and technological innovation, green and low-carbon transformation, inclusive small and micro enterprises, new types of consumption and government-subsidized housing construction, and optimizing the credit structure through targeted and precise regulation, to help the economy stabilize and recover, prices recover reasonably, and consolidate the foundation for high-quality development. The building material and real estate businesses were still in the phase of deep adjustment. Affected by the weakening market demand, the business operation continued to face pressure. The structural issues such as a relatively high debt ratio and a significant amount of debts falling due in the short term still existed, which had an adverse impact on the capital turnover and the stability of business operations.

Responses: The Company will capitalize on the dividends of the moderately loose monetary cycle, proactively align with the loose financial policy environment, comprehensively expand diversified financing channels, and continuously reduce the overall financing cost. The Company will precisely access low-cost policy funds such as bank technology loans, green credit and inclusive special loans to maximize policy financing dividends. The Company will strengthen refined control over the entire business process, further advance the special work of reducing "accounts receivable and inventory", accelerate inventory de-stocking, improve the collection efficiency of accounts receivable, revitalize stock assets and enhance capital turnover efficiency. Anchoring the core objectives of stabilizing leverage and preventing risks, the Company will implement dynamic control over both debt scale and asset-liability ratio, improve the normalized debt risk warning and disposal mechanism, and continuously optimize the capital structure to ensure that the Company's debt scale and risk level remain within a reasonable and controllable range. Relying on its own high-quality stock assets, the Company will actively promote innovative financing models such as CMBS asset securitization, optimize the debt maturity structure, broaden funding sources, and enhance overall asset operation and capital allocation efficiency. The Company will give full play to the platform advantages of BBMG Finance Co., Ltd. (北京金隅財務有限公司) in centralized fund coordination and BBMG Finance Lease Co., Ltd. (金隅融資租賃有限公司) in asset revitalization, and dynamically adjust debt maturity, interest rates and structure to minimize capital costs and maximize operational efficiency, thereby providing sufficient, stable and low-cost funding support for the Company's sound operation, transformation and upgrading, and high-quality development.

### 4. Market competition risk

The year 2026 marks the deadline for the concentrated commissioning of replacement projects under the Implementation Measures for Capacity Replacement in the Cement and Glass Industries (2024 Edition), and replacement quotas that have been announced but not been implemented by the end of the year will automatically expire. Industry enterprises are accelerating the review, transfer and implementation of clinker capacity quotas, and competition in the integration of existing capacity continues to intensify. In the first half of 2026, the stimulus effect of infrastructure investment was limited, real estate development and new housing starts continued to decline, and the cement market as a whole saw stronger supply than demand, with the inventory-to-capacity ratio remaining high. National cement prices fluctuated in the first quarter of 2026, continued to decline from April 2026, and trended downward overall in the second quarter of 2026, with intensified low-price involution in the industry. The real estate market shows a pattern of overall bottoming out and deep tiering by city tier. The de-stocking cycle for new homes in key cities nationwide generally exceeds the equilibrium range, and inventory de-stocking pressure remains significant. The industry's development logic has shifted from the high-speed growth driven by scale expansion to the high-quality development based on quality competition. The mandatory national standard Project Code for Residential Building (GB 55038-2025) came into effect in May 2025, together with the Ministry of Housing and Urban-Rural Development's policy guidelines related to construction, establish mandatory baseline indicators for residential buildings across dimensions such as waterproofing, sound insulation, age-friendly amenities, and green and intelligent construction, directly raising project construction costs. Product quality, full-cycle property services and asset operation capabilities have become core competitive barriers for real estate enterprises.

Responses: For the cement business, the Company will focus on optimizing capacity structure, continuously increase the proportion of advanced production capacity, and comprehensively enhance regional market influence and leadership. The Company will consolidate cost advantages through full-process lean control, shape differentiated core competitiveness through product iteration, service upgrading and brand empowerment, accelerate digital and intelligent as well as green and low-carbon transformation, and promote intelligent technological transformation and clean energy substitution, thereby achieving energy conservation, consumption reduction, quality improvement and profit growth. For the real estate business, the Company will seize the policy opportunities of urban village renovation, government-subsidized housing and urban renewal, accelerate inventory de-stocking by tier and category, dynamically optimize sales strategies, strengthen payment collection management, revitalize self-owned land and develop it in line with high-quality residential standards, enhance commercial operation and community value-added service capabilities, and build a brand-new business model featuring coordinated development of inventory revitalization, quality development and hold-and-operate, thereby actively mitigating market competition risks arising from the industry downturn.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, the Group's total assets amounted to approximately RMB268,147.2 million, representing an increase of approximately 1.7% from the beginning of the Reporting Period, which comprised total liabilities of approximately RMB184,774.2 million, minority interests of approximately RMB16,562.7 million and total equity attributable to the shareholders of the parent company of approximately RMB66,810.3 million. As at 30 June 2026, total shareholders' equity amounted to approximately RMB83,373.0 million, representing a decrease of approximately 6.2% from the beginning of the Reporting Period. As at 30 June 2026, the Group's net current assets were approximately RMB35,082.0 million, representing a decrease of approximately RMB7,185.3 million or 17.0% from the beginning of the Reporting Period. Debt ratio (total liabilities to total assets) was 68.9%, representing an increase of approximately 2.6 percentage points from the beginning of the Reporting Period.

As at 30 June 2026, the Group's cash and bank balances amounted to approximately RMB18,269.7 million, representing an increase of approximately RMB2,045.6 million or 12.6% from the beginning of the Reporting Period. During the Reporting Period, the Group generally financed its operations with internally generated resources, short-term financing bonds, perpetual bonds, corporate bonds, medium-term notes, private bonds and banking facilities provided by its principal bankers in the PRC. As at 30 June 2026, the Group's interest-bearing bank borrowings amounted to approximately RMB106,275.2 million (as at 31 December 2025: RMB100,704.1 million) which bore fixed interest rates and were all denominated in Renminbi. Among these borrowings, approximately RMB49,271.8 million interest-bearing bank borrowings were due for repayment within one year, representing an increase of approximately RMB4,105.3 million from the beginning of the Reporting Period. Approximately RMB57,003.4 million interest-bearing bank borrowings were due for repayment after one year, representing an increase of approximately RMB1,465.8 million from the beginning of the Reporting Period. The Group's interest-bearing bank borrowings were all denominated in RMB.

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

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

1. No profits shall be distributed to the shareholders;

2. Significant external investment, mergers and acquisitions, and other capital expenditure projects shall be postponed;

3. Salary and bonus of Directors and senior management shall be reduced or suspended;

4. The main responsible person in relation to the Company's bonds shall not be transferred.

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

## NOTIFIABLE TRANSACTIONS DURING THE REPORTING PERIOD

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

## CONNECTED TRANSACTIONS DURING THE REPORTING PERIOD

During the Reporting Period, the Group had not conducted any connected transactions that were required to be disclosed pursuant to the Listing Rules.

## AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to further enhance corporate governance standards and implement the sustainable development concept and in accordance with the requirements of the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies and other laws and regulations, the Board considered and approved the proposed amendments to the articles of association of the Company (the "**Articles of Association**") and the Rules of Procedures for Shareholders' General Meetings, and the change of the name of the strategic committee of the Board to the strategic and sustainability committee and amendments to its rules of procedures during the Reporting Period.

The above proposed amendments to the Articles of Association and the proposed amendments to the Rules of Procedures for Shareholders' General Meetings had been submitted to the annual general meeting of the Company for the year 2025 (the "**2025 AGM**") held by the Company on 4 June 2026 as a special resolution for consideration and had been approved by shareholders of the Company by way of voting. The amended Articles of Association and Rules of Procedures for Shareholders' General Meetings took effect from the date on which this resolution was passed at the 2025 AGM.

For specific contents and details of the proposed amendments to the Articles of Association and the proposed amendments to the Rules of Procedures for Shareholders' General Meetings, please refer to the announcement of the Company dated 29 April 2026 and the circular of the 2025 AGM dated 29 April 2026.

## COMMITMENTS

*Unit: RMB*

| | **As at 30 June 2026 (Unaudited)** | As at 31 December 2025 (Audited) |
|---|---|---|
| Asset acquisition or construction contracts entered into but not completed | **864,077,715.88** | 317,552,240.01 |
| Property development contracts entered into and being executed or will be executed | **7,169,213,738.63** | 8,014,006,167.00 |
| | **8,033,291,454.51** | 8,331,558,407.01 |

## CONTINGENCIES

*Unit: RMB*

| | | **As at 30 June 2026 (Unaudited)** | As at 31 December 2025 (Audited) |
|---|---|---|---|
| Provision of guarantee on mortgage to third parties | *Note 1* | **2,680,742,795.60** | 1,748,577,759.96 |
| Provision of guarantee on loans and others to third parties | *Note 2* | **585,000,000.00** | 630,000,000.00 |
| Provision of guarantee on loans and others to related parties | *Note 3* | **493,600,000.00** | 615,600,000.00 |
| | | **3,759,342,795.60** | 2,994,177,759.96 |

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

*Note 2:* As at 30 June 2026, Jidong Development Group Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on the borrowings of RMB585,000,000.00 for Tangshan Culture & Tourism Investment Group Co., Ltd. (唐山市文化旅遊投資集團有限公司). The guarantee will expire in May 2029.

*Note 3*: As at 30 June 2026, BBMG Jidong Cement Group Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on nine borrowings of RMB5,000,000.00, RMB15,000,000.00, RMB5,000,000.00, RMB5,000,000.00, RMB5,000,000.00, RMB10,000,000.00, RMB7,500,000.00, RMB12,500,000.00 and RMB10,000,000.00, respectively, for Anshan Jidong Cement Co., Ltd., which will expire on 23 September 2026, 16 October 2026, 14 November 2026, 16 November 2026, 14 December 2026, 16 December 2026, 29 April 2027, 14 May 2027 and 10 June 2027, respectively. BBMG Real Estate Development Group Co., Ltd., a subsidiary of the Group, provided a secured guarantee for the bank loan project of Beijing Yichang Real Estate Co., Ltd., with an amount of RMB418,600,000.00. The guarantee will expire on 31 October 2030.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

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

## PLEDGE OF ASSETS

As at 30 June 2026, the Group's cash and bank balances, certain inventories, bill receivables, receivables, fixed assets, investment properties, land use rights, data resources and restricted cash arising from pre-sales of properties totaling approximately RMB22,019.4 million (as at 31 December 2025: RMB28,226.5 million) were pledged to secure the short-term and long-term loans of the Group, which accounted for approximately 8.2% of the total assets of the Group (as at 31 December 2025: 10.7%).

## EMPLOYEES

As at 30 June 2026, the Group had 42,083 employees in total (as at 31 December 2025: 42,792). During the Reporting Period, the aggregate remuneration of the Group's employees (including Directors' remuneration) amounted to approximately RMB3,762.0 million (for the six months ended 30 June 2025: RMB3,856.9 million), representing a decrease of approximately 2.5%. The Group provides its employees in the PRC with retirement insurance, medical insurance, unemployment insurance, maternity insurance and industrial injury insurance as well as a housing provident fund pursuant to PRC laws and regulations. The Group pays salaries to its employees based on a combination of factors such as their positions, lengths of service and work performance, and reviews these salaries and benefits on a regular basis.

## RISK MANAGEMENT

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

## FOREIGN EXCHANGE RISK MANAGEMENT

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

## TREASURY POLICIES

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

## MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

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

## SIGNIFICANT INVESTMENTS

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the Company's total assets as at 30 June 2026) during the Reporting Period.

## SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

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

## GEARING RATIO

Gearing ratio equals total liabilities divided by total assets of the Group as at the same date. The gearing ratio of the Group as at 30 June 2026 is approximately 68.9%.

# OTHER INFORMATION

## LOAN ARRANGEMENTS GRANTED TO ENTITIES

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

## PLEDGE OF SHARES BY CONTROLLING SHAREHOLDERS

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

## BREACH OF LOAN AGREEMENTS

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

## FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

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

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES

As at 30 June 2026, the total issued share capital of the Company was 10,677,771,134 shares, of which 8,339,006,264 were A Shares and 2,338,764,870 were H Shares. To the best knowledge of the directors of the Company (the "**Directors**"), the records of interest (being 5% or more of the Company's issued share capital) as registered in the register of interests kept by the Company under section 336 of the Securities and Futures Ordinance (the "**SFO**") were as follows:

## Long positions:

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

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

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

Save as disclosed above, as at 30 June 2026, so far as was known to the Directors, there were no other parties who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

# OTHER INFORMATION

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

As at 30 June 2026, none of the Directors or chief executive officer of the Company had an interest or short position in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered in the register of interests maintained by the Company, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

As at 30 June 2026, the Directors were not aware of any issues of the Directors and relevant employees not in compliance with the Model Code during the six months ended 30 June 2026. Specific enquiry has been made to all Directors and relevant employees, who have confirmed that they had complied with the Model Code during the Reporting Period.

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

The Group did not sell, repurchase or redeem any of the securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company during the six months ended 30 June 2026. During the six months ended 30 June 2026, the Company did not have any treasury shares.

## TRANSACTIONS IN RESPECT OF THE GROUP'S OWN SECURITIES

During the Reporting Period, the Group had neither issued nor granted any convertible securities, options, warrants or other similar rights. As at 30 June 2026, the Group had no redeemable securities.

## CORPORATE GOVERNANCE CODE

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

## BOARD COMPOSITION

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

Mr. Duan Zhihui has been nominated by the Board as the non-executive Director of the Company at the Board meeting held by the Board on 10 July 2026. The election of Mr. Duan Zhihui was subsequently approved at the 2026 first extraordinary general meeting held on 31 July 2026, and Mr. Duan Zhihui was appointed as the non-executive Director of the Company, with effect from 31 July 2026. Mr. Duan Zhihui was then appointed as a member of the Audit and Risk Committee of the Company, with effect from 31 July 2026. For details of the aforesaid appointment of Mr. Duan Zhihui, please refer to the announcement and the circular of the Company dated 10 July 2026 and the poll results announcement of the 2026 first extraordinary general meeting dated 31 July 2026.

On 31 July 2026, the Company received a resignation letter from Mr. Gu Tiemin. Mr. Gu Tiemin resigned as a non-executive Director and a member of the Audit and Risk Committee of the Company due to his work re-designation, with effect from 31 July 2026. For details, please refer to the announcement of the Company dated 31 July 2026.

Save as disclosed above, there was no change in the Directors for the six months ended 30 June 2026 and as of the date of this report.

OTHER INFORMATION

## AUDIT AND RISK COMMITTEE

The Company has established the Audit and Risk Committee pursuant to the provisions of the Listing Rules, aimed at reviewing and supervising the Group's financial reporting procedures. The Audit and Risk Committee is composed of three non-executive Directors and four independent non-executive Directors. At the meeting of the Audit and Risk Committee convened on 28 August 2026, the committee had reviewed and considered the Group's unaudited interim consolidated financial statements and the internal audit report for the six months ended 30 June 2026, reviewed the accounting standards and practices adopted by the Group, considered the Group's financial statements for the first half of 2026 and recommended that the Board adopted the financial statements for the first half of 2026.

As at the date of this report, members of the Audit and Risk Committee are Kong Qinghui (non-executive Director), Duan Zhihui (non-executive Director), Zhao Xinjun (non-executive Director), Liu Taigang (independent non-executive Director), Hong Yongmiao (independent non-executive Director), Tam Kin Fong (independent non-executive Director) and Yin Yuanping (independent non-executive Director). Tam Kin Fong (independent non-executive Director) is the chairman of the Audit and Risk Committee.

## CHANGES IN THE DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B OF THE LISTING RULES

The changes in the Directors' information as required to be disclosed pursuant to Rule 13.51(B)(1) of the Listing Rules is set out below:

Mr. Duan Zhihui has been nominated by the Board as the non-executive Director at the Board meeting held on 10 July 2026. The election of Mr. Duan Zhihui was subsequently approved at the 2026 first extraordinary general meeting held on 31 July 2026, and Mr. Duan Zhihui was appointed as the non-executive Director of the Company and was then appointed as a member of the Audit and Risk Committee of the Company, with effect from 31 July 2026. For details of the aforesaid appointment of Mr. Duan Zhihui, please refer to the announcement and the circular of the Company dated 10 July 2026 and the poll results announcement of the 2026 first extraordinary general meeting on 31 July 2026.

On 31 July 2026, the Company received a resignation letter from Mr. Gu Tiemin. Mr. Gu Tiemin resigned as a non-executive Director and a member of the Audit and Risk Committee of the Company due to his work re-designation, with effect from 31 July 2026. For details, please refer to the announcement of the Company dated 31 July 2026.

## INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend in respect of the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

## INVESTOR RELATIONS MANAGEMENT

The Group strongly believes that investor relations are an integral part of maintaining good corporate governance of a listed company. During the Reporting Period, the Group has been actively maintaining contact with investors and keeping them abreast of the industry updates, corporate information and business development in a timely manner, so as to establish a platform for fair, open and transparent information disclosure. The Board Secretary, Zhang Jianfeng, is responsible for the investor relations of the Group with the full support from the Board and the senior management. During the six months ended 30 June 2026, the Group actively participated in various investor relations activities and provided real-time information to investors through its company website.

### 1. Investor Forums and Conferences

During the Reporting Period, the Group endeavors to continue to actively participate in non-trading roadshows organized by sizable and major investment banks in Hong Kong after the publication of the results announcement for 2025. The roadshows were proved to be an excellent opportunity and platform to convey a clear message to the investors about the Group's latest operational and financial performances and business prospect for the investors' deeper and clearer understanding of the Group. Meanwhile, the Group also held online briefing on the results for investors and telephone presentations during the Reporting Period, and actively organized one-on-one and group meetings with fund managers and analysts in various regions. During the Reporting Period, the Group has met with several analysts, fund managers and financial commentators and maintained close communications with institutional investors, providing them with up-to-date information about the Group. During the Reporting Period, the Company conducted non-trading roadshows in several places such as Beijing, Shanghai and Hong Kong, received analysts and investors, and responded to inquiries from small and medium-sized investors on the SSE e-Interactive.

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

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

## 3. Results and Profit Alert Announcements

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

## 4. Maintaining Interactive Communications with Media

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

## 5. Timely Dissemination of Latest Corporate Updates

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

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

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

OTHER INFORMATION

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

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

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

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

## INVESTOR INFORMATION

### 1. Share Particulars

| | |
|---|---|
| *H Shares* | |
| Listing date | 29 July 2009 |
| Stock Exchange | Hong Kong Stock Exchange |
| Board lot | 1,000 shares |
| Number of issued H Shares | 2,338,764,870 shares (as at 30 June 2026 and 28 August 2026) |
| Stock code | 02009.HK |
| *A Shares* | |
| Listing date | 1 March 2011 |
| Stock Exchange | Shanghai Stock Exchange |
| Board lot | 100 shares |
| Number of issued A Shares | 8,339,006,264 shares (as at 30 June 2026 and 28 August 2026) |
| Stock code | 601992.SH |

### 2. Financial Calendar

| | |
|---|---|
| 2025 annual results announcement | published on 30 March 2026 |
| 2026 first quarterly results announcement | published on 29 April 2026 |
| 2026 interim results announcement | published on 28 August 2026 |
| 2025 Annual General Meeting | held on 4 June 2026 |
| Closure of register of H shares members to determine the eligibility of Shareholders to attend the 2025 Annual General Meeting | 1 June 2026 to 4 June 2026 |
| Financial year end | 31 December |

### 3. Dividends

| | |
|---|---|
| 2025 final dividends | RMB0.05 per share (inclusive of applicable tax) (or equivalent to HK$0.0575 per H share) |
| Closure of register of H shares members to determine the entitlement of Shareholders to the 2025 final dividends | 22 June 2026 to 29 June 2026 |
| Payment of 2025 final dividends of H shares | 31 July 2026 |

# OTHER INFORMATION

For any queries, please contact:

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# Review Report on Interim Financial Statements

德勤

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

De Shi Bao (Yue) Zi (26) No. R00040

**To the shareholders of BBMG Corporation,**

We have reviewed the interim financial statements of BBMG Corporation (hereinafter referred to as "**BBMG**"), which comprise the consolidated and the Company's balance sheets as at 30 June 2026, and the consolidated and the Company's income statements, the consolidated and the Company's statement of cash flows, the consolidated and the Company's statement of changes in shareholders' equity for the six months ended 30 June 2026 and relevant notes to the interim financial statements. The management of BBMG is responsible for the preparation of the financial statements, while we are responsible for the presentation of a review report on the interim financial statements based on our review.

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

Based on our review, we have not been aware of any convincing events that the abovementioned interim financial statements had failed to be prepared in accordance with the Accounting Standards for Business Enterprises or failed to present fairly the consolidated and the Company's financial position as at 30 June 2026, the consolidated and the Company's operating results and the consolidated and the Company's cash flows for the six months ended 30 June 2026 in all material aspects.

**Deloitte Touche Tohmatsu Certified Public Accountants LLP**
*Chinese Certified Public Accountant:* **Xu Bin**
*Chinese Certified Public Accountant:* **Niu Shuang**

Shanghai, the PRC
28 August 2026

# Unaudited Interim Consolidated Balance Sheet

**As at 30 June 2026**

**Unit: RMB**

| Items | Note V | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| Current Assets | | | |
| Cash and bank balances | 1 | **18,269,719,824.97** | 16,224,112,174.45 |
| Financial assets held for trading | 2 | **467,131,047.76** | 970,596,554.47 |
| Bills receivable | 3 | **469,332,979.52** | 497,663,264.11 |
| Accounts receivable | 4 | **11,471,618,044.01** | 11,399,856,092.87 |
| Receivables financing | 5 | **578,210,612.99** | 850,433,443.17 |
| Prepayments | 6 | **3,779,110,253.91** | 3,248,897,713.60 |
| Other receivables | 7 | **7,571,014,041.23** | 7,526,941,670.00 |
| Inventories | 8 | **84,163,680,517.23** | 82,479,958,825.66 |
| Contract assets | 9 | **545,498,616.94** | 614,904,814.96 |
| Non-current assets due within one year | 10 | **838,608,115.57** | 1,722,372,285.64 |
| Other current assets | 11 | **11,026,409,978.90** | 8,514,243,262.79 |
| **Total current assets** | | **139,180,334,033.03** | 134,049,980,101.72 |
| Non-current assets | | | |
| Debt investments | 12 | **65,693,137.69** | 30,534,002.82 |
| Other debt investments | 13 | **609,197,470.37** | 467,784,342.37 |
| Long-term receivables | 14 | **1,279,924,296.87** | 1,444,633,484.74 |
| Long-term equity investments | 15 | **8,856,363,567.94** | 8,956,983,997.42 |
| Investment in other equity instruments | 16 | **897,861,742.46** | 998,410,315.35 |
| Other non-current financial assets | 17 | **1,652,356,499.89** | 798,123,889.85 |
| Investment properties | 18 | **48,498,358,040.61** | 47,872,002,131.58 |
| Fixed assets | 19 | **41,446,667,186.10** | 42,222,283,377.14 |
| Construction in progress | 20 | **1,795,352,710.89** | 2,034,712,328.72 |
| Right-of-use assets | 21 | **835,681,841.40** | 887,121,459.33 |
| Intangible assets | 22 | **16,182,680,297.63** | 16,712,274,749.55 |
| Goodwill | 23 | **2,830,149,265.40** | 2,830,149,265.40 |
| Long-term deferred expenditures | 24 | **2,122,480,683.94** | 2,070,162,276.61 |
| Deferred income tax assets | 25 | **1,519,087,908.98** | 1,899,441,899.76 |
| Other non-current assets | 26 | **375,032,835.08** | 344,360,056.00 |
| **Total non-current assets** | | **128,966,887,485.25** | 129,568,977,576.64 |
| **Total assets** | | **268,147,221,518.28** | 263,618,957,678.36 |

# Unaudited Interim Consolidated Balance Sheet (Continued)

**As at 30 June 2026**

**Unit: RMB**

| Items | Note V | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| Current liabilities | | | |
| Short-term loans | 28 | **28,354,714,601.61** | 25,676,730,398.34 |
| Bills payable | 29 | **5,177,849,690.74** | 4,150,182,175.87 |
| Accounts payable | 30 | **17,044,667,324.67** | 16,573,021,864.84 |
| Receipts in advance | 31 | **283,681,770.58** | 318,616,077.79 |
| Contract liabilities | 32 | **10,858,859,029.57** | 7,075,184,375.04 |
| Wages payable | 33 | **188,191,360.07** | 298,609,978.78 |
| Tax payable | 34 | **877,462,204.19** | 881,053,789.84 |
| Other payables | 35 | **7,641,327,186.62** | 7,117,883,604.60 |
| Non-current liabilities due within one year | 36 | **30,233,653,595.95** | 25,253,636,923.72 |
| Short-term financing bonds payable | 39 | – | 1,000,644,383.56 |
| Other current liabilities | 37 | **3,437,866,183.34** | 3,437,074,628.40 |
| **Total current liabilities** | | **104,098,272,947.34** | 91,782,638,200.78 |
| Non-current liabilities | | | |
| Long-term loans | 38 | **57,003,404,392.45** | 55,537,629,277.57 |
| Bonds payable | 39 | **12,962,396,940.45** | 16,158,542,279.88 |
| Lease liabilities | 40 | **338,282,008.46** | 431,305,371.38 |
| Long-term payables | 41 | **484,795,842.07** | 448,900,721.25 |
| Long-term wages payable | 42 | **351,251,411.72** | 363,692,973.72 |
| Estimated liabilities | 43 | **471,178,803.54** | 651,294,169.20 |
| Deferred income | 44 | **756,510,564.50** | 787,864,000.33 |
| Deferred income tax liabilities | 25 | **6,650,883,045.26** | 6,883,052,149.62 |
| Other non-current liabilities | 45 | **1,657,254,953.02** | 1,658,378,539.18 |
| **Total non-current liabilities** | | **80,675,957,961.47** | 82,920,659,482.13 |
| **Total liabilities** | | **184,774,230,908.81** | 174,703,297,682.91 |

# Unaudited Interim Consolidated Balance Sheet (Continued)

**As at 30 June 2026**

**Unit: RMB**

| Items | Note V | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| Equity attributable to shareholders | | | |
| Share capital | 46 | **10,677,771,134.00** | 10,677,771,134.00 |
| Other equity instruments | 47 | **29,355,600,000.00** | 30,238,550,000.00 |
| *Including: Perpetual bonds* | *47* | ***29,355,600,000.00*** | *30,238,550,000.00* |
| Capital reserve | 48 | **4,911,022,041.21** | 5,016,200,135.25 |
| Other comprehensive income | 49 | **776,562,492.65** | 784,397,424.58 |
| Specific reserve | 50 | **23,977,909.65** | 32,946,315.73 |
| Surplus reserve | 51 | **3,136,562,941.30** | 3,136,562,941.30 |
| General risk reserve | 52 | **497,216,299.67** | 497,216,299.67 |
| Retained earnings | 53 | **17,431,576,160.11** | 20,640,609,530.17 |
| **Total equity attributable to the shareholders of the parent company** | | **66,810,288,978.59** | 71,024,253,780.70 |
| **Minority interests** | | **16,562,701,630.88** | 17,891,406,214.75 |
| **Total equity attributable to shareholders** | | **83,372,990,609.47** | 88,915,659,995.45 |
| **Total liabilities and equity attributable to shareholders** | | **268,147,221,518.28** | 263,618,957,678.36 |

The financial statements have been signed by:

Officer-in-charge of the Company: **Jiang Yingwu**

Chief accountant: **Zheng Baojin**

Head of the accounting department: **Chen Feng**

The accompanying notes form an integral part of these financial statements

# Unaudited Interim Consolidated Income Statement

**For the six months ended 30 June 2026**

**Unit: RMB**

| Items | Note V | January to June 2026 | January to June 2025 |
|---|---|---|---|
| Operating revenue | 54 | **35,916,177,533.87** | 45,565,715,081.09 |
| Less: Operating costs | 54 | **32,475,056,843.35** | 40,610,242,298.51 |
| Tax and surcharges | 55 | **603,251,647.61** | 853,262,364.92 |
| Selling expenses | 56 | **1,045,036,199.54** | 1,136,308,505.74 |
| Administrative expenses | 57 | **3,192,809,948.44** | 3,423,568,609.45 |
| Research and development expenses | 58 | **320,958,451.21** | 356,665,451.80 |
| Finance costs | 59 | **1,334,725,843.23** | 1,457,741,352.50 |
| *Including: Interest expenses* | *59* | ***1,340,880,798.99*** | *1,526,470,301.26* |
| *Interest income* | *59* | ***39,621,082.60*** | *91,289,093.43* |
| Add: Other gains | 60 | **206,046,760.33** | 310,744,508.35 |
| Investment (losses)/gains | 61 | **(29,784,876.92)** | 248,097,867.50 |
| *Including: Gains from investment in associates and joint ventures* | *61* | ***(79,255,841.80)*** | *(91,260,867.36)* |
| *Derecognition gains on financial assets measured at amortized cost* | *61* | ***580,892.08*** | *23,173,416.70* |
| (Losses)/gains from changes in fair value | 62 | **(18,850,634.16)** | 184,847,367.81 |
| Credit impairment losses | 63 | **(41,569,568.07)** | (51,007,026.01) |
| Asset impairment gains/(losses) | 64 | **3,053,924.06** | (62,517,152.00) |
| Gains on disposal of assets | 65 | **181,700,532.74** | 204,982,947.95 |
| Operating profit | | **(2,755,065,261.53)** | (1,436,924,988.23) |
| Add: Non-operating revenue | 66 | **123,281,238.50** | 159,521,552.82 |
| Less: Non-operating expenses | 67 | **30,681,308.11** | 52,971,654.08 |
| Total profit | | **(2,662,465,331.14)** | (1,330,375,089.49) |
| Less: Income tax expenses | 69 | **360,246,763.36** | 578,489,080.97 |
| Net profit | | **(3,022,712,094.50)** | (1,908,864,170.46) |
| Classified by continuity of operations | | | |
| Net profit from continuing operations | | **(3,022,712,094.50)** | (1,908,864,170.46) |
| Classified by attribution of ownership | | | |
| Net profit attributable to the shareholders of the parent company | | **(2,171,914,414.74)** | (1,495,582,382.78) |
| Minority interests | | **(850,797,679.76)** | (413,281,787.68) |
| Net other comprehensive income after tax | 49 | **(33,579,456.28)** | 74,542,153.73 |

# Unaudited Interim Consolidated Income Statement (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

| Items | Note V | January to June 2026 | January to June 2025 |
|---|---|---|---|
| Net other comprehensive income after tax attributable to shareholders of the parent company | | **(7,834,931.93)** | 65,767,370.40 |
| Other comprehensive income not allowed to be reclassified into profit or loss | | **(37,339,227.81)** | (15,206,925.04) |
| Changes arising from re-measurement of defined benefit plans | | **3,652,050.63** | (1,721,648.54) |
| Changes in fair value of investment in other equity instruments | | **(40,991,278.44)** | (13,485,276.50) |
| Other comprehensive income to be reclassified into profit or loss | | **29,504,295.88** | 80,974,295.44 |
| Other comprehensive income that may be reclassified to profit or loss under equity method | | **6,598,972.52** | 8,268,973.26 |
| Changes in fair value of other debt investments | | **2,685,022.50** | – |
| Exchange differences on foreign currency translation | | **(3,414,312.93)** | (10,634,378.73) |
| The difference between the fair value and the carrying value of self-occupied properties or inventories on the date when it changed to the investment properties measured with the fair value model | | **23,634,613.79** | 83,339,700.91 |
| Net other comprehensive income after tax attributable to minority interests | 49 | **(25,744,524.35)** | 8,774,783.33 |
| Total comprehensive income | | **(3,056,291,550.78)** | (1,834,322,016.73) |
| Total comprehensive income attributable to the shareholders of the parent company | | **(2,179,749,346.67)** | (1,429,815,012.38) |
| Total comprehensive income attributable to minority interests | | **(876,542,204.11)** | (404,507,004.35) |
| Basic and diluted earnings per share | | | |
| Before deducting other equity instrument indicators | | **(0.20)** | (0.14) |
| After deducting other equity instrument indicators | 70 | **(0.25)** | (0.19) |

The financial statements have been signed by:

| Officer-in-charge of the Company: | Chief accountant: | Head of the accounting department: |
|---|---|---|
| **Jiang Yingwu** | **Zheng Baojin** | **Chen Feng** |

The accompanying notes form an integral part of these financial statements

# Unaudited Interim Consolidated Statement of Cash Flows

**For the six months ended 30 June 2026**

**Unit: RMB**

| Items | Note V | January to June 2026 | January to June 2025 |
|---|---|---|---|
| **I. Cash flows from operating activities:** | | | |
| Cash received from sale of goods or rendering of services | | **43,977,843,599.48** | 47,812,587,397.05 |
| Refunds of taxes | | **75,696,537.30** | 113,796,933.72 |
| Net decrease in deposits placed with the Central Bank | | **–** | 103,684,663.38 |
| Cash received from other operating activities | 71 | **712,940,220.02** | 871,662,118.55 |
| Subtotal of cash inflows from operating activities | | **44,766,480,356.80** | 48,901,731,112.70 |
| Cash paid for goods and services | | **31,739,612,332.34** | 40,715,533,239.12 |
| Cash paid to and on behalf of employees | | **3,882,561,785.46** | 3,948,058,858.43 |
| Cash paid for all types of taxes | | **3,406,520,712.03** | 2,685,671,003.85 |
| Net increase in deposits placed with the Central Bank | | **40,049,114.20** | – |
| Cash paid for other operating activities | 71 | **3,020,108,055.30** | 3,090,288,898.61 |
| Subtotal of cash outflows from operating activities | | **42,088,851,999.33** | 50,439,552,000.01 |
| **Net cash flows from/(used in) operating activities** | 72 | **2,677,628,357.47** | (1,537,820,887.31) |
| **II. Cash flows from investing activities:** | | | |
| Cash received from redemption of investments | 71 | **2,195,181,956.70** | 768,793,466.70 |
| Cash received from return on investments | | **83,122,336.64** | 75,757,724.73 |
| Net cash received from disposal of subsidiaries and other operating units | | **–** | 666,059,721.22 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | | **1,094,020,003.21** | 589,075,385.50 |
| Cash received from other investing activities | 71 | **210,152,492.72** | 328,304,068.44 |
| Subtotal of cash inflows from investing activities | | **3,582,476,789.27** | 2,427,990,366.59 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | | **1,404,653,870.15** | 969,586,125.44 |
| Cash paid for investments | 71 | **3,918,664,622.56** | 1,831,989,071.70 |
| Net cash paid for acquisition of subsidiaries and other operating units | | **–** | 1,657,695,096.63 |
| Cash paid for other investing activities | 71 | **318,096,580.80** | 620,913,998.09 |
| Subtotal of cash outflows from investing activities | | **5,641,415,073.51** | 5,080,184,291.86 |
| **Net cash flows used in investing activities** | | **(2,058,938,284.24)** | (2,652,193,925.27) |

# Unaudited Interim Consolidated Statement of Cash Flows (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

| Items | Note V | January to June 2026 | January to June 2025 |
|---|---|---|---|
| **III. Cash flows from financing activities:** | | | |
| Cash received from investment absorption | | – | 509,600,000.00 |
| *Including: Cash received by subsidiaries from minority interests* | | – | *509,600,000.00* |
| Cash received from issuance of bonds | | **999,700,000.00** | 2,978,000,000.00 |
| Cash received from issuance of perpetual bonds | | **6,096,350,000.00** | 6,793,753,824.11 |
| Cash received from borrowings | | **32,647,173,612.24** | 32,005,009,670.59 |
| Cash received from other financing activities | 71 | **364,856,842.74** | 1,902,322,471.97 |
| Subtotal of cash inflows from financing activities | | **40,108,080,454.98** | 44,188,685,966.67 |
| Cash paid for repayment of debts | | **27,076,086,841.89** | 23,225,081,357.02 |
| Cash paid for distribution of dividends or profits or for interest expenses | | **2,033,516,970.25** | 1,897,485,087.56 |
| *Including: Dividends and profits paid by subsidiaries to minority shareholders* | | ***108,537,872.55*** | *211,241,333.86* |
| Cash paid for repayment of bonds | | **2,039,686,109.77** | 7,793,471,262.75 |
| Cash paid for repayment of perpetual bonds | | **7,000,000,000.00** | 5,500,000,000.00 |
| Cash paid for other financing activities | 71 | **661,098,773.04** | 310,637,801.17 |
| Subtotal of cash outflows from financing activities | | **38,810,388,694.95** | 38,726,675,508.50 |
| **Net cash flows from financing activities** | | **1,297,691,760.03** | 5,462,010,458.17 |
| **IV. Effect of changes in exchange rate on cash and cash equivalent** | | **(11,731,393.28)** | (8,372,464.35) |
| **V. Net increase in cash and cash equivalents** | 72 | **1,904,650,439.98** | 1,263,623,181.24 |
| Add: Balance of cash and cash equivalents at the beginning of the period | 72 | **13,646,993,204.36** | 14,870,850,675.58 |
| **VI. Balance of cash and cash equivalents at the end of the period** | 72 | **15,551,643,644.34** | 16,134,473,856.82 |

The financial statements have been signed by:

| Officer-in-charge of the Company: | Chief accountant: | Head of the accounting department: |
|---|---|---|
| **Jiang Yingwu** | **Zheng Baojin** | **Chen Feng** |

The accompanying notes form an integral part of these financial statements

# Unaudited Interim Consolidated Statement of Changes in Shareholders' Equity

**For the six months ended 30 June 2026**

**Unit: RMB**

**January to June 2026**

| | Equity attributable to the owners of the parent company | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Items | Share capital | Other equity instruments | Capital reserve | Other comprehensive income | Specific reserve | Surplus reserve | General risk reserve | Retained earnings | Subtotal | Minority interests | Total shareholders' equity |
| I. Balance at the end of last year | 10,677,771,134.00 | 30,238,550,000.00 | 5,016,200,135.25 | 784,397,424.58 | 32,946,315.73 | 3,136,562,941.30 | 497,216,299.67 | 20,640,609,530.17 | 71,024,253,780.70 | 17,891,406,214.75 | 88,915,659,995.45 |
| II. Movements during the period | | | | | | | | | | | |
| (1) Total comprehensive income | - | - | - | (7,834,931.93) | - | - | - | (2,171,914,414.74) | (2,179,749,346.67) | (876,542,204.11) | (3,056,291,550.78) |
| (2) Capital contribution and reduction from owners | | | | | | | | | | | |
| 1. Capital reduction by minority shareholders | - | - | (88,200,703.02) | - | - | - | - | - | (88,200,703.02) | (337,970,596.98) | (426,171,300.00) |
| 2. Amounts of share-based payments recognised in owner's equity | - | - | - | - | - | - | - | - | - | 3,018,560.65 | 3,018,560.65 |
| (3) Others – principal of perpetual bonds | | | | | | | | | | | |
| 1. Issuance of perpetual bonds | - | 6,096,350,000.00 | - | - | - | - | - | - | 6,096,350,000.00 | - | 6,096,350,000.00 |
| 2. Redemption of perpetual bonds | - | (6,979,300,000.00) | (16,977,391.02) | - | - | - | - | - | (6,996,277,391.02) | - | (6,996,277,391.02) |
| (4) Profit distribution | | | | | | | | | | | |
| 1. Appropriation of surplus reserve | - | - | - | - | - | - | - | - | - | - | - |
| 2. Dividend to shareholders | - | - | - | - | - | - | - | (533,888,556.70) | (533,888,556.70) | (108,537,872.55) | (642,426,429.25) |
| 3. Interest on perpetual bonds | - | - | - | - | - | - | - | (503,230,398.62) | (503,230,398.62) | - | (503,230,398.62) |
| (5) Specific reserve | | | | | | | | | | | |
| 1. Appropriated during the period | - | - | - | - | 50,688,041.63 | - | - | - | 50,688,041.63 | 56,279,749.14 | 106,967,790.77 |
| 2. Used during the period | - | - | - | - | (59,656,447.71) | - | - | - | (59,656,447.71) | (64,952,220.02) | (124,608,667.73) |
| III. Balance at the end of the period | 10,677,771,134.00 | 29,355,600,000.00 | 4,911,022,041.21 | 776,562,492.65 | 23,977,909.65 | 3,136,562,941.30 | 497,216,299.67 | 17,431,576,160.11 | 66,810,288,978.59 | 16,562,701,630.88 | 83,372,990,609.47 |

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

**For the six months ended 30 June 2026**

**Unit: RMB**

January to June 2025

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

The accompanying notes form an integral part of these financial statements

# Unaudited Interim Balance Sheet of the Company

**As at 30 June 2026**

**Unit: RMB**

| Items | Note XV | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| Current assets | | | |
| Cash and bank balances | | **9,164,718,594.97** | 6,214,567,977.01 |
| Accounts receivable | | **7,536,333.56** | 11,834,233.14 |
| Other receivables | 1 | **68,236,245,434.90** | 69,044,672,379.21 |
| Other current assets | 2 | **737,051,488.35** | 736,351,950.75 |
| **Total current assets** | | **78,145,551,851.78** | 76,007,426,540.11 |
| Non-current assets | | | |
| Long-term equity investments | 3 | **66,559,917,723.77** | 66,471,224,637.53 |
| Investment in other equity instruments | | **350,095,345.32** | 350,095,345.32 |
| Other non-current financial assets | | **840,469,099.89** | 798,123,889.85 |
| Investment properties | 4 | **14,375,234,248.42** | 14,382,591,848.42 |
| Fixed assets | | **639,245,042.48** | 672,502,070.56 |
| Right-of-use assets | | **1,594,169.17** | 2,191,983.01 |
| Intangible assets | | **268,805,779.97** | 274,089,421.55 |
| Long-term deferred expenditures | | **3,812,821.66** | 4,565,099.74 |
| Deferred income tax assets | | – | 52,066,789.58 |
| Other non-current assets | | **65,154,508.93** | 59,911,964.99 |
| Total non-current assets | | **83,104,328,739.61** | 83,067,363,050.55 |
| **Total assets** | | **161,249,880,591.39** | 159,074,789,590.66 |

# Unaudited Interim Balance Sheet of the Company (Continued)

**As at 30 June 2026**

**Unit: RMB**

| Items | Note XV | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| Current liabilities | | | |
| Short-term loans | | **21,284,285,540.00** | 19,685,753,654.56 |
| Accounts payable | | **15,187,850.02** | 16,428,967.30 |
| Receipts in advance | | **98,487,098.57** | 102,825,666.96 |
| Wages payable | | **1,672,331.07** | 20,733,202.88 |
| Tax payable | | **32,816,449.26** | 38,064,430.57 |
| Other payables | | **2,337,927,600.29** | 2,009,597,724.58 |
| Short-term financing bonds payable | | **–** | 1,000,644,383.56 |
| Non-current liabilities due within one year | | **18,333,873,608.46** | 14,621,340,183.96 |
| **Total current liabilities** | | **42,104,250,477.67** | 37,495,388,214.37 |
| Non-current liabilities | | | |
| Long-term loans | | **41,190,300,000.00** | 38,480,150,000.00 |
| Bonds payable | | **9,995,219,148.80** | 13,192,700,152.03 |
| Lease liabilities | | **627,685.54** | 931,454.30 |
| Long-term wages payable | | **143,177,808.38** | 145,726,860.38 |
| Deferred income tax liabilities | | **2,776,544,210.09** | 2,824,407,349.45 |
| **Total non-current liabilities** | | **54,105,868,852.81** | 54,643,915,816.16 |
| **Total liabilities** | | **96,210,119,330.48** | 92,139,304,030.53 |
| Equity attributable to shareholders | | | |
| Share capital | | **10,677,771,134.00** | 10,677,771,134.00 |
| Other equity instruments | | **29,455,600,000.00** | 30,448,550,000.00 |
| *Including: Perpetual bonds* | | ***29,455,600,000.00*** | *30,448,550,000.00* |
| Capital reserve | | **6,632,098,055.52** | 6,652,798,055.52 |
| Other comprehensive income | | **318,601,875.62** | 318,630,665.62 |
| Surplus reserve | | **3,136,562,941.30** | 3,136,562,941.30 |
| Retained earnings | | **14,819,127,254.47** | 15,701,172,763.69 |
| **Total equity attributable to shareholders** | | **65,039,761,260.91** | 66,935,485,560.13 |
| **Total liabilities and equity attributable to shareholders** | | **161,249,880,591.39** | 159,074,789,590.66 |

The financial statements have been signed by:

| Officer-in-charge of the Company: | Chief accountant: | Head of the accounting department: |
|---|---|---|
| **Jiang Yingwu** | **Zheng Baojin** | **Chen Feng** |

The accompanying notes form an integral part of these financial statements

# Unaudited Interim Income Statement of the Company

**For the six months ended 30 June 2026**

**Unit: RMB**

| Items | Note XV | January to June 2026 | January to June 2025 |
|---|---|---|---|
| Operating revenue | 5 | **360,697,569.65** | 433,485,551.34 |
| Less: Operating costs | 5 | **44,088,775.00** | 53,436,459.59 |
| Tax and surcharges | | **48,643,703.01** | 61,531,962.80 |
| Selling expenses | | **8,596,182.06** | 11,319,089.57 |
| Administrative expenses | | **78,439,335.87** | 98,844,284.06 |
| Research and development expenses | | **27,312,647.79** | 32,962,900.49 |
| Finance costs | | **167,712,141.10** | 155,489,648.35 |
| *Including: Interest expenses* | | ***1,035,858,300.87*** | *1,131,410,763.95* |
| *Interest income* | | ***874,991,813.22*** | *979,561,768.15* |
| Add: Other gains | | **328,058.29** | 220,278.75 |
| Investment gains | 6 | **150,820,792.43** | 525,203,841.73 |
| *Including: Gains from investment in associates and joint ventures* | | ***23,284,486.24*** | *(24,769,987.40)* |
| Gains from changes in fair value | | **15,894,003.46** | 109,244,979.86 |
| Credit impairment gains | | **269,880.00** | – |
| Losses on disposal of assets | | **(9,368.29)** | – |
| Operating profit | | **153,208,150.71** | 654,570,306.82 |
| Add: Non-operating revenue | | **6,069,522.33** | 13,945,421.62 |
| Less: Non-operating expenses | | **576.72** | 31,374.00 |
| Total profit | | **159,277,096.32** | 668,484,354.44 |
| Less: Income tax expenses | | **4,203,650.22** | 138,484,571.77 |
| Net profit | | **155,073,446.10** | 529,999,782.67 |
| *Including: Net profit from continuing operations* | | ***155,073,446.10*** | *529,999,782.67* |
| Net other comprehensive income after tax | | **(28,790.00)** | (33,490.00) |
| Other comprehensive income not allowed to be reclassified into profit or loss | | **(28,790.00)** | (33,490.00) |
| Changes arising from re-measurement of defined benefit plans | | **(28,790.00)** | (33,490.00) |
| Total comprehensive income | | **155,044,656.10** | 529,966,292.67 |

The financial statements have been signed by:

| Officer-in-charge of the Company: | Chief accountant: | Head of the accounting department: |
|---|---|---|
| **Jiang Yingwu** | **Zheng Baojin** | **Chen Feng** |

The accompanying notes form an integral part of these financial statements

# Unaudited Interim Statement of Cash Flows of the Company

**For the six months ended 30 June 2026**

**Unit: RMB**

| Items | Note XV | January to June 2026 | January to June 2025 |
|---|---|---|---|
| **I. Cash flows from operating activities:** | | | |
| Cash received from sale of goods or rendering of services | | **375,239,579.80** | 466,586,632.50 |
| Cash received from other operating activities | | **12,931,155,961.87** | 22,318,367,280.11 |
| Subtotal of cash inflows from operating activities | | **13,306,395,541.67** | 22,784,953,912.61 |
| Cash paid for goods and services | | **55,219,395.02** | 55,483,268.31 |
| Cash paid to and on behalf of employees | | **57,346,976.22** | 59,130,883.94 |
| Cash paid for all types of taxes | | **70,546,055.75** | 86,253,182.29 |
| Cash paid for other operating activities | | **11,419,301,718.03** | 20,839,309,801.83 |
| Subtotal of cash outflows from operating activities | | **11,602,414,145.02** | 21,040,177,136.37 |
| **Net cash flows from operating activities** | | **1,703,981,396.65** | 1,744,776,776.24 |
| **II. Cash flows from investing activities:** | | | |
| Cash received from redemption of investments | | **11,843,003.80** | – |
| Cash received from return on investments | | **140,612,306.19** | 176,896,083.01 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | | **24,735.00** | 48,696,848.00 |
| Net cash received from disposal of subsidiaries and other operating units | | **–** | 666,059,721.22 |
| Subtotal of cash inflows from investing activities | | **152,480,044.99** | 891,652,652.23 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | | **10,282,917.60** | 6,672,204.39 |
| Cash paid for investments | | **30,936,610.38** | 228,128,913.06 |
| Subtotal of cash outflows from investing activities | | **41,219,527.98** | 234,801,117.45 |
| **Net cash flows generated from investing activities** | | **111,260,517.01** | 656,851,534.78 |

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

**For the six months ended 30 June 2026**

**Unit: RMB**

| Items | Note XV | January to June 2026 | January to June 2025 |
|---|---|---|---|
| **III. Cash flows from financing activities:** | | | |
| Cash received from issuance of bonds | | – | 2,000,000,000.00 |
| Cash received from borrowings | | **24,371,000,000.00** | 22,461,000,000.00 |
| Cash received from issuance of perpetual bonds | | **5,986,350,000.00** | 6,993,358,824.11 |
| Subtotal of cash inflows from financing activities | | **30,357,350,000.00** | 31,454,358,824.11 |
| Cash paid for repayment of debts | | **19,544,272,465.75** | 15,006,050,000.00 |
| Cash paid for repayment of perpetual bonds | | **7,000,000,000.00** | 5,500,000,000.00 |
| Cash paid for distribution of dividends or profits or for interest expenses | | **1,675,591,295.70** | 1,878,197,409.89 |
| Cash paid for repayment of bonds | | **1,002,577,534.25** | 6,301,000,000.00 |
| Subtotal of cash outflows from financing activities | | **29,222,441,295.70** | 28,685,247,409.89 |
| **Net cash flows generated from financing activities** | | **1,134,908,704.30** | 2,769,111,414.22 |
| **IV. Effect of changes in exchange rate on cash and cash equivalents** | | – | 19,883.94 |
| **V. Net increase in cash and cash equivalents** | | **2,950,150,617.96** | 5,170,759,609.18 |
| Add: Balance of cash and cash equivalents at the beginning of the period | | **6,184,567,977.01** | 7,131,795,918.29 |
| **VI. Balance of cash and cash equivalents at the end of the Period** | | **9,134,718,594.97** | 12,302,555,527.47 |

The financial statements have been signed by:

| Officer-in-charge of the Company: | Chief accountant: | Head of the accounting department: |
|---|---|---|
| **Jiang Yingwu** | **Zheng Baojin** | **Chen Feng** |

The accompanying notes form an integral part of these financial statements

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

**For the six months ended 30 June 2026**

**Unit: RMB**

| | January to June 2026 | | | | | | |
|---|---|---|---|---|---|---|---|
| Items | Share capital | Other equity instruments | Capital reserve | Other comprehensive income | Surplus reserve | Retained earnings | Total shareholders' equity |
| I. Balance at the beginning of the period | 10,677,771,134.00 | 30,448,550,000.00 | 6,652,798,055.52 | 318,630,665.62 | 3,136,562,941.30 | 15,701,172,763.69 | 66,935,485,560.13 |
| II. Movements during the period | | | | | | | |
| (1) Total comprehensive income | – | – | – | (28,790.00) | – | 155,073,446.10 | 155,044,656.10 |
| (2) Principal of perpetual bonds | | | | | | | |
| 1. Issuance of perpetual bonds | – | 5,986,350,000.00 | – | – | – | – | 5,986,350,000.00 |
| 2. Redemption of perpetual bonds | – | (6,979,300,000.00) | (20,700,000.00) | – | – | – | (7,000,000,000.00) |
| (3) Profit distribution | | | | | | | |
| 1. Dividend to shareholders | – | – | – | – | – | (533,888,556.70) | (533,888,556.70) |
| 2. Interest on perpetual bonds | – | – | – | – | – | (503,230,398.62) | (503,230,398.62) |
| III. Balance at the end of the period | 10,677,771,134.00 | 29,455,600,000.00 | 6,632,098,055.52 | 318,601,875.62 | 3,136,562,941.30 | 14,819,127,254.47 | 65,039,761,260.91 |

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

**For the six months ended 30 June 2026**

**Unit: RMB**

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

The accompanying notes form an integral part of these financial statements

# Notes to Unaudited Interim Financial Statements

**For the six months ended 30 June 2026**

**Unit: RMB**

## I. BASIC INFORMATION OF THE COMPANY

### 1. Company profile

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

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

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

These financial statements were approved for disclosure by a resolution of the board of directors of the Company on 28 August 2026.

## II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

### 1. Basis of preparation

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

### 2. Going concern

The financial statements are prepared on a going concern basis.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

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

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

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and present fairly and fully the consolidated and the Company's financial position as at 30 June 2026 and the consolidated and the Company's operating results, the consolidated and the Company's changes in shareholders' equity and the consolidated and the Company's cash flows for the six months ended 30 June 2026.

### 2. Accounting period

The accounting year for the Group is from 1 January to 31 December of each calendar year. The reporting period for the financial statements is from 1 January to 30 June 2026.

### 3. Functional currency

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 4. Methods for determining materiality standards and selection criteria

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 5. Business combinations

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

A business combination under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. Assets and liabilities (including the goodwill arising from acquisition of the party being acquired by the ultimate controlling party) that are obtained by the acquirer in a business combination under common control shall be subject to relevant accounting treatment on the basis of their carrying amounts in the financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued as consideration) shall be adjusted against share premium under capital reserve. If the share premium is not sufficient to absorb the difference, retained earnings shall be adjusted.

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

### 6. Consolidated financial statements

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 6. Consolidated financial statements (Continued)

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

Where the amount of losses for the current period attributed to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of shareholders' equity of the subsidiary, the excess amount is allocated against minority interests.

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

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

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

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

### 7. Cash and cash equivalents

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

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

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 9. Financial instruments

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

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

The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument.

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

(1) the rights to receive cash flows from the asset have expired;

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 9. Financial instruments (Continued)

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

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

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

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

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

*Debt instrument investment measured at amortised cost*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 9. Financial instruments (Continued)

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

*Debt instruments investment at fair value through other comprehensive income*

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

*Equity instruments investment at fair value through other comprehensive income*

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

*Financial assets at fair value through profit or loss*

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

#### *(3) Classification and measurement of financial liabilities*

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

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

*Financial liabilities at amortised costs*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 9. Financial instruments (Continued)

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

*Determination and accounting treatment of expected credit losses*

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

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 9. Financial instruments (Continued)

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

*Determination and accounting treatment of expected credit losses (Continued)*

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

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

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

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

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

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

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

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

*Write-off of provision for impairment*

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

#### *(5) Offset of financial instruments*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 9. Financial instruments (Continued)

#### *(6) Derivative financial instruments*

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

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

#### *(7) Convertible bonds*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 9. Financial instruments (Continued)

#### *(8) Transfers of financial assets*

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

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

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

### 10. Inventories

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

Inventories are initially carried at cost. Except for properties under development and completed properties held for sale, cost of inventories comprises all costs of purchase, costs of conversion and other costs. The cost of inventories also includes gains or losses arising from purchase meeting the criteria of cash flow hedging transferred from other comprehensive income. The actual cost of inventories transferred out is determined by using the weighted average method.

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

The Group adopts a perpetual inventory system.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 10. Inventories (Continued)

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

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

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

### 11. Long-term equity investments

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 11. Long-term equity investments (Continued)

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

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 12. Investment properties

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

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

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

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

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 13. Fixed assets

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow to the Group and the cost of the asset can be measured reliably. Subsequent expenditures incurred for a fixed asset that meet the recognition criteria shall be included in its cost, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures shall be recognised in profit or loss for the period or the related asset costs in accordance with beneficiary when incurred.

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

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

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 14. Construction in progress

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

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

| | Standard of transfer to fixed assets |
|---|---|
| Buildings | Completion of acceptance |
| Machinery equipment | Completion of installation, commissioning, and acceptance |
| Transportation equipment | Completion of acceptance |
| Office and other equipment | Completion of acceptance |

### 15. Borrowing costs

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

Capitalisation of borrowing costs commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities relating to the acquisition, construction or production of the asset that are necessary to bring the asset to get ready for its intended use or sale have commenced.

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 15. Borrowing costs (Continued)

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

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

### 16. Intangible assets

#### *(1) Useful lives of intangible assets*

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

Intangible assets with indefinite use life (mainly trademarks) shall not be amortised and shall be tested for impairment at least every year, irrespective of whether there is any indication that the asset may be impaired; the useful life is reassessed in each accounting period. If there is evidence indicating that the useful life of that intangible asset becomes finite, it shall be accounted for by applying the accounting policy for intangible assets with a finite useful life. The remaining intangible assets are amortized using the straight-line method or at volume of mining over their useful lives, which are as follows:

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 16. Intangible assets (Continued)

#### *(2) R&D expenditure*

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

### 17. Impairment of asset

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

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

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flows estimated to be derived from the asset. The Group estimates the recoverable amount on an individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 17. Impairment of asset (Continued)

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

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

The carrying amount of an asset group or a set of asset groups including goodwill shall be compared to its recoverable amount, if the recoverable amount of the asset group or set of asset groups is lower than its carrying amount, the amount of the impairment loss is first reduced by the carrying amount of the goodwill allocated to the asset group or set of asset groups, and then by the carrying amount of other assets (other than the goodwill) within the asset group or set of asset groups, pro rata based on the carrying amount of each asset.

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

### 18. Long-term deferred expenditures

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 19. Employee benefits

Employee benefits are all forms of considerations or compensations given by the Group in exchange for services rendered by employees or for the termination of employment. Employee benefits include short – term benefits, post-employment benefits, termination benefits and other long-term employee benefits.

***(1) Short-term benefits***

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

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

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

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

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 19. Employee benefits (Continued)

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

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

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

#### *(4) Termination benefits*

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

### 20. Estimated liabilities

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 21. Share-based payments

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

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

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

### 22. Other equity instruments

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 23. Revenue from contracts with customers

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

#### *(1) Sales contracts of goods*

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 23. Revenue from contracts with customers (Continued)

#### *(1) Sales contracts of goods (Continued)*

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

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

The Group determines whether its status is a main principal or agent at the time of engaging in a transaction based on whether it has control over the goods or services prior to transferring them to the customer, including but not limited to considering the legal form of contracts and the relevant facts and circumstances (the primary responsibility for the transfer of goods to customers, the inventory risk assumed before or after the transfer of goods, whether it has the right to independently determine the price of goods to be traded, etc.). If the Group is able to control the goods or services before transferring them to the customer, the Group is the main principal and recognises revenue based on the total consideration received or receivable; otherwise, the Group is the agent and recognises revenue based on the amount of commissions or fees to which it expects to be entitled. The amount is determined based on the net amount of the total consideration received or receivable after deducting the amount payable to other related parties.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 23. Revenue from contracts with customers (Continued)

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

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

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

*Construction Contracts*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 23. Revenue from contracts with customers (Continued)

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

*Construction Contracts (Continued)*

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 24. Contract assets and contract liabilities

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

#### *(1) Contract assets*

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

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

#### *(2) Contract liabilities*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 25. Assets related to contractual cost

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

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

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

(1) the costs relate directly to an existing contract or to an anticipated contract, including direct labour, direct materials, production overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only by the reason of the contract;

(2) costs generate resources of the corporate that will be used in satisfying performance obligations in the future;

(3) the costs are expected to be recovered.

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

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

(1) the remaining amount of consideration that the corporation expects to receive in exchange for the goods or services to which the assets relate; less

(2) the estimated costs to be incurred for the exchange of the related goods or services.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 26. Government grants

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

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 27. Deferred income tax

For the differences between the carrying amount of certain assets and liabilities and their tax bases, and temporary differences between the carrying amounts and tax bases in respect of items that are not recognized as assets and liabilities but whose tax bases may be determined under tax law, deferred income tax assets and deferred income tax liabilities are recognised under the balance sheet liability method.

Deferred income tax is generally recognised for all temporary differences. However, for the deductible temporary differences, the Group recognises the relevant deferred income tax assets to the extent that it is likely to obtain the taxable income to offset the deductible temporary differences. In addition, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable income (or deductible losses) and does not give rise to equal taxable temporary differences and deductible temporary differences at the time of transaction, no deferred income tax asset or liability is recognised.

For deductible losses and tax credits that can be carried forward, deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible losses and tax credits can be utilised.

The Group recognises deferred income tax liabilities for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the foreseeable future. In respect of the deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, only if it is probable that the temporary differences will be reversed in the foreseeable future and taxable income will be available against which the deductible temporary differences can be utilised in the future, the Company recognises the deferred income tax assets.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 27. Deferred income tax (Continued)

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 28. Leases

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

#### *(1) As a lessee*

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 28. Leases (Continued)

#### *(1) As a lessee (Continued)*

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

#### *(2) As a lessor*

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

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 29. Hedge accounting

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

(1) fair value hedge, that is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognized firm commitment (other than foreign exchange risk);

(2) cash flow hedge, that is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or the exchange rate risk contained in an unrecognised definitive commitment.

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

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 29. Hedge accounting (Continued)

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

***(1) Fair value hedge***

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

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

***(2) Cash flow hedging***

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

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

### 30. Production safety cost

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 31. Fair value measurement

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

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

### 32. Securitisation

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

### 33. Significant accounting judgments and estimates

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

***(1) Judgments***

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

*Operating lease commitments – the Group as lessor*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 33. Significant accounting judgments and estimates (Continued)

#### *(1) Judgments (Continued)*

*Classification between investment properties and inventories*

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

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

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

*Classification between investment properties and fixed assets*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 33. Significant accounting judgments and estimates (Continued)

#### *(1) Judgments (Continued)*

*Other equity instruments – perpetual bonds*

As described in Note V. 47, as of 30 June 2026, the perpetual bond balance in other equity instruments of the Group amounted to RMB29.356 billion. Pursuant to the relevant prospectuses, perpetual bonds investment contracts and other documents, upon comprehensive consideration by the management of the Group that the perpetual bonds have no maturity dates or the Group has the right to extend for unlimited number of times upon the maturity thereof, and has the right to deferred the payment of coupon interests on the perpetual bonds, and that the Group has no contractual obligations to pay cash or other financial assets nor to exchange financial assets or financial liabilities under potential adverse condition with the holders of the perpetual bonds, the Group classifies the perpetual bonds as equity instruments, and the subsequent declared distribution will be treated as distribution to the holders of the equity.

*Business model*

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

*Characteristics of contract cash flow*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 33. Significant accounting judgments and estimates (Continued)

#### *(2) Uncertainty of estimation*

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

*Impairment of financial instruments*

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

*Impairment of goodwill*

The Group measures the goodwill acquired in the business combination according to the amount of the cost less the accumulated impairment loss after the initial recognition, and tests for impairment at least at the end of each period. The recoverable amount of the relevant asset group (including goodwill) is required to be calculated during the impairment test of goodwill. The present value of expected future cash flows is used to determine the recoverable amount of the relevant asset group, which involves the Group's estimates of future economic and market conditions as well as the selection of key parameters such as the expected future cash flows and the discount rate.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 33. Significant accounting judgments and estimates (Continued)

#### *(2) Uncertainty of estimation (Continued)*

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

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

*Fair value of non-listed equity investment*

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

*Deferred income tax assets*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 33. Significant accounting judgments and estimates (Continued)

#### *(2) Uncertainty of estimation (Continued)*

*Land appreciation tax*

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

*Fair value of investment properties*

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

*Recognition and allocation of development costs on properties under construction*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## III. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

### 33. Significant accounting judgments and estimates (Continued)

#### *(2) Uncertainty of estimation (Continued)*

*Provision for decline in value of inventory*

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

*Measurement of defined benefit obligations*

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

*Useful lives and residual values of fixed assets*

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

*Lessee's incremental borrowing rate*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IV. TAXATION

### 1. Major categories of taxes and respective tax rates

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IV. TAXATION (CONTINUED)

### 2. Tax Concessions

*Corporate income tax*

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IV. TAXATION (CONTINUED)

### 2. Tax Concessions (Continued)

***Value-added tax (VAT)***

Certain subsidiaries of the Group enjoy the following VAT preferences:

a. In accordance with the relevant policies of the "Announcement on Improving the Value-added Tax Policy for Comprehensive Utilization of Resources" (關於完善資源綜合利用增值稅政策的公告) (Cai Shui (2021) No. 40) which took effect from 1 March 2022, if a subsidiary of BBMG which is engaged in cement production, adopts rotary kiln process for cement production, the proportion of waste residue (excluding limestone waste residue) in raw materials of cements with grade 42.5 and above is not lower than 20% and that in raw materials of other cements and cement clinkers is not lower than 40%, it may enjoy 70% VAT refund upon collection. According to the relevant policies of the "Announcement on Improving the Value-added Tax Policy for Comprehensive Utilization of Resources" (關於完善資源綜合利用增值稅政策的公告) (Cai Shui (2021) No. 40), if a subsidiary of the Group with pollutant and waste disposal capacity, is engaged in labor services such as waste disposal and sludge treatment and disposal, it may enjoy 70% VAT refund upon collection.

b. In accordance with the relevant policies of the "Announcement on Improving the Value-added Tax Policy for Comprehensive Utilization of Resources" (關於完善資源綜合利用增值稅政策的公告) (Cai Shui (2021) No. 40) which took effect from 1 March 2022, a minor portion of products of BBMG Mortar Co., Ltd., Tianjin Jinyu Treasure Bright Mortar Co., Ltd. and Tangshan Dunshi Dry Powder Building Materials Co., Ltd., being the subsidiaries of the Group, meet the requirement of comprehensive utilization of resources, enjoying 70% VAT refund upon collection.

c. In accordance with the requirements of the Notice of the Ministry of Finance and the State Administration of Taxation on Value-added Tax Policies for Software Products (《財政部國家稅務總局關於軟件產品增值稅政策的通知》) (Cai Shui [2011] No. 100), Tangshan Dunshi Information and Technology Co., Ltd. enjoys the preferential VAT policy of refund upon collection in respect of the actual tax burden exceeding 3% for the software it sells.

d. Pursuant to the Announcement on Policy in relation to the Offset and Deduction of Additional Value-added Tax of Advanced Manufacturing Enterprises (《關於先進製造業企業增值稅加計抵減政策的公告》) (Cai Shui (2023) No. 43), advanced manufacturing enterprises are allowed to offset and deduct an additional 5% of VAT payable amount based on the deductible input VAT for the respective period from 1 January 2023 to 31 December 2027. Certain subsidiaries of the Group enjoyed the abovementioned tax concession policy.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IV. TAXATION (CONTINUED)

### 2. Tax Concessions (Continued)

***Other tax concession policies***

Pursuant to Article 13 of the Environmental Protection Tax Law of the People's Republic of China (Order of the President of the People's Republic of China No. 61), where the concentration value of the taxable atmospheric or water pollutants discharged by taxpayers is lower than the national and local pollutant emission standards by 30%, only 75% of the environmental protection tax will be levied and where the concentration value of the taxable atmospheric or water pollutants discharged by taxpayers is lower than the national and local pollutant emission standards by 50%, only 50% of the environmental protection tax will be levied. Certain subsidiaries of the Group applied to such tax concession policy.

## V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

### 1. Cash and bank balances

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Bank deposits | **16,848,907,860.65** | 14,881,542,274.63 |
| Statutory deposit reserve placement with central bank by finance company | **1,035,788,694.44** | 995,739,580.24 |
| Cash on hand | **175,377.60** | 236,628.28 |
| Other cash and bank balances | **384,847,892.28** | 346,593,691.30 |
| **Total** | **18,269,719,824.97** | 16,224,112,174.45 |
| *Including: Total amount of funds deposited overseas* | ***307,645,512.83*** | *286,762,039.57* |

### 2. Financial assets held for trading

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Financial assets at fair value through profit or loss | | |
| Debt instruments investment | **450,863,147.76** | 952,254,054.47 |
| Equity instrument investment | **16,267,900.00** | 18,342,500.00 |
| **Total** | **467,131,047.76** | 970,596,554.47 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 3. Bills receivable

#### (1) *Classification of bills receivable*

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Commercial acceptance bills | **452,753,543.27** | 479,113,947.43 |
| Bank acceptance bills | **26,157,660.32** | 31,191,463.10 |
| Less: Provision for bad debts of bills receivable | **9,578,224.07** | 12,642,146.42 |
| **Total** | **469,332,979.52** | 497,663,264.11 |

#### (2) *Pledged bills receivable*

Details of pledged bills receivable are set out in Note V. 27.

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

*Unit: RMB*

| | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|
| Items | Derecognised | Not derecognised | Derecognised | Not derecognised |
| Commercial acceptance bills | – | **50,970,576.06** | – | 244,483,841.09 |
| Bank acceptance bills | – | **7,625,533.32** | – | 17,441,688.20 |
| **Total** | – | **58,596,109.38** | – | 261,925,529.29 |

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

*Unit: RMB*

| Items | January to June 2026 | 2025 |
|---|---|---|
| Balance at the beginning of the period/year | **12,642,146.42** | 19,946,374.12 |
| Provision for the period/year | **8,961,924.34** | 12,642,146.42 |
| Reversal for the period/year | **(12,025,846.69)** | (19,946,374.12) |
| Balance at the end of the period/year | **9,578,224.07** | 12,642,146.42 |

See Note IX. 4 for transfer of bills receivable.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 4. Accounts receivable

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

#### *(1) Disclosure by aging*

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year | **9,455,691,265.59** | 9,337,959,200.85 |
| 1 to 2 years | **1,732,426,538.52** | 1,728,637,957.64 |
| 2 to 3 years | **703,559,789.46** | 783,390,054.07 |
| 3 to 4 years | **364,376,686.99** | 275,111,181.52 |
| 4 to 5 years | **220,734,509.39** | 253,973,781.21 |
| Over 5 years | **1,615,088,311.06** | 1,582,742,988.48 |
| **Subtotal** | **14,091,877,101.01** | 13,961,815,163.77 |
| Less: Provision for bad debts of accounts receivable | **2,620,259,057.00** | 2,561,959,070.90 |
| **Total** | **11,471,618,044.01** | 11,399,856,092.87 |

#### *(2) Disclosure by provision method for bad debt*

*Unit: RMB*

| | 30 June 2026 | | | | |
|---|---|---|---|---|---|
| | Balance of carrying amount | | Provision for bad debts | | Carrying value |
| Items | Amount | Proportion (%) | Amount | Proportion of Provision (%) | |
| Individual provision for bad debts | 1,756,425,396.48 | 12.46 | 510,954,250.01 | 29.09 | 1,245,471,146.47 |
| Provision for bad debts by credit risk characteristics group | 12,335,451,704.53 | 87.54 | 2,109,304,806.99 | 17.10 | 10,226,146,897.54 |
| Total | 14,091,877,101.01 | 100.00 | 2,620,259,057.00 | 18.59 | 11,471,618,044.01 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 4. Accounts receivable (Continued)

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

*Unit: RMB*

| | 31 December 2025 | | | | |
|---|---|---|---|---|---|
| | Balance of carrying amount | | Provision for bad debts | | Carrying value |
| Items | Amount | Proportion (%) | Amount | Proportion of Provision (%) | |
| Individual provision for bad debts | 3,471,632,382.67 | 24.87 | 522,659,651.42 | 15.06 | 2,948,972,731.25 |
| Provision for bad debts by credit risk characteristics group | 10,490,182,781.10 | 75.13 | 2,039,299,419.48 | 19.44 | 8,450,883,361.62 |
| **Total** | 13,961,815,163.77 | 100.00 | 2,561,959,070.90 | 18.35 | 11,399,856,092.87 |

*Provision for bad debts on individual basis*

*Unit: RMB*

| | 30 June 2026 | | | |
|---|---|---|---|---|
| **Items** | **Balance of carrying amount** | **Provision for bad debts** | **Proportion of Provision (%)** | **Reasons for provision** |
| Dahongmen (Beijing) Construction Development Co., Ltd. | **372,886,951.50** | **3,728,869.52** | **1.00** | **Partial uncollectible** |
| Unit 1 | **69,093,205.69** | **20,081,584.22** | **29.06** | **Partial uncollectible** |
| Unit 2 | **67,170,448.13** | **67,170,448.13** | **100.00** | **All uncollectible** |
| Unit 3 | **62,461,027.70** | **62,461,027.70** | **100.00** | **All uncollectible** |
| Unit 4 | **56,559,690.36** | **56,559,690.36** | **100.00** | **All uncollectible** |
| Unit 5 | **40,165,481.70** | **40,165,481.70** | **100.00** | **All uncollectible** |
| Other units | **1,088,088,591.40** | **260,787,148.38** | **23.97** | **Partial uncollectible** |
| **Total** | **1,756,425,396.48** | **510,954,250.01** | **29.09** | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 4. Accounts receivable (Continued)

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

*Provision for bad debts on individual basis (Continued)*

*Unit: RMB*

| | 31 December 2025 | | | |
|---|---|---|---|---|
| Items | Balance of carrying amount | Provision for bad debts | Proportion of Provision (%) | Reasons for provision |
| Dahongmen (Beijing) Construction Development Co., Ltd. | 2,196,912,653.00 | 21,969,126.53 | 1.00 | Partial uncollectible |
| Unit 1 | 69,093,205.69 | 20,081,584.22 | 29.06 | Partial uncollectible |
| Unit 2 | 67,170,448.13 | 67,170,448.13 | 100.00 | All uncollectible |
| Unit 3 | 62,461,027.70 | 62,461,027.70 | 100.00 | All uncollectible |
| Unit 4 | 56,559,690.36 | 56,559,690.36 | 100.00 | All uncollectible |
| Unit 5 | 40,165,481.70 | 40,165,481.70 | 100.00 | All uncollectible |
| Other units | 979,269,876.09 | 254,252,292.78 | 25.96 | Partial uncollectible |
| **Total** | 3,471,632,382.67 | 522,659,651.42 | 15.06 | |

As at 30 June 2026, accounts receivable which are subject to provision for bad debts by group were as follows:

*Unit: RMB*

| **Item** | **Balance of carrying amount** | **Provision for impairment** | **Proportion of provision (%)** |
|---|---|---|---|
| Credit risk group | **12,335,451,704.53** | **2,109,304,806.99** | **17.10** |

As at 31 December 2025, accounts receivable which are subject to provision for bad debts by group were as follows:

*Unit: RMB*

| Item | Balance of carrying amount | Provision for impairment | Proportion of provision (%) |
|---|---|---|---|
| Credit risk group | 10,490,182,781.10 | 2,039,299,419.48 | 19.44 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 4. Accounts receivable (Continued)

#### (3) Provision for bad debts

*Unit: RMB*

| Items | January to June 2026 | 2025 |
|---|---|---|
| Balance at the beginning of the period/year | **2,561,959,070.90** | 2,666,635,696.36 |
| Provision for the period/year | **97,010,227.64** | 182,829,267.44 |
| Reversal for the period/year | **(38,330,809.42)** | (263,427,227.40) |
| Write-off for the period/year | **(379,432.12)** | (5,239,371.77) |
| Business combinations not under common control | – | 899,750.87 |
| Other transfer out | – | (19,739,044.60) |
| Balance at the end of the period/year | **2,620,259,057.00** | 2,561,959,070.90 |

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

*Unit: RMB*

| Items | Amount recovered or reversed | Reason for reversal | Method of recovery | Basis of determining original provision ratio of bad debt and its rationality |
|---|---|---|---|---|
| Dahongmen (Beijing) Construction Development Co., Ltd. | 18,240,257.01 | Payment recovery | Bank deposits | Individual provision |
| Other units | 20,090,552.41 | Payment recovery | Bank deposits | Collective provision/Individual provision |
| Total | 38,330,809.42 | | | |

#### (4) Actual write-off amount of accounts receivable

*Unit: RMB*

| | Nature | Write-off amount | Write-off reason | Procedure performed | Whether generated from related transactions |
|---|---|---|---|---|---|
| Total | Current account | 379,432.12 | Transfer of creditor's rights | Approval by the senior management | No |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 4. Accounts receivable (Continued)

***(5) Top five accounts receivable, contract assets and long-term receivables by debtor.***

*Unit: RMB*

| Items | Closing balance of accounts receivable | Closing balance of contract asset | Closing balance of long-term receivables | Sub-total | Percentage of the total closing balance of accounts receivable, long-term receivables and contract assets (%) | Closing balance of bad debt provision for accounts receivable, long-term receivables and impairment provision for contract assets |
|---|---|---|---|---|---|---|
| Unit 6 | 530,523,490.02 | 22,513,078.84 | 29,647,534.04 | 582,684,102.90 | 3.65 | 42,852,242.73 |
| Unit 7 | 432,730,910.59 | 6,666,893.00 | 15,148,196.76 | 454,546,000.35 | 2.85 | 48,102,469.88 |
| Dahongmen (Beijing) Construction Development Co., Ltd. | 372,886,951.50 | – | – | 372,886,951.50 | 2.33 | 3,728,869.52 |
| Unit 8 | 279,866,618.65 | – | – | 279,866,618.65 | 1.75 | 11,194,664.75 |
| Unit 9 | 250,524,781.72 | 8,219,187.83 | 15,266,200.36 | 274,010,169.91 | 1.72 | 32,834,838.15 |
| **Total** | 1,866,532,752.48 | 37,399,159.67 | 60,061,931.16 | 1,963,993,843.31 | 12.30 | 138,713,085.03 |

### 5. Receivables financing

***(1) Classification of receivables financing***

*Unit: RMB*

| Item | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Bank acceptance bills | **578,210,612.99** | 850,433,443.17 |

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 5. Receivables financing (Continued)

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

*Unit: RMB*

| Item | Amounts pledged at the end of the period |
|---|---|
| Bank acceptance bills | – |

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

*Unit: RMB*

| Item | Derecognised at the end of the period | Not derecognised at the end of the period |
|---|---|---|
| Bank acceptance bills | **2,671,450,630.68** | – |

As at 30 June 2026, the Group endorsed the undue notes receivable to its suppliers or discounted to banks to settle trade payables of the same amounts and derecognised these notes receivable and payables to suppliers in their entirety as the Group's management considered that the risks and rewards of ownership of these undue bills have been substantially transferred. The Group's continuous involvement in these derecognised undue notes receivable is limited to when the issuance banks of these undue notes are unable to settle the amounts due to the holders of these notes. As at 30 June 2026, the maximum exposure to loss from its continuous involvement represents the amounts of undue notes receivable of RMB2,671,450,630.68 (31 December 2025: RMB3,388,627,828.97), which the Group endorsed to its suppliers or discounted to banks.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 6. Prepayments

#### *(1) Prepayments by aging*

*Unit: RMB*

| Items | 30 June 2026 Amount | 30 June 2026 Proportion (%) | 31 December 2025 Amount | 31 December 2025 Proportion (%) |
|---|---|---|---|---|
| Within 1 year | **3,372,529,804.13** | **88.47** | 3,068,675,161.53 | 93.50 |
| 1 to 2 years | **345,594,391.91** | **9.07** | 156,658,215.59 | 4.77 |
| 2 to 3 years | **49,734,777.81** | **1.30** | 26,573,756.23 | 0.81 |
| Over 3 years | **44,198,367.47** | **1.16** | 29,982,834.57 | 0.92 |
| **Subtotal** | **3,812,057,341.32** | **100.00** | 3,281,889,967.92 | 100.00 |
| Less: Provision for impairment of prepayments | **32,947,087.41** | **–** | 32,992,254.32 | – |
| **Total** | **3,779,110,253.91** | **–** | 3,248,897,713.60 | – |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 6. Prepayments (Continued)

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

*Unit: RMB*

| Item | Closing balance | Percentage to the total closing balance of prepayments (%) |
|---|---|---|
| **Total** | **1,253,731,632.65** | **32.89** |

***(3) Changes in impairment losses on prepayments***

*Unit: RMB*

| Items | January to June 2026 | 2025 |
|---|---|---|
| Balance at the beginning of the period/year | **32,992,254.32** | 26,648,098.37 |
| Provision for the period/year | **373,727.73** | 7,318,015.88 |
| Reversal for the period/year | **(418,894.64)** | (973,859.93) |
| Balance at the end of the period/year | **32,947,087.41** | 32,992,254.32 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 7. Other receivables

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Interests receivable | **44,133,741.66** | 41,891,154.14 |
| Dividends receivable | **1,167,955.62** | 627,287.80 |
| Other receivables | **7,525,712,343.95** | 7,484,423,228.06 |
| **Total** | **7,571,014,041.23** | 7,526,941,670.00 |

#### *(1) Interests receivable*

*Unit: RMB*

| Item | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Special loans for projects | **44,133,741.66** | 41,891,154.14 |

#### *(2) Disclosure by aging*

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year | **4,853,436,437.72** | 4,385,296,590.04 |
| 1 to 2 years | **1,086,856,911.35** | 1,218,005,498.19 |
| 2 to 3 years | **286,025,060.64** | 529,717,620.18 |
| 3 to 4 years | **470,122,216.51** | 268,139,334.68 |
| 4 to 5 years | **260,371,510.69** | 451,798,747.24 |
| Over 5 years | **3,486,921,530.67** | 3,578,962,049.53 |
| **Subtotal** | **10,443,733,667.58** | 10,431,919,839.86 |
| Less: Provision for bad debts of other receivables | **2,872,719,626.35** | 2,904,978,169.86 |
| Total | **7,571,014,041.23** | 7,526,941,670.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 7. Other receivables (Continued)

#### (3) *Classification by nature*

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Interests receivable | **44,133,741.66** | 41,891,154.14 |
| Interests of borrowings due from associates | **44,133,741.66** | 41,891,154.14 |
| Dividends receivable | **1,167,955.62** | 627,287.80 |
| Other receivables | **10,398,431,970.30** | 10,389,401,397.92 |
| Current account with other entities | **3,604,914,316.88** | 3,211,656,833.97 |
| Disbursements previously made | **1,285,103,957.33** | 1,278,189,820.46 |
| Deposits and reserve funds | **1,280,186,066.06** | 1,661,063,133.55 |
| Amount due from associates | **564,695,035.44** | 549,727,296.47 |
| Amount due from joint ventures | **529,535,895.72** | 1,245,583,981.14 |
| Investment receivable | **208,376,173.53** | 205,773,166.98 |
| Government grants receivable | **62,795,263.32** | 35,902,831.36 |
| Other current account | **2,862,825,262.02** | 2,201,504,333.99 |
| **Subtotal** | **10,443,733,667.58** | 10,431,919,839.86 |
| Less: Provision for bad debts of other receivables | **2,872,719,626.35** | 2,904,978,169.86 |
| **Total** | **7,571,014,041.23** | 7,526,941,670.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 7. Other receivables (Continued)

#### *(4) Provision for bad debts*

**30 June 2026**

*Unit: RMB*

| Items | Balance of carrying amount | | Provision for bad debts | | Carrying value |
|---|---|---|---|---|---|
| | Amount | Proportion (%) | Amount | Proportion of provision (%) | |
| Individual provision for bad debts | 8,707,098,482.62 | 83.73 | 2,137,096,800.18 | 24.54 | 6,570,001,682.44 |
| Provision for bad debts by credit risk characteristics group | 1,691,333,487.68 | 16.27 | 735,622,826.17 | 43.49 | 955,710,661.51 |
| Total | 10,398,431,970.30 | 100.00 | 2,872,719,626.35 | 27.63 | 7,525,712,343.95 |

31 December 2025

*Unit: RMB*

| Items | Balance of carrying amount | | Provision for bad debts | | Carrying value |
|---|---|---|---|---|---|
| | Amount | Proportion (%) | Amount | Proportion of provision (%) | |
| Individual provision for bad debts | 8,986,583,472.13 | 86.50 | 2,299,588,073.88 | 25.59 | 6,686,995,398.25 |
| Provision for bad debts by credit risk characteristics group | 1,402,817,925.79 | 13.50 | 605,390,095.98 | 43.16 | 797,427,829.81 |
| Total | 10,389,401,397.92 | 100.00 | 2,904,978,169.86 | 27.96 | 7,484,423,228.06 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 7. Other receivables (Continued)

#### *(4) Provision for bad debts (Continued)*

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

*Unit: RMB*

| | 30 June 2026 | | | | 31 December 2025 | |
|---|---|---|---|---|---|---|
| Items | Balance of carrying amount | Provision for bad debts | Proportion of provision (%) | Reasons for provision | Balance of carrying amount | Provision for bad debts |
| Unit 10 | 562,127,232.41 | 5,621,272.32 | 1.00 | Probably partial uncollectible | 560,888,098.50 | 5,608,880.99 |
| Unit 11 | 482,065,685.35 | 4,820,656.85 | 1.00 | Probably partial uncollectible | 475,420,636.65 | 4,754,206.37 |
| Zhongfang Huarui (Tangshan) Real Estate Co., Ltd. | 440,796,033.00 | 4,416,649.56 | 1.00 | Probably partial uncollectible | 440,796,033.00 | 4,416,649.57 |
| Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司) | 415,656,644.20 | - | - | Expected to be wholly collectible | 1,132,038,465.14 | - |
| Unit 12 | 293,167,436.78 | 2,931,674.37 | 1.00 | Probably partial uncollectible | 293,167,436.78 | 2,931,674.37 |
| Other customers | 6,513,285,450.88 | 2,119,306,547.08 | 32.54 | Probably partial uncollectible | 6,084,272,802.06 | 2,281,876,662.58 |
| Total | 8,707,098,482.62 | 2,137,096,800.18 | 24.54 | | 8,986,583,472.13 | 2,299,588,073.88 |

As at 30 June 2026, other receivables which are subject to provision for bad debts by group were as follows:

*Unit: RMB*

| Item | Balance of carrying amount | Provision for bad debts | Proportion of provision (%) |
|---|---|---|---|
| Credit risk group | **1,691,333,487.68** | **735,622,826.17** | **43.49** |

As at 31 December 2025, other receivables which are subject to provision for bad debts by group were as follows:

*Unit: RMB*

| Item | Balance of carrying amount | Provision for bad debts | Proportion of provision (%) |
|---|---|---|---|
| Credit risk group | **1,402,817,925.79** | **605,390,095.98** | **43.16** |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 7. Other receivables (Continued)

#### *(4) Provision for bad debts (Continued)*

**January to June 2026**

*Unit: RMB*

| Items | Stage one Expected credit loss for the next 12 months | Stage two Lifetime expected credit loss (Non credit-impaired) | Stage three Lifetime expected credit loss (Credit-impaired) | Total |
|---|---|---|---|---|
| Opening balance | 4,850,161.42 | 803,318,934.22 | 2,096,809,074.22 | 2,904,978,169.86 |
| Stage transfer of opening balance during the period | (1,229,458.03) | 994,765.64 | 234,692.39 | – |
| Provision for the period | 3,423,258.12 | 432,829.05 | 1,486,709.05 | 5,342,796.22 |
| Reversal for the period | (2,718,668.39) | (7,010,008.64) | (7,822,662.70) | (17,551,339.73) |
| Write-off for the period | – | – | (20,050,000.00) | (20,050,000.00) |
| Closing balance | 4,325,293.12 | 797,736,520.27 | 2,070,657,812.96 | 2,872,719,626.35 |

2025

*Unit: RMB*

| Items | Stage one Expected credit loss for the next 12 months | Stage two Lifetime expected credit loss (Non credit-impaired) | Stage three Lifetime expected credit loss (Credit-impaired) | Total |
|---|---|---|---|---|
| Opening balance | 3,225,167.45 | 852,684,157.28 | 2,055,311,044.29 | 2,911,220,369.02 |
| Stage transfer of opening balance during the year | (765,621.15) | (71,360,275.44) | 72,125,896.59 | – |
| Provision for the year | 2,390,615.12 | 34,709,533.33 | 14,714,961.53 | 51,815,109.98 |
| Reversal for the year | – | (14,515,536.44) | (45,342,828.19) | (59,858,364.63) |
| Business combinations not under common control | – | 1,801,055.49 | – | 1,801,055.49 |
| Closing balance | 4,850,161.42 | 803,318,934.22 | 2,096,809,074.22 | 2,904,978,169.86 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 7. Other receivables (Continued)

#### (4) Provision for bad debts (Continued)

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

*Unit: RMB*

| Items | Balance at the beginning of the period/year | Provision for the period/year | Reversal for the period/year | Write-off for the period/year | Other changes | Balance at the end of the period/year |
|---|---|---|---|---|---|---|
| January to June 2026 | **2,904,978,169.86** | **5,342,796.22** | **(17,551,339.73)** | **(20,050,000.00)** | **–** | **2,872,719,626.35** |
| 2025 | 2,911,220,369.02 | 51,815,109.98 | (59,858,364.63) | – | 1,801,055.49 | 2,904,978,169.86 |

#### (5) Top five closing balance of other receivables by debtor

*Unit: RMB*

| Items | Closing balance | Proportion in total balance of other receivables (%) | Nature | Aging | Closing balance of provision for bad debts |
|---|---|---|---|---|---|
| Unit 10 | 562,127,232.41 | 5.41 | Current account with other entities | 1-4 years | 5,621,272.32 |
| Unit 11 | 482,065,685.35 | 4.64 | Current account with other entities | Over 1-5 years | 4,820,656.85 |
| Zhongfang Huarui (Tangshan) Real Estate Co., Ltd. | 440,796,033.00 | 4.24 | Current account with other entities | Over 1-5 years | 4,416,649.56 |
| Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司) | 415,656,644.20 | 4.00 | Current account with other entities | Within 1 year | – |
| Unit 12 | 293,167,436.78 | 2.81 | Current account with other entities | 1-2 years | 2,931,674.37 |
| **Total** | **2,193,813,031.74** | **21.10** | | | **17,790,253.10** |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 7. Other receivables (Continued)

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

**30 June 2026**

*Unit: RMB*

| Item | **Grant item** | **Amount** | **Aging** | **Expected time of receipt** |
|---|---|---|---|---|
| Local tax authorities | **Refunds of VAT** | **62,795,263.32** | **Within 1 year** | **Within 1 year** |

31 December 2025

*Unit: RMB*

| Item | Grant item | Amount | Aging | Expected time of receipt |
|---|---|---|---|---|
| Local tax authorities | Refunds of VAT | 35,902,831.36 | Within 1 year | Within 1 year |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 8. Inventories

#### *(1) Classification of inventories*

*Unit: RMB*

| | 30 June 2026 | | |
|---|---|---|---|
| Items | Balance of carrying amount | Provision for decline in value/ impairment | Carrying value |
| Raw materials | **2,210,634,416.07** | **16,015,652.73** | **2,194,618,763.34** |
| Items in production | **1,771,376,615.42** | **16,126,973.38** | **1,755,249,642.04** |
| Finished goods | **7,651,657,327.85** | **263,811,613.30** | **7,387,845,714.55** |
| Development costs | **37,618,850,810.01** | **865,621,861.83** | **36,753,228,948.18** |
| Products under development | **38,087,886,793.96** | **2,062,151,540.22** | **36,025,735,253.74** |
| Contract performance cost | **47,002,195.38** | **–** | **47,002,195.38** |
| **Total** | **87,387,408,158.69** | **3,223,727,641.46** | **84,163,680,517.23** |

*Unit: RMB*

| | 31 December 2025 | | |
|---|---|---|---|
| Items | Balance of carrying amount | Provision for decline in value/ impairment | Carrying value |
| Raw materials | 1,964,721,741.40 | 16,310,074.41 | 1,948,411,666.99 |
| Items in production | 1,428,064,443.88 | 16,334,069.54 | 1,411,730,374.34 |
| Finished goods | 6,723,955,089.78 | 301,689,746.38 | 6,422,265,343.40 |
| Development costs | 35,933,065,467.28 | 865,621,861.83 | 35,067,443,605.45 |
| Products under development | 39,798,977,376.04 | 2,226,617,832.32 | 37,572,359,543.72 |
| Contract performance cost | 57,748,291.76 | – | 57,748,291.76 |
| **Total** | 85,906,532,410.14 | 3,426,573,584.48 | 82,479,958,825.66 |

The amortization amount recognized for contract performance costs during the period is RMB775,469,756.64. The carrying value at the end of the period is presented in inventory based on liquidity.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 8. Inventories (Continued)

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

**30 June 2026**

*Unit: RMB*

| Items | Balance at the beginning | Provision for the period | Decrease during the period/others: Reversal | Decrease during the period/others: Write-off | Decrease during the period/others: Other | Balance at the end of the period |
|---|---|---|---|---|---|---|
| Raw materials | 16,310,074.41 | 43,193.61 | – | (337,615.29) | – | 16,015,652.73 |
| Items in production | 16,334,069.54 | – | – | (207,096.16) | – | 16,126,973.38 |
| Finished goods | 301,689,746.38 | 656,412.63 | – | (38,534,545.71) | – | 263,811,613.30 |
| Development costs | 865,621,861.83 | – | – | – | – | 865,621,861.83 |
| Products under development | 2,226,617,832.32 | 730,477.58 | – | (157,551,833.54) | (7,644,936.14) | 2,062,151,540.22 |
| **Total** | 3,426,573,584.48 | 1,430,083.82 | – | (196,631,090.70) | (7,644,936.14) | 3,223,727,641.46 |

31 December 2025

*Unit: RMB*

| Items | Balance at the beginning | Provision for the period | Decrease during the period/others: Reversal | Decrease during the period/others: Write-off | Decrease during the period/others: Other | Balance at the end of the period |
|---|---|---|---|---|---|---|
| Raw materials | 28,970,532.05 | 1,388,312.63 | – | (14,048,770.27) | – | 16,310,074.41 |
| Items in production | 13,082,549.01 | 7,691,540.70 | (7,127.88) | (4,432,892.29) | – | 16,334,069.54 |
| Finished goods | 262,294,211.76 | 200,746,701.03 | (80,880,080.02) | (80,471,086.39) | – | 301,689,746.38 |
| Development costs | 1,465,928,637.01 | – | – | – | (600,306,775.18) | 865,621,861.83 |
| Products under development | 1,341,372,653.75 | 631,846,267.41 | – | (340,827,528.22) | 594,226,439.38 | 2,226,617,832.32 |
| Contract performance cost | 1,316,487.72 | – | – | (1,316,487.72) | – | – |
| **Total** | 3,112,965,071.30 | 841,672,821.77 | (80,887,207.90) | (441,096,764.89) | (6,080,335.80) | 3,426,573,584.48 |

As of 30 June 2026, certain products under development of the Group were changed in use and reclassified from inventories to investment properties, with the related provision for decline in value of inventories amounting to RMB7,644,936.14 being transferred out.

As at 30 June 2026, the balance of development costs included the capitalised borrowing costs of RMB2,269,515,311.45 (31 December 2025: RMB2,343,003,991.24). The capitalised borrowing costs amounted to RMB216,850,358.56 in aggregate for the period from January to June 2026 (from January to June 2025: RMB379,909,253.81), and the rate of interest capitalisation was 2.65% (from January to June 2025: 2.79%). Details of pledge of inventories are set out in Note V. 27.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 8. Inventories (Continued)

#### *(3) The breakdown of costs of property development*

*Unit: RMB*

| Project name | Time of commencement | Estimated completion time of the next phase | Aggregate investment | 30 June 2026 | 31 December 2025 |
|---|---|---|---|---|---|
| Beijing – Yu • Dongxu | October 2024 | December 2026 | 8,803,310,000.00 | **7,867,222,292.76** | 7,531,431,331.95 |
| Tianjin – Yunzhu Project | March 2018 | December 2026 | 7,516,038,353.37 | **5,161,773,642.16** | 5,123,378,187.62 |
| Beijing – Yu • Haiyue | October 2025 | November 2027 | 5,125,058,643.73 | **3,512,493,316.40** | 3,317,968,881.12 |
| Suzhou – Zijinfeili | February 2024 | September 2026 | 4,110,000,000.00 | **3,489,066,954.44** | 3,423,005,395.48 |
| Chongqing – Xinduhui | November 2020 | June 2029 | 10,000,000,000.00 | **3,231,891,169.67** | 3,198,414,242.23 |
| Beijing – Yu • Xisong | March 2025 | December 2026 | 4,055,860,000.00 | **3,161,418,312.21** | 3,112,722,749.17 |
| Tangshan – Mining & Metallurgical Plot A02 | May 2022 | August 2026 | 4,444,860,000.00 | **1,529,582,444.28** | 1,512,005,420.61 |
| Shanghai – BBMG • Gongyuan Dongxu (金隅 • 公園東序) | August 2024 | August 2026 | 3,312,085,057.00 | **2,685,000,883.70** | 2,608,867,095.75 |
| Tianjin – Branch plant 2 & 3 Commercial | December 2020 | December 2026 | 1,930,000,000.00 | **604,829,642.22** | 546,252,965.90 |
| Beijing – Huaxi Yunjin | March 2025 | May 2027 | 2,133,860,000.00 | **1,624,895,009.41** | 1,533,061,736.03 |
| Tianjin – BBMG Jiapin Mall | April 2019 | December 2026 | 2,439,430,000.00 | **1,929,921,829.67** | 1,373,215,237.10 |
| Tangshan – Jinyu Yunshang | May 2025 | May 2027 | 1,135,940,000.00 | **692,643,835.56** | 553,654,327.83 |
| Tangshan – Qixin Plot C03 Project | January 2026 | December 2028 | 1,000,000,000.00 | **440,333,119.07** | 424,116,664.06 |
| Tangshan – Qixin Project | April 2014 | July 2026 | 4,090,794,500.52 | **347,560,743.10** | 347,560,743.10 |
| Ningbo – Jinjunfu | June 2021 | December 2026 | 248,500,000.00 | **248,587,313.42** | 248,589,493.65 |
| Tangshan – Jinyu Lefu | March 2010 | December 2026 | 133,359,762.46 | **72,764,825.97** | 72,764,825.97 |
| Others | | | | **153,243,614.14** | 140,434,307.88 |
| **Total** | | | | **36,753,228,948.18** | 35,067,443,605.45 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 8. Inventories (Continued)

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

*Unit: RMB*

| Project name | Completion date of the latest phase | Opening balance | Increase during the period | Decrease during the period | Closing balance |
|---|---|---|---|---|---|
| Beijing – Zhihui Center | June 2023 | 5,429,594,385.06 | – | – | **5,429,594,385.06** |
| Beijing – Wangjing Yunshang | April 2025 | 2,700,858,445.72 | – | 117,536,175.85 | **2,583,322,269.87** |
| Beijing – Jinlinjiayuan | December 2020 | 2,508,776,809.17 | – | – | **2,508,776,809.17** |
| Tianjin -Jinchengfu/Jinchengxifu | September 2025 | 3,170,864,914.41 | 24,833,864.22 | 320,843,527.82 | **2,874,855,250.81** |
| Tianjin – Treasures Mansion | June 2021 | 2,170,275,252.71 | – | 191,992,927.43 | **1,978,282,325.28** |
| Chengdu – Jinchengxifu | December 2022 | 1,438,727,241.44 | – | 68,074,063.78 | **1,370,653,177.66** |
| Ningbo – Jinjunfu | November 2023 | 1,484,547,114.04 | – | – | **1,484,547,114.04** |
| Beijing – Shangchengjun | January 2025 | 1,260,462,821.57 | – | 13,812,174.48 | **1,246,650,647.09** |
| Chongqing – Nanshanjun | June 2024 | 1,297,730,862.32 | – | 47,809,290.23 | **1,249,921,572.09** |
| Qingdao – Treasures Mansion | August 2025 | 2,263,503,681.65 | – | 189,952,376.28 | **2,073,551,305.37** |
| Tangshan – Jinchengfu | August 2025 | 824,194,005.90 | – | 111,702,758.80 | **712,491,247.10** |
| Chongqing – Xinduhui | December 2023 | 940,872,076.32 | – | – | **940,872,076.32** |
| Chongqing – Times Metro | December 2023 | 871,531,964.09 | – | – | **871,531,964.09** |
| Tianjin – Jinyu Yunzhu | December 2025 | 746,572,132.51 | – | – | **746,572,132.51** |
| Changzhou – Zhonglou Tianzhu | March 2025 | 656,927,617.04 | – | 99,140,446.68 | **557,787,170.36** |
| Tangshan – Treasures Mansion | December 2023 | 557,306,463.30 | – | 1,147,649.15 | **556,158,814.15** |
| Beijing – Wangjing Star | December 2023 | 501,328,038.57 | – | – | **501,328,038.57** |
| Hefei – Jincheng Mansions | September 2023 | 493,610,556.81 | – | – | **493,610,556.81** |
| Tangshan – Jin'anhongbao | June 2022 | 408,740,005.79 | – | 42,999,490.42 | **365,740,515.37** |
| Shanghai – Dachengjun | March 2019 | 475,179,708.28 | – | 510,623.83 | **474,669,084.45** |
| Beijing – Kanghuiyuan | December 2024 | 370,345,703.99 | – | 22,973,967.10 | **347,371,736.89** |
| Beijing – Xishanjia No.1 | December 2020 | 439,432,102.73 | – | – | **439,432,102.73** |
| Beijing – Jinyu Yunzhu | June 2024 | 365,279,664.72 | – | 103,796,540.41 | **261,483,124.31** |
| Nanjing – Zijingdieyuan | May 2023 | 357,133,524.82 | – | 1,015,802.85 | **356,117,721.97** |
| Ningbo – Dachengjun | September 2021 | 358,900,561.72 | – | – | **358,900,561.72** |
| Ningbo – Dacheng Times | June 2019 | 301,989,751.80 | – | 12,823,748.62 | **289,166,003.18** |
| Hefei – Shanhu Yunzhu | March 2025 | 129,465,766.87 | – | 44,898,381.28 | **84,567,385.59** |
| Hefei – Dachengjun | March 2024 | 293,115,810.23 | – | – | **293,115,810.23** |
| Beijing – Fengqi Home | November 2023 | 275,989,917.60 | – | 6,567,157.15 | **269,422,760.45** |
| Shanghai – BBMG Bund East Bank | September 2024 | 256,471,175.84 | – | 10,236,676.45 | **246,234,499.39** |
| Hefei – Nanqi Garden | November 2020 | 202,726,601.93 | – | – | **202,726,601.93** |
| Tangshan – Qixin 1889 | January 2015 | 181,224,206.89 | – | 7,618,765.71 | **173,605,441.18** |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 8. Inventories (Continued)

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

| Project name | Completion date of the latest phase | Opening balance | Increase during the period | Decrease during the period | Closing balance |
|---|---|---|---|---|---|
| Haikou – Yangguangjun | June 2022 | 133,870,859.30 | – | 7,659,467.48 | **126,211,391.82** |
| Tangshan – Rongda Business Building | December 2023 | 176,629,278.27 | – | – | **176,629,278.27** |
| Beijing – Jingang Jiayuan | December 2020 | 168,329,175.91 | – | – | **168,329,175.91** |
| Hangzhou – Metro Forest | November 2020 | 167,649,872.06 | – | 689,049.81 | **166,960,822.25** |
| Tangshan – Dachengjun | February 2022 | 160,119,336.55 | – | 9,929,444.77 | **150,189,891.78** |
| Chengde – Jinyufu | December 2021 | 133,225,892.23 | – | 7,028,562.17 | **126,197,330.06** |
| Chengdu – Dachengjun | December 2014 | 116,940,989.68 | – | 8,589,230.66 | **108,351,759.02** |
| Others | | 2,781,915,253.88 | – | 122,109,854.99 | **2,659,805,398.89** |
| Total | | 37,572,359,543.72 | 24,833,864.22 | 1,571,458,154.20 | **36,025,735,253.74** |

### 9. Contract assets

#### *(1) Contract assets*

Contract assets arise mainly from the Group's construction operations. The Group provides engineering construction services in accordance with the construction contract entered into with customers and recognises revenue based on performance progress over the contract period. According to the contract terms, customers of the Group make progress billings with the Group based on the performance progress and make payment for the progress billings within the credit term. Revenue recognised based on performance progress in excess of progress billings is recognized as contract asset while progress billings in excess of revenue recognised based on performance progress is recognized as contract liabilities.

*Unit: RMB*

| | 30 June 2026 | | | 31 December 2025 | | |
|---|---|---|---|---|---|---|
| Item | Balance of carrying amount | Provision for impairment | Carrying value | Balance of carrying amount | Provision for impairment | Carrying value |
| Engineering construction | **569,879,199.68** | **24,380,582.74** | **545,498,616.94** | 643,724,238.67 | 28,819,423.71 | 614,904,814.96 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 9. Contract assets (Continued)

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

**30 June 2026**

*Unit: RMB*

| Item | Balance of carrying amount | | Provision for impairment | | Carrying value |
|---|---|---|---|---|---|
| | Amount | Proportion (%) | Amount | Proportion of provision (%) | |
| Provision for bad debts by credit risk characteristics group | **569,879,199.68** | **100.00** | **24,380,582.74** | **4.28** | **545,498,616.94** |

31 December 2025

*Unit: RMB*

| Item | Balance of carrying amount | | Provision for impairment | | Carrying value |
|---|---|---|---|---|---|
| | Amount | Proportion (%) | Amount | Proportion of provision (%) | |
| Provision for bad debts by credit risk characteristics group | 643,724,238.67 | 100.00 | 28,819,423.71 | 4.48 | 614,904,814.96 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 9. Contract assets (Continued)

#### *(3) Provision for impairment of contract assets*

*Unit: RMB*

| Items | Balance at the beginning of the period/year | Provision for the period/year | Reversal or transfer out for the period/year | Balance at the end of the period/year |
|---|---|---|---|---|
| **January to June 2026** | **28,819,423.71** | **8,779,847.00** | **(13,218,687.97)** | **24,380,582.74** |
| 2025 | 19,194,920.66 | 19,691,661.96 | (10,067,158.91) | 28,819,423.71 |

### 10. Non-current assets due within one year

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Long-term receivables due within one year | **558,945,061.30** | 630,076,045.09 |
| Debt investment due within one year | **279,663,054.27** | 1,092,296,240.55 |
| Total | **838,608,115.57** | 1,722,372,285.64 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 11. Other current assets

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Input tax deductible | **4,006,788,364.90** | 4,142,560,012.30 |
| Interbank negotiable certificates of deposit | **1,576,431,200.00** | – |
| Prepaid land value-added tax | **1,448,896,423.27** | 1,318,320,395.49 |
| Financial assets purchased under resale agreements | **900,530,000.00** | 200,140,572.10 |
| Prepaid other tax | **731,785,852.15** | 676,880,150.04 |
| Input tax certifiable | **577,156,870.64** | 355,775,731.18 |
| Cost of obtaining a contract | **211,599,623.56** | 118,244,492.54 |
| Prepaid enterprise income tax | **208,980,918.08** | 48,645,042.74 |
| Others | **1,364,240,726.30** | 1,653,676,866.40 |
| **Total** | **11,026,409,978.90** | 8,514,243,262.79 |

### 12. Debt investments

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Interbank negotiable certificates of deposit | **–** | 787,524,801.65 |
| Trust-based bond investments | **345,356,191.96** | 335,305,441.72 |
| **Subtotal** | **345,356,191.96** | 1,122,830,243.37 |
| Less: Debt investment due within one year | **279,663,054.27** | 1,092,296,240.55 |
| **Total** | **65,693,137.69** | 30,534,002.82 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 13. Other debt investments

#### *(1) Disclosure by nature*

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Treasury bonds | – | 359,648,769.23 |
| Financial bonds | **609,197,470.37** | 108,135,573.14 |
| **Subtotal** | **609,197,470.37** | 467,784,342.37 |
| Less: Provision for credit loss | – | – |
| **Total** | **609,197,470.37** | 467,784,342.37 |

#### *(2) Other debt investments*

*Unit: RMB*

| Items | Opening Balance | Increase in investment for the current period | Decrease in investment for the current period | Accrued interests | Interest adjustment | Fair value changes for the current period | Closing balance | Costs | Cumulative fair value changes |
|---|---|---|---|---|---|---|---|---|---|
| Treasury bonds | **359,648,769.23** | **-** | **(350,000,000.00)** | – | (12,252,169.23) | 2,603,400.00 | **-** | – | – |
| Financial bonds | **108,135,573.14** | **500,925,360.00** | **(1,807,761.67)** | 15,769,907.23 | (14,802,238.33) | 976,630.00 | **609,197,470.37** | 604,838,198.33 | 4,359,272.04 |
| **Total** | **467,784,342.37** | **500,925,360.00** | **(351,807,761.67)** | 15,769,907.23 | (27,054,407.56) | 3,580,030.00 | **609,197,470.37** | 604,838,198.33 | 4,359,272.04 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 14. Long-term receivables

*Unit: RMB*

| Items | 30 June 2026 | | | 31 December 2025 | | | Discount rate range |
|---|---|---|---|---|---|---|---|
| | Balance of carrying amount | Provision for bad debts | Carrying value | Balance of carrying amount | Provision for bad debts | Carrying value | |
| Finance lease payment | **607,643,926.48** | **9,034,087.93** | **598,609,838.55** | 624,336,754.20 | 9,034,087.93 | 615,302,666.27 | 3.00%-7.42% |
| Loans to related parties | **478,324,913.00** | **3,656,749.13** | **474,668,163.87** | 553,324,913.00 | 3,656,749.13 | 549,668,163.87 | 3.00%-6.00% |
| Sales of goods by installments | **223,049,124.65** | **17,682,214.50** | **205,366,910.15** | 297,315,579.16 | 19,519,598.79 | 277,795,980.37 | 5.00% |
| Others | **1,279,384.30** | **–** | **1,279,384.30** | 1,866,674.23 | – | 1,866,674.23 | |
| **Total** | **1,310,297,348.43** | **30,373,051.56** | **1,279,924,296.87** | 1,476,843,920.59 | 32,210,435.85 | 1,444,633,484.74 | |

The time interval between payments from customers and committed ownership transfer of goods in certain contracts regarding the Group's concrete business was more than a year, the receivables of which were presented as long-term receivables after considering the significant financing component. The Group referred to bank loan interest rate during the same period and added a premium for certain risk as a discount rate while measuring the significant financing component. The discount rate was 5% for the period.

Loans to related parties include the loan provided by the Group's subsidiary, BBMG Jiahua Nanjing Real Estate Co., Ltd., to its associate Nanjing Huayu Real Estate Development Co., Ltd., the loan provided by BBMG Real Estate Development Group Co., Ltd. to Nanjing Huayu Real Estate Development Co., Ltd., both at an interest rate of 3.00%, and the loan provided by BBMG Real Estate Development Group Co., Ltd. to its associate Beijing Yichang Real Estate Co., Ltd., at an interest rate of 6.00%.

The finance lease business of the Group calculates the discount rate based on the internal rate of return, and the discount rate ranges from 3.00% to 7.42%.

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

*Unit: RMB*

| **Items** | **January to June 2026** | **2025** |
|---|---|---|
| Balance at the beginning of the period/year | **32,210,435.85** | 14,247,344.68 |
| Provision for the period/year | **5,247,014.76** | 18,130,517.46 |
| Reversal for the period/year | **(7,084,399.05)** | (167,426.29) |
| Balance at the end of the period/year | **30,373,051.56** | 32,210,435.85 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 15. Long-term equity investments

**January to June 2026**

*Unit: RMB*

| | | Movements during the period | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Items | Opening balance | Increase investment | Decrease investment | Investment profits or losses recognized under the equity method | Other comprehensive income adjustments | Others | Declaration of cash dividends or profit distributions | Provision for impairment | Closing balance | Provision for impairment at the end of the period | Closing net value |
| **Joint ventures** | | | | | | | | | | | |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | 482,254,608.51 | - | - | 2,400,133.29 | - | (558,644.82) | - | - | 484,096,096.98 | - | 484,096,096.98 |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | 327,265,638.02 | - | - | (3,719,581.68) | - | 189,338.35 | - | - | 323,735,394.69 | - | 323,735,394.69 |
| Cross Point Trading 274 (Pty) Ltd (RF) | 279,469,321.24 | - | - | 28,153,290.53 | 12,140,093.48 | - | (27,625,639.58) | - | 292,137,065.67 | - | 292,137,065.67 |
| BBMG Vanke Property Development Co., Ltd. | 189,065,943.05 | - | - | (415,218.43) | - | - | - | - | 188,650,724.62 | - | 188,650,724.62 |
| Anshan Jidong Cement Co., Ltd. | 139,710,824.72 | - | - | (9,044,629.11) | - | - | - | - | 130,666,195.61 | - | 130,666,195.61 |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | 86,048,131.43 | - | - | (11,835,693.24) | - | - | - | - | 74,212,438.19 | - | 74,212,438.19 |
| Dahongmen (Beijing) Construction Development Co., Ltd. | - | - | - | 604,828.18 | - | - | - | - | 604,828.18 | - | 604,828.18 |
| STAR-USG Building Materials Co., Ltd. | 72,831,513.36 | - | - | 1,953,454.95 | - | - | - | - | 74,784,968.31 | - | 74,784,968.31 |
| Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司) | 49,139,832.30 | - | - | 251,475.82 | - | - | - | - | 49,391,308.12 | - | 49,391,308.12 |
| Beijing Qiyuan Development and Construction Co., Ltd. (北京啟苑開發建設有限公司) | 26,210,051.80 | - | - | (5,746,779.69) | - | 1,044,390.96 | - | - | 21,507,663.07 | - | 21,507,663.07 |
| Hebei Xiongan Zhitong Technology Co., Ltd. | 14,412,597.87 | - | - | (60,204.49) | - | - | - | - | 14,352,393.38 | - | 14,352,393.38 |
| Beijing Baohe Real Estate Development Co., Ltd. (北京保合房地產開發有限公司) | 3,575,597.29 | - | - | (1,166,654.60) | - | - | - | - | 2,408,942.69 | - | 2,408,942.69 |
| **Subtotal** | 1,669,984,059.59 | - | - | 1,374,421.53 | 12,140,093.48 | 675,084.49 | (27,625,639.58) | - | 1,656,548,019.51 | - | 1,656,548,019.51 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 15. Long-term equity investments (Continued)

**January to June 2026** *(Continued)*

*Unit: RMB*

| Items | Opening balance | Movements during the period | | | | | | | Closing balance | Provision for impairment at the end of the period | Closing net value |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Increase investment | Decrease investment | Investment profits or losses recognized under the equity method | Other comprehensive income adjustments | Others | Declaration of cash dividends or profit distributions | Provision for impairment | | | |
| **Associates** | | | | | | | | | | | |
| Easyhome New Retail Group Corporation Limited | 2,138,003,062.63 | - | - | 8,965,326.93 | - | - | - | - | 2,146,968,389.56 | - | 2,146,968,389.56 |
| Beijing Chenyu Real Estate Development Co., Ltd. | 2,008,805,742.93 | - | - | (4,396,877.29) | - | - | - | - | 2,004,408,865.64 | - | 2,004,408,865.64 |
| Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) | 614,253,067.10 | - | - | (15,356,503.90) | - | - | - | - | 598,896,563.20 | - | 598,896,563.20 |
| Beijing Jinzhu Xingye Real Estate Development Co., Ltd. | 592,709,603.92 | - | - | (1,959,281.99) | - | - | - | - | 590,750,321.93 | - | 590,750,321.93 |
| Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | 398,289,555.25 | - | - | (73,818,892.66) | - | - | - | - | 324,470,662.59 | - | 324,470,662.59 |
| CAMC BBMG Intelligent Manufacturing Workshop Industrial Park Closed-end Infrastructure Securities Investment Fund (華夏金隅智造工場產業園封閉式基礎設施證券投資基金) | 385,330,697.59 | - | - | 6,238,209.86 | - | - | (6,091,400.00) | - | 385,477,507.45 | - | 385,477,507.45 |
| Beijing Innovation Industry Investment Co., Ltd. | 261,142,236.22 | - | - | 9,555,909.40 | - | - | - | - | 270,698,145.62 | - | 270,698,145.62 |
| Tianjin Yaopi Glass Co., Ltd. | 172,707,781.92 | - | - | 13,006,386.13 | - | - | - | - | 185,714,168.05 | - | 185,714,168.05 |
| Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司) | 152,725,431.33 | - | - | (13,879,665.46) | - | - | - | - | 138,845,765.87 | - | 138,845,765.87 |
| Jilin Changjitu Investment Co., Ltd. | 116,616,339.34 | - | - | 1,101,875.13 | - | - | - | - | 117,718,214.47 | - | 117,718,214.47 |
| Tangshan Conch Profiles Co., Ltd. | 104,276,133.02 | - | - | (552,806.46) | - | - | - | - | 103,723,326.56 | - | 103,723,326.56 |
| Beijing Jinhaicheng Technology Innovation Investment Partnership LLP (北京金海誠科創投資合夥企業(有限合夥)) | 88,147,437.31 | - | - | (3,006,025.64) | - | - | - | - | 85,141,411.67 | - | 85,141,411.67 |
| Toto Machinery (Beijing) Company Limited | 78,765,002.32 | - | - | (1,446,585.18) | - | - | - | - | 77,318,417.14 | - | 77,318,417.14 |
| OCV Reinforcements (Beijing) Co., Ltd. | 62,796,479.78 | - | - | 177,007.31 | - | - | - | - | 62,973,487.09 | - | 62,973,487.09 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 15. Long-term equity investments (Continued)

**January to June 2026** *(Continued)*

*Unit: RMB*

| | | Movements during the period | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Items | Opening balance | Increase investment | Decrease investment | Investment profits or losses recognized under the equity method | Other comprehensive income adjustments | Others | Declaration of cash dividends or profit distributions | Provision for impairment | Closing balance | Provision for impairment at the end of the period | Closing net value |
| Zehnder (China) Indoor Climate Co., Ltd. | 62,789,219.11 | - | - | 45,078.36 | - | - | - | - | 62,834,297.47 | - | 62,834,297.47 |
| Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd. | 19,220,491.86 | - | - | (371,161.30) | - | - | - | - | 18,849,330.56 | - | 18,849,330.56 |
| Beijing Sinobaide Technology Co., Ltd. | 15,585,266.22 | - | - | (1,355,381.92) | - | - | - | - | 14,229,884.30 | - | 14,229,884.30 |
| Jidong Cement Fufeng Transportation Co., Ltd. | 5,966,906.18 | - | - | 196,361.45 | - | 12,273.93 | (475,000.00) | - | 5,700,541.56 | - | 5,700,541.56 |
| Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司) | 5,097,035.46 | - | - | (2,681,588.47) | - | - | - | - | 2,415,446.99 | - | 2,415,446.99 |
| Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司) | 3,772,448.34 | - | - | (1,651,108.93) | - | - | - | - | 2,121,339.41 | - | 2,121,339.41 |
| Tianjin Shengxiang Plastic Pipes Industry Co., Ltd. | 31,940,000.00 | - | - | - | - | - | - | - | 31,940,000.00 | (31,940,000.00) | - |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | 19,141,121.02 | - | - | - | - | - | - | - | 19,141,121.02 | (19,141,121.02) | - |
| Zhongfang Huarui (Tangshan) Real Estate Co., Ltd. | 4,981,823.43 | - | - | - | - | - | - | - | 4,981,823.43 | (4,981,823.43) | - |
| Beijing Jinhaicheng Management Consulting Partnership LLP (北京金海誠管理諮詢合夥企業(有限合夥)) | - | - | - | 559,461.30 | - | - | - | - | 559,461.30 | - | 559,461.30 |
| Subtotal | 7,343,062,882.28 | - | - | (80,630,263.33) | - | 12,273.93 | (6,566,400.00) | - | 7,255,878,492.88 | (56,062,944.45) | 7,199,815,548.43 |
| Total | 9,013,046,941.87 | - | - | (79,255,841.80) | 12,140,093.48 | 687,358.42 | (34,192,039.58) | - | 8,912,426,512.39 | (56,062,944.45) | 8,856,363,567.94 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 15. Long-term equity investments (Continued)

2025

*Unit: RMB*

| Items | Opening balance | Movements during the year | | | | | | | Closing balance | Provision for impairment at the end of the year | Closing net value |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Increase investment | Decrease investment | Investment profits or losses recognized under the equity method | Other comprehensive income adjustments | Others | Declaration of cash dividends or profit distributions | Provision for impairment | | | |
| **Joint ventures** | | | | | | | | | | | |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | 493,368,301.33 | - | - | 51,911,426.21 | - | (25,119.03) | (63,000,000.00) | - | 482,254,608.51 | - | 482,254,608.51 |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | 345,293,614.28 | - | - | 26,268,415.79 | - | (35,192.05) | (44,261,200.00) | - | 327,265,638.02 | - | 327,265,638.02 |
| Cross Point Trading 274 (Pty) Ltd (RF) | 230,083,476.50 | - | - | 52,846,887.99 | 10,796,386.30 | - | (14,257,429.55) | - | 279,469,321.24 | - | 279,469,321.24 |
| BBMG Vanke Property Development Co., Ltd. | 189,085,513.23 | - | - | (19,570.18) | - | - | - | - | 189,065,943.05 | - | 189,065,943.05 |
| Anshan Jidong Cement Co., Ltd. | 144,001,817.90 | - | - | (4,290,993.18) | - | - | - | - | 139,710,824.72 | - | 139,710,824.72 |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | 102,133,946.85 | - | - | (16,085,815.42) | - | - | - | - | 86,048,131.43 | - | 86,048,131.43 |
| Dahongmen (Beijing) Construction Development Co., Ltd. | 87,297,338.16 | - | - | 2,723,850.37 | - | (90,021,188.53) | - | - | - | - | - |
| STAR-USG Building Materials Co., Ltd. | 63,875,126.51 | - | - | 8,956,386.85 | - | - | - | - | 72,831,513.36 | - | 72,831,513.36 |
| Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司) | 19,602,660.98 | 29,400,000.00 | - | 137,171.32 | - | - | - | - | 49,139,832.30 | - | 49,139,832.30 |
| Beijing Qiyuan Development and Construction Co., Ltd. (北京啟苑開發建設有限公司) | - | 44,100,000.00 | - | (12,906,495.03) | - | (4,983,453.17) | - | - | 26,210,051.80 | - | 26,210,051.80 |
| Hebei Xiongan Zhitong Technology Co., Ltd. | 15,189,228.97 | - | - | (776,631.10) | - | - | - | - | 14,412,597.87 | - | 14,412,597.87 |
| Beijing Baohe Real Estate Development Co., Ltd. (北京保合房地產開發有限公司) | - | 5,926,440.00 | - | (2,350,842.71) | - | - | - | - | 3,575,597.29 | - | 3,575,597.29 |
| **Subtotal** | 1,689,931,024.71 | 79,426,440.00 | - | 106,413,790.91 | 10,796,386.30 | (95,064,952.78) | (121,518,629.55) | - | 1,669,984,059.59 | - | 1,669,984,059.59 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 15. Long-term equity investments (Continued)

2025 *(Continued)*

*Unit: RMB*

| Items | Opening balance | Movements during the year: Increase investment | Decrease investment | Investment profits or losses recognized under the equity method | Other comprehensive income adjustments | Others | Declaration of cash dividends or profit distributions | Provision for impairment | Closing balance | Provision for impairment at the end of the year | Closing net value |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Associates** | | | | | | | | | | | |
| Easyhome New Retail Group Corporation Limited | 2,283,820,505.23 | - | - | (131,156,071.21) | - | (14,661,371.39) | - | - | 2,138,003,062.63 | - | 2,138,003,062.63 |
| Beijing Chenyu Real Estate Development Co., Ltd. | 2,125,680,023.20 | - | - | (116,874,280.27) | - | - | - | - | 2,008,805,742.93 | - | 2,008,805,742.93 |
| Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) | 627,199,567.10 | - | - | (12,946,500.00) | - | - | - | - | 614,253,067.10 | - | 614,253,067.10 |
| Beijing Jinzhu Xingye Real Estate Development Co., Ltd. | 714,678,706.58 | - | (367,500,000.00) | 245,530,897.34 | - | - | - | - | 592,709,603.92 | - | 592,709,603.92 |
| Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | 496,884,166.70 | - | - | (98,594,611.45) | - | - | - | - | 398,289,555.25 | - | 398,289,555.25 |
| CAMC BBMG Intelligent Manufacturing Workshop Industrial Park Closed-end Infrastructure Securities Investment Fund (華夏金隅智造工場產業園封閉式基礎設施證券投資基金) | - | 397,460,000.00 | - | 13,891,097.59 | - | - | (26,020,400.00) | - | 385,330,697.59 | - | 385,330,697.59 |
| Beijing Innovation Industry Investment Co., Ltd. | 253,982,993.36 | - | - | 6,735,978.77 | - | 2,528,524.09 | (2,105,260.00) | - | 261,142,236.22 | - | 261,142,236.22 |
| Tianjin Yaopi Glass Co., Ltd. | 161,533,437.26 | - | - | 11,174,344.66 | - | - | - | - | 172,707,781.92 | - | 172,707,781.92 |
| Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司) | 338,678,231.33 | - | (30,600,000.00) | 11,247,200.00 | - | - | (166,600,000.00) | - | 152,725,431.33 | - | 152,725,431.33 |
| Jilin Changjitu Investment Co., Ltd. | 116,876,689.07 | - | - | (260,349.73) | - | - | - | - | 116,616,339.34 | - | 116,616,339.34 |
| Tangshan Conch Profiles Co., Ltd. | 100,195,136.88 | - | - | 4,080,996.14 | - | - | - | - | 104,276,133.02 | - | 104,276,133.02 |
| Beijing Jinhaicheng Technology Innovation Investment Partnership LLP (北京金海誠科創投資合夥企業(有限合夥)) | 85,707,631.12 | - | - | 2,439,806.19 | - | - | - | - | 88,147,437.31 | - | 88,147,437.31 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 15. Long-term equity investments (Continued)

2025 *(Continued)*

*Unit: RMB*

| Items | Opening balance | Movements during the year: Increase investment | Decrease investment | Investment profits or losses recognized under the equity method | Other comprehensive income adjustments | Others | Declaration of cash dividends or profit distributions | Provision for impairment | Closing balance | Provision for impairment at the end of the year | Closing net value |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Toto Machinery (Beijing) Company Limited | 152,344,457.61 | - | - | (73,579,455.29) | - | - | - | - | 78,765,002.32 | - | 78,765,002.32 |
| OCV Reinforcements (Beijing) Co., Ltd. | 87,102,135.17 | - | - | 1,054,207.16 | - | - | (25,359,862.55) | - | 62,796,479.78 | - | 62,796,479.78 |
| Zehnder (China) Indoor Climate Co., Ltd. | 68,437,800.98 | - | - | (5,648,581.87) | - | - | - | - | 62,789,219.11 | - | 62,789,219.11 |
| Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd. | 20,461,991.86 | - | - | (1,241,500.00) | - | - | - | - | 19,220,491.86 | - | 19,220,491.86 |
| Beijing Sinobaide Technology Co., Ltd. | 17,457,979.10 | - | - | (1,412,712.88) | - | - | (460,000.00) | - | 15,585,266.22 | - | 15,585,266.22 |
| Jidong Cement Fufeng Transportation Co., Ltd. | 5,894,577.07 | - | - | 545,271.11 | - | (21,692.00) | (451,250.00) | - | 5,966,906.18 | - | 5,966,906.18 |
| Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司) | 6,238,878.73 | - | - | (1,141,843.27) | - | - | - | - | 5,097,035.46 | - | 5,097,035.46 |
| Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司) | 4,714,639.02 | - | - | (942,190.68) | - | - | - | - | 3,772,448.34 | - | 3,772,448.34 |
| Tianjin Shengxiang Plastic Pipes Industry Co., Ltd. | 31,940,000.00 | - | - | - | - | - | - | - | 31,940,000.00 | (31,940,000.00) | - |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | 19,141,121.02 | - | - | - | - | - | - | - | 19,141,121.02 | (19,141,121.02) | - |
| Zhongfang Huarui (Tangshan) Real Estate Co., Ltd. | 4,981,823.43 | - | - | - | - | - | - | - | 4,981,823.43 | (4,981,823.43) | - |
| Beijing Jinhaicheng Management Consulting Partnership LLP (北京金海誠管理諮詢合夥企業(有限合夥)) | 586,173.36 | - | - | (586,173.36) | - | - | - | - | - | - | - |
| **Subtotal** | 7,724,538,665.18 | 397,460,000.00 | (398,100,000.00) | (147,684,471.05) | - | (12,154,539.30) | (220,996,772.55) | - | 7,343,062,882.28 | (56,062,944.45) | 7,286,999,937.83 |
| **Total** | 9,414,469,689.89 | 476,886,440.00 | (398,100,000.00) | (41,270,680.14) | 10,796,386.30 | (107,219,492.08) | (342,515,402.10) | - | 9,013,046,941.87 | (56,062,944.45) | 8,956,983,997.42 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 15. Long-term equity investments (Continued)

Impairment provision for long-term equity investments:

**January to June 2026**

*Unit: RMB*

| Items | Balance at the beginning of the period | Increase during the period | Decrease during the period | Balance at the end of the period |
|---|---|---|---|---|
| Tianjin Shengxiang Plastic Pipes Industry Co., Ltd. | **31,940,000.00** | – | – | **31,940,000.00** |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | **19,141,121.02** | – | – | **19,141,121.02** |
| Zhongfang Huarui (Tangshan) Real Estate Co., Ltd. | **4,981,823.43** | – | – | **4,981,823.43** |
| **Total** | **56,062,944.45** | – | – | **56,062,944.45** |

2025

*Unit: RMB*

| Items | Balance at the beginning of the year | Increase during the year | Decrease during the year | Balance at the end of the year |
|---|---|---|---|---|
| Tianjin Shengxiang Plastic Pipes Industry Co., Ltd. | 31,940,000.00 | – | – | 31,940,000.00 |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | 19,141,121.02 | – | – | 19,141,121.02 |
| Zhongfang Huarui (Tangshan) Real Estate Co., Ltd. | 4,981,823.43 | – | – | 4,981,823.43 |
| **Total** | 56,062,944.45 | – | – | 56,062,944.45 |

### 16. Investment in other equity instruments

#### *(1) Disclosure by nature*

*Unit: RMB*

| **Items** | **30 June 2026** | **31 December 2025** |
|---|---|---|
| Investments in shares of listed companies | **298,252,819.99** | 398,814,241.32 |
| Other equity investments in non-listed companies | **599,608,922.47** | 599,596,074.03 |
| **Total** | **897,861,742.46** | 998,410,315.35 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 16. Investment in other equity instruments (Continued)

#### *(2) Investment in other equity instruments*

| Items | Opening balance | Increase in investment for the current period | Decrease in investment for the current period | Gains included in other comprehensive income for the period | Losses included in other comprehensive income for the period | Closing balance | Gains accumulated in other comprehensive income | Losses accumulated in other comprehensive income | Dividend income for the period | Reason for designating as FVTOCI |
|---|---|---|---|---|---|---|---|---|---|---|
| Investments in shares of listed companies | 398,814,241.32 | – | – | – | (100,561,421.33) | 298,252,819.99 | – | (651,949,006.71) | – | The shareholding percentage is low and does not constitute significant influence, and the investment is not held for sale in the near term |
| Other equity investments in non-listed companies | 599,596,074.03 | – | – | 12,848.44 | – | 599,608,922.47 | 21,506,915.48 | (85,018,833.87) | 6,658,251.87 | The equity is classified as non-trading equity instruments. The shareholding percentage is low and does not constitute significant influence, and the investment is not held for sale in the near term |
| **Total** | 998,410,315.35 | – | – | 12,848.44 | (100,561,421.33) | 897,861,742.46 | 21,506,915.48 | (736,967,840.58) | 6,658,251.87 | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 17. Other non-current financial assets

*Unit: RMB*

| Item | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Financial assets at fair value through profit or loss | **1,652,356,499.89** | 798,123,889.85 |

### 18. Investment properties

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

**30 June 2026**

*Unit: RMB*

| Items | Completed buildings | Buildings in progress | Total |
|---|---|---|---|
| Opening balance | **47,853,691,725.75** | **18,310,405.83** | **47,872,002,131.58** |
| Acquisition for the period | **38,874,989.15** | **3,101,988.89** | **41,976,978.04** |
| Transfer from inventories/fixed assets/intangible assets | **643,517,594.00** | **–** | **643,517,594.00** |
| Internal carry-forward | **(36,510,212.86)** | **36,510,212.86** | **–** |
| Changes in fair value | **(59,138,663.01)** | **–** | **(59,138,663.01)** |
| Closing balance | **48,440,435,433.03** | **57,922,607.58** | **48,498,358,040.61** |

31 December 2025

*Unit: RMB*

| Items | Completed buildings | Buildings in progress | Total |
|---|---|---|---|
| Opening balance | 42,922,851,548.85 | 2,127,266,307.39 | 45,050,117,856.24 |
| Acquisition for the year | 161,129,863.67 | 678,372,224.81 | 839,502,088.48 |
| Transfer from inventories/fixed assets/construction in progress | 5,353,595,021.45 | (2,787,328,126.37) | 2,566,266,895.08 |
| Disposal or retirement | (982,802,519.87) | – | (982,802,519.87) |
| Other decrease | (1,886,247.91) | – | (1,886,247.91) |
| Changes in fair value | 400,804,059.56 | – | 400,804,059.56 |
| Closing balance | 47,853,691,725.75 | 18,310,405.83 | 47,872,002,131.58 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 18. Investment properties (Continued)

The following sets out the breakdown of investment properties:

*Unit: RMB*

| Name of investment properties | Planned or actual use | **Fair value 30 June 2026** | Fair value 31 December 2025 |
|---|---|---|---|
| Beijing – Yucheng Building | Office, commercial and parking space | **6,513,000,000.00** | 6,533,000,000.00 |
| Beijing – Phase 2 of Global Trade Center | Office, commercial and parking space | **4,664,785,048.94** | 4,669,785,048.94 |
| Beijing – Phase 1 of Global Trade Center | Office, commercial and parking space | **4,000,512,799.49** | 4,005,512,799.49 |
| Tianjin – Huan Bohai Golden Shore Shopping Mall | Office, commercial and parking space | **2,410,900,000.00** | 2,421,320,000.00 |
| Beijing – Tengda Plaza | Office, commercial and parking space | **2,111,000,000.00** | 2,110,000,000.00 |
| Beijing – Jin Yu Building Tower A | Office, commercial and parking space | **1,628,000,000.00** | 1,630,000,000.00 |
| Beijing – Jin Yu Building Tower B | Office, commercial and parking space | **1,583,000,000.00** | 1,585,600,000.00 |
| Beijing – Phase 3 of Global Trade Center | Office, commercial and parking space | **1,468,000,000.00** | 1,469,000,000.00 |
| Beijing – Phase 1 of High-tech Industrial Park | Office, commercial and parking space | **1,113,003,782.66** | 1,122,003,782.66 |
| Beijing – Beijing Jiapin Mall | Commercial and parking space | **1,038,000,000.00** | 1,052,000,000.00 |
| Beijing – Jianda Building | Office, commercial and parking space | **676,000,000.00** | 677,000,000.00 |
| Beijing – Phase 2 of High-tech Industrial Park | Office, commercial and parking space | **553,000,000.00** | 560,000,000.00 |
| Other properties | Office, commercial, parking space and apartment | **20,739,156,409.52** | 20,036,780,500.49 |
| **Total** | | **48,498,358,040.61** | 47,872,002,131.58 |

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

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

Details of pledge of investment properties are set out in Note V. 27.

As at 30 June 2026, the carrying amount for investment properties without completing the procedures for the title certificates amounted to RMB998,109,524.00 (2025: RMB964,551,600.00). The Group was in the process of handling the procedures for changing the relevant titles.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 19. Fixed assets

#### *(1) Fixed assets*

**30 June 2026**

*Unit: RMB*

| Items | Buildings | Machinery and equipment | Transportation equipment | Office and other equipment | Total |
|---|---|---|---|---|---|
| Cost | | | | | |
| Opening balance | 40,073,256,961.19 | 37,123,621,236.91 | 413,251,873.11 | 1,392,299,343.16 | 79,002,429,414.37 |
| Purchase | 39,259,585.88 | 197,419,241.25 | 22,664,175.81 | 15,497,030.06 | 274,840,033.00 |
| Transfer from construction in progress | 317,361,508.01 | 415,659,387.86 | 1,012,811.75 | 20,553,439.63 | 754,587,147.25 |
| Disposal or retirement | (26,908,572.94) | (181,499,272.65) | (91,599,307.94) | (12,586,036.62) | (312,593,190.15) |
| Transfer to investment properties | (33,219,149.37) | (4,060,653.20) | – | (853,750.00) | (38,133,552.57) |
| Closing balance | 40,369,750,332.77 | 37,551,139,940.17 | 345,329,552.73 | 1,414,910,026.23 | 79,681,129,851.90 |
| Accumulated depreciation | | | | | |
| Opening balance | 13,544,327,621.37 | 20,690,448,271.29 | 147,364,741.14 | 930,689,694.24 | 35,312,830,328.04 |
| Provision | 742,303,855.54 | 845,751,183.15 | 72,911,879.11 | 68,800,666.78 | 1,729,767,584.58 |
| Disposal or retirement | (16,733,897.14) | (150,029,123.79) | (76,771,752.63) | (9,754,543.64) | (253,289,317.20) |
| Transfer to investment properties | (17,242,465.35) | (57,402.03) | – | – | (17,299,867.38) |
| Closing balance | 14,252,655,114.42 | 21,386,112,928.62 | 143,504,867.62 | 989,735,817.38 | 36,772,008,728.04 |
| Provision for impairment | | | | | |
| Opening balance | 942,882,053.73 | 522,270,806.48 | 495,957.27 | 1,666,891.71 | 1,467,315,709.19 |
| Disposal or retirement | (205,507.08) | (4,202,124.79) | (451,908.33) | (2,231.23) | (4,861,771.43) |
| Closing balance | 942,676,546.65 | 518,068,681.69 | 44,048.94 | 1,664,660.48 | 1,462,453,937.76 |
| Carrying value | | | | | |
| At the end of the period | 25,174,418,671.70 | 15,646,958,329.86 | 201,780,636.17 | 423,509,548.37 | 41,446,667,186.10 |
| At the beginning of the period | 25,586,047,286.09 | 15,910,902,159.14 | 265,391,174.70 | 459,942,757.21 | 42,222,283,377.14 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 19. Fixed assets (Continued)

#### *(1) Fixed assets (Continued)*

31 December 2025

*Unit: RMB*

| Items | Buildings | Machinery and equipment | Transportation equipment | Office and other equipment | Total |
|---|---|---|---|---|---|
| Cost | | | | | |
| Opening balance | 40,871,060,444.74 | 36,378,752,153.25 | 386,191,821.81 | 1,334,276,463.83 | 78,970,280,883.63 |
| Purchase | 142,091,090.94 | 342,447,012.51 | 116,555,435.43 | 69,132,557.20 | 670,226,096.08 |
| Transfer from construction in progress | 497,157,454.18 | 972,929,305.13 | 4,564,176.14 | 52,161,514.42 | 1,526,812,449.87 |
| Business combinations not under common control | 668,058,534.28 | 408,781,216.04 | 30,521,985.53 | 10,427,340.69 | 1,117,789,076.54 |
| Disposal or retirement | (296,708,064.15) | (979,288,450.02) | (124,581,545.80) | (73,698,532.98) | (1,474,276,592.95) |
| Transfer to investment properties | (1,808,402,498.80) | – | – | – | (1,808,402,498.80) |
| Closing balance | 40,073,256,961.19 | 37,123,621,236.91 | 413,251,873.11 | 1,392,299,343.16 | 79,002,429,414.37 |
| Accumulated depreciation | | | | | |
| Opening balance | 12,595,978,470.43 | 19,270,595,962.57 | 108,327,513.75 | 808,167,691.57 | 32,783,069,638.32 |
| Provision | 1,523,210,958.97 | 2,005,625,165.72 | 139,118,618.69 | 156,741,702.03 | 3,824,696,445.41 |
| Disposal or retirement | (167,908,901.66) | (585,772,857.00) | (100,081,391.30) | (34,219,699.36) | (887,982,849.32) |
| Transfer to investment properties | (406,952,906.37) | – | – | – | (406,952,906.37) |
| Closing balance | 13,544,327,621.37 | 20,690,448,271.29 | 147,364,741.14 | 930,689,694.24 | 35,312,830,328.04 |
| Provision for impairment | | | | | |
| Opening balance | 552,361,517.56 | 398,895,562.96 | 897,439.14 | 1,494,372.31 | 953,648,891.97 |
| Provision | 475,119,353.70 | 196,125,020.23 | 89,097.28 | 1,191,439.75 | 672,524,910.96 |
| Disposal or retirement | (84,598,817.53) | (72,749,776.71) | (490,579.15) | (1,018,920.35) | (158,858,093.74) |
| Closing balance | 942,882,053.73 | 522,270,806.48 | 495,957.27 | 1,666,891.71 | 1,467,315,709.19 |
| Carrying value | | | | | |
| At the end of the year | 25,586,047,286.09 | 15,910,902,159.14 | 265,391,174.70 | 459,942,757.21 | 42,222,283,377.14 |
| At the beginning of the year | 27,722,720,456.75 | 16,709,260,627.72 | 276,966,868.92 | 524,614,399.95 | 45,233,562,353.34 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 19. Fixed assets (Continued)

#### *(2) Fixed assets that are temporarily idle*

As at 30 June 2026, the carrying amount for fixed assets that are temporarily idle of the Group amounted to RMB163,947,909.80 (31 December 2025: RMB75,883,708.87).

#### *(3) Fixed assets leased under operating leases*

As at 30 June 2026, the carrying amount for fixed assets leased under operating leases of the Group amounted to RMB314,633,314.74 (31 December 2025: RMB148,481,756.53).

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

As at 30 June 2026, the carrying amount for fixed assets without completing the procedures for the title certificates amounted to RMB801,345,975.81 (31 December 2025: RMB659,220,384.00). The Group was in the process of handling the procedures for changing the relevant titles. The management was of the view that the Group had the legitimate and valid right to occupy and use or dispose of the above fixed assets and the above matters would not impose material adverse effect on the operations of the Group.

Details of pledge of fixed assets are set out in Note V. 27.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 19. Fixed assets (Continued)

#### *(5) Impairment tests for fixed assets*

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

*Unit: RMB*

| Items | Carrying value | Recoverable amount | Impairment amount | Determination of fair value and disposal costs | Key parameters | Determination basis for key parameters |
|---|---|---|---|---|---|---|
| Tianjin Stone Mine Co., Ltd. (Note 1) | 1,338,827,087.56 | 1,799,300,897.89 | – | Comparable selling price | Land acquisition and storage unit price | Comparable land acquisition and storage prices in the vicinity |
| Tianjin Tiancai New Industry Assets Management Co., Ltd. (Note 2) | 366,319,423.65 | 2,247,791,764.99 | – | Comparable selling price | Land acquisition and storage unit price | Comparable land acquisition and storage prices in the vicinity |
| Tianjin Longda Health Consulting Services Co., Ltd. (天津市龍達健康諮詢服務有限公司) (Note 3) | 111,004,709.84 | 112,676,613.00 | – | Comparable selling price | Land acquisition and storage unit price | Comparable land acquisition and storage prices in the vicinity |
| Total | 1,816,151,221.05 | 4,159,769,275.88 | | | | |

Note 1: The carrying value of Tianjin Stone Mine Co., Ltd. includes carrying value of fixed assets of RMB6,367,241.48 and carrying value of intangible assets of RMB1,332,459,846.08.

Note 2: The carrying value of Tianjin Tiancai New Industry Assets Management Co., Ltd. includes carrying value of fixed assets of RMB2,626,381.88 and carrying value of intangible assets of RMB363,693,041.77.

Note 3: The carrying value of Tianjin Longda Health Consulting Services Co., Ltd. (天津市龍達健康諮詢服務有限公司) includes carrying value of fixed assets of RMB39,345,519.61 and carrying value of intangible assets of RMB71,659,190.23.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 19. Fixed assets (Continued)

#### (5) Impairment tests for fixed assets (Continued)

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

*Unit: RMB*

| Items | Carrying value | Recoverable amount | Impairment amount | Term of the forecast period | Key parameters for the forecast period | Determination basis for key parameters for the forecast period | Key parameters for the stable period | Determination basis for key parameters during the stable period |
|---|---|---|---|---|---|---|---|---|
| Jinyu Thermal Processing Tangshan Co., Ltd. (Note 1) | 611,155,539.24 | 665,277,054.68 | – | 5 years | Revenue growth rate, gross profit margin, discount rate | Determined with reference to the products operated, market conditions, and industry circumstances of the enterprise | Discount rate, growth rate | Weighted average cost of assets |
| Tangshan Jidong Development Machinery and Equipment Manufacturing Co., Ltd. (Note 2) | 757,278,522.50 | 907,946,083.14 | – | 5 years | Revenue growth rate, gross profit margin, discount rate | | | |
| **Total** | **1,368,434,061.74** | **1,573,223,137.82** | | | | | | |

Note 1: The carrying value of Jinyu Thermal Processing Tangshan Co., Ltd. includes carrying value of fixed assets of RMB532,989,743.43, carrying value of construction in progress of RMB3,312,337.29, carrying value of intangible assets of RMB70,739,053.32 and long-term deferred expenditures of RMB4,114,405.20. As at 30 June 2026, the discount rate used by management in calculating the recoverable amount was 8%.

Note 2: The carrying value of Tangshan Jidong Development Machinery and Equipment Manufacturing Co., Ltd. includes carrying value of fixed assets of RMB694,636,140.75, carrying value of intangible assets of RMB57,459,512.26, carrying value of construction in progress of RMB5,064,131.99 and carrying value of long-term deferred expenditures of RMB118,737.50. As at 30 June 2026, the discount rate for the asset group used by management in calculating the recoverable amount was 8.4%.

### 20. Construction in progress

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Construction in progress | **1,778,629,761.92** | 2,004,769,550.82 |
| Construction materials | **16,722,948.97** | 29,942,777.90 |
| Total | **1,795,352,710.89** | 2,034,712,328.72 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 20. Construction in progress (Continued)

#### *(1) Construction in progress*

*Unit: RMB*

| | 30 June 2026 | | | 31 December 2025 | | |
|---|---|---|---|---|---|---|
| Items | Balance of carrying amount | Provision for impairment | Carrying value | Balance of carrying amount | Provision for impairment | Carrying value |
| 400,000 t/a metallurgical solid waste graded resource comprehensive utilization project of Qian'an BBMG | 214,632,890.99 | – | 214,632,890.99 | 198,507,180.20 | – | 198,507,180.20 |
| New alkyl amine and modern green materials industrialization project of Energy Saving Technology (Tianjin) | 166,047,342.48 | – | 166,047,342.48 | 158,980,876.83 | – | 158,980,876.83 |
| Caofeidian new wind power project of Huahai Wind Power | 189,595,846.04 | 51,670,955.71 | 137,924,890.33 | 189,595,846.04 | 51,670,955.71 | 137,924,890.33 |
| Renovation project of Tiantan Furniture Building Materials Trading Tower | 98,046,304.25 | – | 98,046,304.25 | 95,971,801.72 | – | 95,971,801.72 |
| Inorganic refractory new materials project with annual output of 3 million square meters of Energy-Saving Materials & Technology | 80,791,413.21 | – | 80,791,413.21 | 83,837,631.15 | – | 83,837,631.15 |
| Filter sheet production capacity expansion project of Beijing Sanchong Mirror | 75,313,488.45 | – | 75,313,488.45 | 68,897,963.56 | – | 68,897,963.56 |
| Office building and plant construction project of Fujian Hangjia | 57,381,515.30 | – | 57,381,515.30 | 56,735,943.74 | – | 56,735,943.74 |
| Lime production transformation project of Liaoyang Company | 41,885,739.40 | – | 41,885,739.40 | 1,295,820.72 | – | 1,295,820.72 |
| Daixian Company Open-pit Limestone Mine Construction Project | 37,534,056.81 | – | 37,534,056.81 | 31,731,932.40 | – | 31,731,932.40 |
| Daixian Company Mine Development and Preparation Project | 32,128,947.40 | – | 32,128,947.40 | 12,846,476.59 | – | 12,846,476.59 |
| New Ready-Mixed Concrete Production Line Project with Annual Capacity of 1.2 Million Cubic Meters of Datong Company | 26,623,553.93 | – | 26,623,553.93 | 17,323,064.80 | – | 17,323,064.80 |
| Production base with annual output of 800,000 cubic meters of aerated concrete panels and prefabricated building components of Hunan Hangjia | 22,815,083.50 | – | 22,815,083.50 | 21,016,630.46 | – | 21,016,630.46 |
| Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection | 13,439,544.59 | – | 13,439,544.59 | 160,344,348.00 | – | 160,344,348.00 |
| Construction materials | 20,330,406.67 | 3,607,457.70 | 16,722,948.97 | 33,555,920.01 | 3,613,142.11 | 29,942,777.90 |
| Others | 1,077,756,633.42 | 303,691,642.14 | 774,064,991.28 | 1,263,046,632.46 | 303,691,642.14 | 959,354,990.32 |
| Total | 2,154,322,766.44 | 358,970,055.55 | 1,795,352,710.89 | 2,393,688,068.68 | 358,975,739.96 | 2,034,712,328.72 |

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

## 20. Construction in progress (Continued)

### *(1) Construction in progress (Continued)*

Changes of major construction in progress from January to June 2026 are as below:

*Unit: RMB*

| Items | Budget (RMB0'000) | Opening balance | Increase during the period | Transferred to fixed assets during the period | Other decrease | Closing balance | Source of funding | Percentage of project accumulated investment in budget (%) |
|---|---|---|---|---|---|---|---|---|
| 400,000 t/a metallurgical solid waste graded resource comprehensive utilization project of Qian'an BBMG | 23,942.00 | 198,507,180.20 | 16,125,710.79 | – | – | 214,632,890.99 | Self-financing and borrowing | 89.65 |
| New alkyl amine and modern green materials industrialization project of Energy Saving Technology (Tianjin) | 25,441.00 | 158,980,876.83 | 7,066,465.65 | – | – | 166,047,342.48 | Borrowing | 65.27 |
| Caofeidian new wind power project of Huahai Wind Power | 186,100.00 | 189,595,846.04 | – | – | – | 189,595,846.04 | Self-financing | 7.41 |
| Renovation project of Tiantan Furniture Building Materials Trading Tower | 11,771.00 | 95,971,801.72 | 2,074,502.53 | – | – | 98,046,304.25 | Self-financing | 83.29 |
| Inorganic refractory new materials project with annual output of 3 million square meters of Energy-Saving Materials & Technology | 8,394.88 | 83,837,631.15 | – | – | (3,046,217.94) | 80,791,413.21 | Self-financing | 99.87 |
| Filter sheet production capacity expansion project of Beijing Sanchong Mirror | 14,301.82 | 68,897,963.56 | 6,415,524.89 | – | – | 75,313,488.45 | Self-financing | 52.66 |
| Office building and plant construction project of Fujian Hangjia | 45,000.00 | 56,735,943.74 | 645,571.56 | – | – | 57,381,515.30 | Self-financing | 12.75 |
| Lime production transformation project of Liaoyang Company | 5,897.00 | 1,295,820.72 | 40,589,918.68 | – | – | 41,885,739.40 | Self-financing | 71.03 |
| Daixian Company Open-pit Limestone Mine Construction Project | 4,631.73 | 31,731,932.40 | 5,802,124.41 | – | – | 37,534,056.81 | Self-financing | 81.04 |
| Daixian Company Mine Development and Preparation Project | 9,800.00 | 12,846,476.59 | 19,282,470.81 | – | – | 32,128,947.40 | Self-financing | 32.78 |
| New Ready-Mixed Concrete Production Line Project with Annual Capacity of 1.2 Million Cubic Meters of Datong Company | 2,896.00 | 17,323,064.80 | 9,300,489.13 | – | – | 26,623,553.93 | Self-financing | 91.93 |
| Production base with annual output of 800,000 cubic meters of aerated concrete panels and prefabricated building components of Hunan Hangjia | 32,000.00 | 21,016,630.46 | 1,798,453.04 | – | – | 22,815,083.50 | Self-financing | 7.13 |
| Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection | 18,333.00 | 160,344,348.00 | 6,805,709.77 | (153,710,513.18) | – | 13,439,544.59 | Borrowing | 91.17 |
| Float coal shed of Inner Mongolia Dunshi | 7,250.82 | 68,091,117.81 | – | (66,638,386.18) | (1,452,731.63) | – | Self-financing | – |
| Equipment modification and installation of Cangzhou Chemical | 8,736.22 | 87,341,240.64 | 20,934.59 | (87,362,175.23) | – | – | Self-financing and borrowing | – |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 20. Construction in progress (Continued)

#### (1) Construction in progress (Continued)

Changes of major construction in progress in 2025 are as below:

*Unit: RMB*

| Items | Budget (RMB0'000) | Opening balance | Increase during the year | Transferred to fixed assets during the year | Other decrease | Closing balance | Source of funding | Percentage of project accumulated investment in budget (%) |
|---|---|---|---|---|---|---|---|---|
| 400,000 t/a metallurgical solid waste graded resource comprehensive utilization project of Qian'an BBMG | 23,942.00 | 2,033,103.14 | 196,474,077.06 | – | – | 198,507,180.20 | Self-financing | 83.00 |
| Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection | 18,333.00 | 151,400,591.09 | 8,943,756.91 | – | – | 160,344,348.00 | Borrowing | 87.00 |
| New alkyl amine and modern green materials industrialization project of Energy Saving Technology (Tianjin) | 25,441.00 | 122,059,342.92 | 36,921,533.91 | – | – | 158,980,876.83 | Borrowing | 62.00 |
| Caofeidian new wind power project of Huahai Wind Power | 186,100.00 | 189,263,875.44 | 331,970.60 | – | – | 189,595,846.04 | Self-financing | 7.41 |
| Renovation project of Tiantan Furniture Building Materials Trading Tower | 11,771.00 | – | 95,971,801.72 | – | – | 95,971,801.72 | Self-financing | 81.53 |
| Equipment modification and installation of Cangzhou Chemical | 8,800.00 | 82,736,812.33 | 5,488,914.10 | (884,485.79) | – | 87,341,240.64 | Self-financing and borrowing | 99.00 |
| Inorganic refractory new materials project with annual output of 3 million square meters of Energy-Saving Materials & Technology | 8,394.88 | 38,718,492.60 | 45,119,138.55 | – | – | 83,837,631.15 | Self-financing | 99.87 |
| Daixian Company Open-pit Limestone Mine Construction Project | 4,631.73 | 16,047,489.48 | 15,684,442.92 | – | – | 31,731,932.40 | Self-financing | 78.71 |
| Filter sheet production capacity expansion project of Beijing Sanchong Mirror | 14,301.82 | – | 68,897,963.56 | – | – | 68,897,963.56 | Self-financing | 48.17 |
| Float coal shed of Inner Mongolia Dunshi | 7,250.82 | 13,807,206.41 | 54,283,911.40 | – | – | 68,091,117.81 | Self-financing | 93.91 |
| Office building and plant construction project of Fujian Hangjia | 45,000.00 | 55,562,422.12 | 1,173,521.62 | – | – | 56,735,943.74 | Self-financing | 12.61 |
| Production base with annual output of 800,000 cubic meters of aerated concrete panels and prefabricated building components of Hunan Hangjia | 32,000.00 | 158,331,329.83 | 17,275,980.48 | (154,590,679.85) | – | 21,016,630.46 | Self-financing | 70.10 |
| Cement kiln co-processing hazardous waste project of Bishan Company | 6,890.00 | 62,524,732.09 | 1,089,701.57 | (63,614,433.66) | – | – | Self-financing | 92.00 |
| Aggregate manufactured sand production line project of Inner Mongolia Company | 6,040.00 | 53,570,765.86 | 3,693,324.66 | (57,264,090.52) | – | – | Borrowing | 95.00 |
| Energy saving and carbon reduction renovation project for production line 1 of Tangshan Branch No. 1 Plant, Jidong Cement | 7,101.33 | – | 66,661,898.29 | (66,661,898.29) | – | – | Self-financing | 94.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 20. Construction in progress (Continued)

#### *(1) Construction in progress (Continued)*

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

**January to June 2026**

*Unit: RMB*

| Items | Progress of works (%) | Accumulated amount of capitalized interest | Including: capitalized interest for the period | Capitalization rate of interest for the period (%) |
|---|---|---|---|---|
| 400,000 t/a metallurgical solid waste graded resource comprehensive utilization project of Qian'an BBMG | 89.65 | 1,295,571.77 | 1,295,571.77 | 2.60 |
| New alkyl amine and modern green materials industrialization project of Energy Saving Technology (Tianjin) | 95.00 | 4,520,891.78 | 1,423,312.99 | 2.40 |
| Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection | 91.17 | 119,231.27 | 119,231.27 | 1.85 |
| Total | | 5,935,694.82 | 2,838,116.03 | |

Note: The amount of capitalized interests included in construction in progress for the period was RMB3,450,398.98 (2025: RMB4,685,987.60) and the amount of capitalized interests transferred to fixed assets was RMB6,355,197.50 (2025: RMB34,253,993.66).

2025

*Unit: RMB*

| Items | Progress of works (%) | Accumulated amount of capitalized interest | Including: capitalized interest for the year | Capitalization rate of interest for the year (%) |
|---|---|---|---|---|
| Carbon dioxide capture, storage and resource utilization technology demonstration project of Beishui Environmental Protection | 87.00 | 4,861,714.55 | 1,608,658.83 | 1.95 |
| Equipment modification and installation of Cangzhou Chemical | 99.00 | 881,200.00 | 376,960.00 | 2.48 |
| New alkyl amine and modern green materials industrialization project of Energy Saving Technology (Tianjin) | 62.00 | 3,097,578.79 | 2,700,368.77 | 2.40 |
| Total | | 8,840,493.34 | 4,685,987.60 | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 20. Construction in progress (Continued)

#### *(1) Construction in progress (Continued)*

Provision for impairment of construction in progress for January to June 2026:

*Unit: RMB*

| Items | Opening balance | Increase during the period | Decrease during the period | Closing balance |
|---|---|---|---|---|
| Nanhu Yingbinguan of Jidong Group | 262,800,487.64 | – | – | 262,800,487.64 |
| Caofeidian Industrial Park of Jidong Group | 8,459,717.49 | – | – | 8,459,717.49 |
| Tongchuan Conveyor Belt Project of Jidong Cement | 28,893,452.21 | – | – | 28,893,452.21 |
| Caofeidian new wind power project of Huahai Wind Power | 51,670,955.71 | – | – | 51,670,955.71 |
| Others | 3,537,984.80 | – | – | 3,537,984.80 |
| Construction materials | 3,613,142.11 | – | (5,684.41) | 3,607,457.70 |
| Total | 358,975,739.96 | – | (5,684.41) | 358,970,055.55 |

Provision for impairment of construction in progress for 2025:

*Unit: RMB*

| Items | Opening balance | Increase during the year | Decrease during the year | Closing balance |
|---|---|---|---|---|
| Nanhu Yingbinguan of Jidong Group | 262,800,487.64 | – | – | 262,800,487.64 |
| Caofeidian Industrial Park of Jidong Group | 8,459,717.49 | – | – | 8,459,717.49 |
| Tongchuan Conveyor Belt Project of Jidong Cement | 28,893,452.21 | – | – | 28,893,452.21 |
| Caofeidian new wind power project of Huahai Wind Power | 51,670,955.71 | – | – | 51,670,955.71 |
| Technical transformation of south-side production line for modern building materials | 6,837,319.75 | – | (6,837,319.75) | – |
| Technical transformation of old production line for modern building materials | 12,984,411.26 | – | (12,984,411.26) | – |
| Others | 8,116,154.40 | 1,400.00 | (4,579,569.60) | 3,537,984.80 |
| Construction materials | 3,327,473.78 | 2,113,302.85 | (1,827,634.52) | 3,613,142.11 |
| Total | 383,089,972.24 | 2,114,702.85 | (26,228,935.13) | 358,975,739.96 |

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 21. Right-of-use assets

**30 June 2026**

*Unit: RMB*

| Items | Lands | Buildings | Machinery and equipment | Transportation equipment | Other equipment | Total |
|---|---|---|---|---|---|---|
| Cost | | | | | | |
| Opening balance | 853,162,533.87 | 850,363,302.52 | 74,585,716.33 | 4,110,831.57 | 26,855,291.06 | 1,809,077,675.35 |
| Increase | 15,773,729.39 | 45,964,358.86 | 356,843.26 | – | – | 62,094,931.51 |
| Decrease | (6,047,179.56) | (3,257,005.08) | (21,707,935.60) | – | (23,151,037.10) | (54,163,157.34) |
| Closing balance | 862,889,083.70 | 893,070,656.30 | 53,234,623.99 | 4,110,831.57 | 3,704,253.96 | 1,817,009,449.52 |
| Accumulated depreciation | | | | | | |
| Opening balance | 291,386,172.67 | 594,964,180.53 | 21,947,796.14 | 1,581,869.59 | 11,611,640.09 | 921,491,659.02 |
| Provision | 26,143,682.22 | 62,646,953.57 | 2,353,210.26 | 646,932.30 | 338,371.29 | 92,129,149.64 |
| Decrease | (436,317.82) | (2,858,575.59) | (21,217,106.71) | – | (8,245,757.42) | (32,757,757.54) |
| Closing balance | 317,093,537.07 | 654,752,558.51 | 3,083,899.69 | 2,228,801.89 | 3,704,253.96 | 980,863,051.12 |
| Provision for impairment | | | | | | |
| Opening and closing balance | 464,557.00 | – | – | – | – | 464,557.00 |
| Carrying value | | | | | | |
| At the end of the period | 545,330,989.63 | 238,318,097.79 | 50,150,724.30 | 1,882,029.68 | – | 835,681,841.40 |
| At the beginning of the period | 561,311,804.20 | 255,399,121.99 | 52,637,920.19 | 2,528,961.98 | 15,243,650.97 | 887,121,459.33 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 21. Right-of-use assets (Continued)

31 December 2025

*Unit: RMB*

| Items | Lands | Buildings | Machinery and equipment | Transportation equipment | Other equipment | Total |
|---|---|---|---|---|---|---|
| Cost | | | | | | |
| Opening balance | 820,917,967.15 | 868,205,253.43 | 29,620,871.21 | 505,090.05 | 21,211,535.40 | 1,740,460,717.24 |
| Increase | 32,244,566.72 | 75,845,353.52 | 52,886,858.95 | 3,605,741.52 | 5,643,755.66 | 170,226,276.37 |
| Decrease | – | (93,687,304.43) | (7,922,013.83) | – | – | (101,609,318.26) |
| Closing balance | 853,162,533.87 | 850,363,302.52 | 74,585,716.33 | 4,110,831.57 | 26,855,291.06 | 1,809,077,675.35 |
| Accumulated depreciation | | | | | | |
| Opening balance | 240,346,046.28 | 525,459,060.19 | 18,261,341.43 | 290,035.75 | 8,930,313.54 | 793,286,797.19 |
| Provision | 51,040,126.39 | 126,267,316.79 | 10,067,047.88 | 1,291,833.84 | 2,681,326.55 | 191,347,651.45 |
| Decrease | – | (56,762,196.45) | (6,380,593.17) | – | – | (63,142,789.62) |
| Closing balance | 291,386,172.67 | 594,964,180.53 | 21,947,796.14 | 1,581,869.59 | 11,611,640.09 | 921,491,659.02 |
| Provision for impairment | | | | | | |
| Opening and closing balance | 464,557.00 | – | – | – | – | 464,557.00 |
| Carrying value | | | | | | |
| At the end of the year | 561,311,804.20 | 255,399,121.99 | 52,637,920.19 | 2,528,961.98 | 15,243,650.97 | 887,121,459.33 |
| At the beginning of the year | 580,107,363.87 | 342,746,193.24 | 11,359,529.78 | 215,054.30 | 12,281,221.86 | 946,709,363.05 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 22. Intangible assets

**30 June 2026**

*Unit: RMB*

| Items | Land use rights | Software use rights | Mining rights | Trademark rights | Data resources | Others | Total |
|---|---|---|---|---|---|---|---|
| Cost | | | | | | | |
| Opening balance | 15,650,767,377.22 | 842,833,832.58 | 5,535,292,801.72 | 91,701,318.89 | 536,049.55 | 278,323,741.34 | 22,399,455,121.30 |
| Purchase | 13,264,343.96 | 29,695,739.46 | 174,300,583.69 | – | – | 18,713,018.62 | 235,973,685.73 |
| In-house R&D | – | – | – | – | – | 23,530,062.22 | 23,530,062.22 |
| Transfer to investment properties | (568,794,362.75) | – | – | – | – | – | (568,794,362.75) |
| Disposal | (5,381,847.82) | (346,956.43) | – | – | – | (2,548,491.27) | (8,277,295.52) |
| Closing balance | 15,089,855,510.61 | 872,182,615.61 | 5,709,593,385.41 | 91,701,318.89 | 536,049.55 | 318,018,330.91 | 22,081,887,210.98 |
| Accumulated amortization | | | | | | | |
| Opening balance | 3,401,967,380.29 | 554,033,813.32 | 1,393,877,434.13 | 28,990,794.00 | 80,407.43 | 135,340,397.07 | 5,514,290,226.24 |
| Provision | 170,748,528.15 | 61,084,040.66 | 59,949,996.80 | 3,269,977.64 | 53,604.96 | 10,972,545.21 | 306,078,693.42 |
| Transfer to investment properties | (92,066,972.20) | – | – | – | – | – | (92,066,972.20) |
| Disposal | (1,946,435.01) | (84.93) | – | – | – | (38,659.68) | (1,985,179.62) |
| Closing balance | 3,478,702,501.23 | 615,117,769.05 | 1,453,827,430.93 | 32,260,771.64 | 134,012.39 | 146,274,282.60 | 5,726,316,767.84 |
| Provision for impairment | | | | | | | |
| Opening and closing balance | 32,074,445.75 | – | 130,098,195.50 | 5,000,000.00 | – | 5,717,504.26 | 172,890,145.51 |
| Carrying value | | | | | | | |
| At the end of the period | 11,579,078,563.63 | 257,064,846.56 | 4,125,667,758.98 | 54,440,547.25 | 402,037.16 | 166,026,544.05 | 16,182,680,297.63 |
| At the beginning of the period | 12,216,725,551.18 | 288,800,019.26 | 4,011,317,172.09 | 57,710,524.89 | 455,642.12 | 137,265,840.01 | 16,712,274,749.55 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 22. Intangible assets (Continued)

31 December 2025

*Unit: RMB*

| Items | Land use rights | Software use rights | Mining rights | Trademark rights | Data resources | Others | Total |
|---|---|---|---|---|---|---|---|
| Cost | | | | | | | |
| Opening balance | 15,553,707,512.44 | 744,941,987.66 | 4,668,805,367.70 | 89,167,990.27 | – | 305,576,431.19 | 21,362,199,289.26 |
| Purchase | 18,933,723.01 | 99,057,519.21 | 118,320,756.10 | 1,993,028.62 | – | 8,696,336.97 | 247,001,363.91 |
| In-house R&D | – | – | – | – | 536,049.55 | – | 536,049.55 |
| Business combinations not under common control | 192,368,348.67 | 61,911.17 | 748,166,677.92 | 540,300.00 | – | 13,860,255.73 | 954,997,493.49 |
| Disposal | (114,242,206.90) | (1,227,585.46) | – | – | – | (49,809,282.55) | (165,279,074.91) |
| Closing balance | 15,650,767,377.22 | 842,833,832.58 | 5,535,292,801.72 | 91,701,318.89 | 536,049.55 | 278,323,741.34 | 22,399,455,121.30 |
| Accumulated amortization | | | | | | | |
| Opening balance | 3,081,528,927.54 | 433,043,513.51 | 1,240,910,922.42 | 20,485,937.75 | – | 141,677,510.33 | 4,917,646,811.55 |
| Provision | 359,482,352.81 | 121,121,580.72 | 152,966,511.71 | 8,504,856.25 | 80,407.43 | 4,206,448.90 | 646,362,157.82 |
| Disposal | (39,043,900.06) | (131,280.91) | – | – | – | (10,543,562.16) | (49,718,743.13) |
| Closing balance | 3,401,967,380.29 | 554,033,813.32 | 1,393,877,434.13 | 28,990,794.00 | 80,407.43 | 135,340,397.07 | 5,514,290,226.24 |
| Provision for impairment | | | | | | | |
| Opening and closing balance | 32,074,445.75 | – | 130,098,195.50 | 5,000,000.00 | – | 5,717,504.26 | 172,890,145.51 |
| Carrying value | | | | | | | |
| At the end of the year | 12,216,725,551.18 | 288,800,019.26 | 4,011,317,172.09 | 57,710,524.89 | 455,642.12 | 137,265,840.01 | 16,712,274,749.55 |
| At the beginning of the year | 12,440,104,139.15 | 311,898,474.15 | 3,297,796,249.78 | 63,682,052.52 | – | 158,181,416.60 | 16,271,662,332.20 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 22. Intangible assets (Continued)

As at 30 June 2026, for the impairment testing of intangible assets of Tianjin Stone Mine Co., Ltd., Tianjin Tiancai New Industry Assets Management Co., Ltd., Tianjin Longda Health Consulting Services Co., Ltd. (天津市龍達健康諮詢服務有限公司), Jinyu Thermal Processing Tangshan Co., Ltd., and Tangshan Jidong Development Machinery and Equipment Manufacturing Co., Ltd., please refer to Note V. 19.

As at 30 June 2026, the useful life of trademark rights with a carrying amount of RMB54,440,547.25 (31 December 2025: RMB57,710,524.89) was indefinite.

The Group can apply for extension at the end of the expiration of protection periods of trademark rights with lower handling fees, and according to comprehensive judgment on product life cycle, market conditions and other factors, such trademark rights will bring economic benefits to the Group during future periods. After evaluated by the management of the Group, no provision for impairment is necessary.

As at 30 June 2026, the carrying value of intangible assets of the Group pending completion of the procedures for title certificates amounted to RMB93,135,120.52 (31 December 2025: RMB105,011,737.39). The management of the Company is of the view that there would not be any material adverse impact on the business operation of the Group from the aforementioned incomplete procedures for the title certificates.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 23. Goodwill

**30 June 2026**

*Unit: RMB*

| Items | Opening balance | Increase during the period | Decrease during the period | Closing balance |
|---|---|---|---|---|
| BBMG Jidong Cement Business | 2,013,854,242.93 | – | – | 2,013,854,242.93 |
| Jidong Equipment Business | 477,549,380.23 | – | – | 477,549,380.23 |
| Hebei BBMG Dingxin Cement Co., Ltd. | 189,815,999.91 | – | – | 189,815,999.91 |
| Liaoning Hengwei Cement Group Co., Ltd. (遼寧恒威水泥集團有限公司) | 125,299,635.40 | – | – | 125,299,635.40 |
| Zhejiang Jinyu Hangjia Green Building Technology Co., Ltd. (浙江金隅杭加綠建科技有限公司) | 85,356,654.04 | – | – | 85,356,654.04 |
| Shanxi BBMG Jidong Environmental Protection Technology Co., Ltd. (山西金隅冀東環保科技有限公司) | 70,191,522.45 | – | – | 70,191,522.45 |
| Handan Shexian BBMG Cement Co., Ltd. | 56,276,121.38 | – | – | 56,276,121.38 |
| Shuangyashan Xinshidai Cement Company Limited (雙鴨山新時代水泥有限責任公司) | 69,499,791.51 | – | – | 69,499,791.51 |
| Handan BBMG Taihang Cement Co., Ltd. | 26,884,752.28 | – | – | 26,884,752.28 |
| Shaanxi Qinhan Hengsheng New Building Materials Technology Co., Ltd. (陝西秦漢恒盛新型建材科技有限責任公司) | 14,841,384.96 | – | – | 14,841,384.96 |
| Benxi Jinzhong New Material Technology Co., Ltd. (本溪金中新材料科技有限公司) | 14,119,863.85 | – | – | 14,119,863.85 |
| Baoding Taihang Heyi Cement Co., Ltd. | 11,428,946.82 | – | – | 11,428,946.82 |
| Liaoyang Hongguang Mining Co., Ltd. (遼陽市弘光礦業有限公司) | 11,007,993.57 | – | – | 11,007,993.57 |
| Tianjin BBMG Zhenxing Environmental Protection Technology Co., Ltd. | 10,931,009.96 | – | – | 10,931,009.96 |
| Handan Yongnian District Hongpeng Commercial Concrete Co., Ltd. (邯鄲市永年區宏鵬商砼有限公司) | 7,861,699.56 | – | – | 7,861,699.56 |
| Yuncheng Haixin Haitian Concrete Co., Ltd. (運城市海鑫海天混凝土有限公司) | 5,403,615.74 | – | – | 5,403,615.74 |
| Handan Dongfang Risheng Commercial Concrete Co., Ltd. (邯鄲市東方日盛商品混凝土有限公司) | 4,995,998.32 | – | – | 4,995,998.32 |
| Gongyi Tongda Zhongyuan Refractory Technology Co., Ltd. | 3,967,009.95 | – | – | 3,967,009.95 |
| Beijing Jingu Zhitong Lulian Technology Co., Ltd. (北京金谷智通綠鏈科技有限公司) | 3,441,762.77 | – | – | 3,441,762.77 |
| Beijing Qianglian Cement Co., Ltd. | 2,742,710.29 | – | – | 2,742,710.29 |
| Baogang Jidong Cement Co., Ltd. | 1,181,333.25 | – | – | 1,181,333.25 |
| Wenxi Xinxin Haitian Concrete Co., Ltd. (聞喜新鑫海天混凝土有限公司) | 255,360.18 | – | – | 255,360.18 |
| **Subtotal** | 3,206,906,789.35 | – | – | 3,206,906,789.35 |
| Less: Provision for impairment of goodwill | 376,757,523.95 | – | – | 376,757,523.95 |
| **Total** | 2,830,149,265.40 | – | – | 2,830,149,265.40 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 23. Goodwill (Continued)

31 December 2025

*Unit: RMB*

| Items | Opening balance | Increase during the year<br>Business combinations not under common control | Increase during the year<br>Others | Decrease during the year<br>Disposal | Closing balance |
|---|---|---|---|---|---|
| BBMG Jidong Cement Business | 2,013,854,242.93 | – | – | – | 2,013,854,242.93 |
| Jidong Equipment Business | 477,549,380.23 | – | – | – | 477,549,380.23 |
| Hebei BBMG Dingxin Cement Co., Ltd. | 189,815,999.91 | – | – | – | 189,815,999.91 |
| Liaoning Hengwei Cement Group Co., Ltd. (遼寧恒威水泥集團有限公司) | – | 125,299,635.40 | – | – | 125,299,635.40 |
| Zhejiang Jinyu Hangjia Green Building Technology Co., Ltd. (浙江金隅杭加綠建科技有限公司) | 85,356,654.04 | – | – | – | 85,356,654.04 |
| Shanxi BBMG Jidong Environmental Protection Technology Co., Ltd. (山西金隅冀東環保科技有限公司) | 70,191,522.45 | – | – | – | 70,191,522.45 |
| Handan Shexian BBMG Cement Co., Ltd. | 56,276,121.38 | – | – | – | 56,276,121.38 |
| Shuangyashan Xinshidai Cement Company Limited (雙鴨山新時代水泥有限責任公司) | 42,009,032.68 | – | 27,490,758.83 | – | 69,499,791.51 |
| Handan BBMG Taihang Cement Co., Ltd. | 26,884,752.28 | – | – | – | 26,884,752.28 |
| Shaanxi Qinhan Hengsheng New Building Materials Technology Co., Ltd. (陝西秦漢恒盛新型建材科技有限責任公司) | 14,841,384.96 | – | – | – | 14,841,384.96 |
| Benxi Jinzhong New Material Technology Co., Ltd. (本溪金中新材料科技有限公司) | – | 14,119,863.85 | – | – | 14,119,863.85 |
| Baoding Taihang Heyi Cement Co., Ltd. | 11,428,946.82 | – | – | – | 11,428,946.82 |
| Liaoyang Hongguang Mining Co., Ltd. (遼陽市弘光礦業有限公司) | – | 11,007,993.57 | – | – | 11,007,993.57 |
| Tianjin BBMG Zhenxing Environmental Protection Technology Co., Ltd. | 10,931,009.96 | – | – | – | 10,931,009.96 |
| Handan Yongnian District Hongpeng Commercial Concrete Co., Ltd. (邯鄲市永年區宏鵬商砼有限公司) | – | 7,861,699.56 | – | – | 7,861,699.56 |
| Yuncheng Haixin Haitian Concrete Co., Ltd. (運城市海鑫海天混凝土有限公司) | 5,403,615.74 | – | – | – | 5,403,615.74 |
| Handan Dongfang Risheng Commercial Concrete Co., Ltd. (邯鄲市東方日盛商品混凝土有限公司) | 4,995,998.32 | – | – | – | 4,995,998.32 |
| Gongyi Tongda Zhongyuan Refractory Technology Co., Ltd. | 3,967,009.95 | – | – | – | 3,967,009.95 |
| Beijing Jingu Zhitong Lulian Technology Co., Ltd. (北京金谷智通綠鏈科技有限公司) | 3,441,762.77 | – | – | – | 3,441,762.77 |
| Beijing Qianglian Cement Co., Ltd. | 2,742,710.29 | – | – | – | 2,742,710.29 |
| Baogang Jidong Cement Co., Ltd. | 1,181,333.25 | – | – | – | 1,181,333.25 |
| Wenxi Xinxin Haitian Concrete Co., Ltd. (聞喜新鑫海天混凝土有限公司) | 255,360.18 | – | – | – | 255,360.18 |
| **Subtotal** | 3,021,126,838.14 | 158,289,192.38 | 27,490,758.83 | – | 3,206,906,789.35 |
| Less: Provision for impairment of goodwill | 376,757,523.95 | – | – | – | 376,757,523.95 |
| **Total** | 2,644,369,314.19 | 158,289,192.38 | 27,490,758.83 | – | 2,830,149,265.40 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 23. Goodwill (Continued)

Movements in provision for impairment of goodwill are as follows:

**January to June 2026**

*Unit: RMB*

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

2025

*Unit: RMB*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 23. Goodwill (Continued)

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 23. Goodwill (Continued)

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

*Unit: RMB*

| Item | Carrying value | Recoverable amount | Impairment provision for the period | Determination of fair value and disposal costs | Key parameters | Determination basis for key parameters |
|---|---|---|---|---|---|---|
| Jidong Equipment Business | 1,422,462,745.85 | 1,608,050,000.00 | – | Fair value is determined using the market valuation method, and disposal costs are expenses related to stock trading. | Share price, total number of shares, disposal costs | The share price is the stock price obtained from a public website at the end of the period; the total number of shares is the number of shares obtained from a public website at the end of the period; and the disposal costs are the commissions, stamp duties, transfer fees, and other fees associated with stock trading. |

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

*Unit: RMB*

| Items | Carrying value | Recoverable amount | Impairment provision for the period |
|---|---|---|---|
| BBMG Jidong Cement Business | 49,987,664,523.80 | 62,708,490,422.26 | – |
| Hebei BBMG Dingxin Cement Co., Ltd. | 1,900,744,948.82 | 2,572,842,550.15 | – |
| **Total** | 51,888,409,472.62 | 65,281,332,972.41 | – |

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

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

The goodwill formed by the acquisition of equity interests of the listed companies by the Company was determined as the net amount of fair value less disposal costs based on the market value of the interests held by the Group in the RMB denominated ordinary shares of the listed companies issued by way of public issuance as at 30 June 2026 after adjustments.

The estimated future cash flows of the asset group are based on the five-year financial budget approved by the management at a discount rate of 9%-11% (2025: 9%-11%). The revenue growth rate of these assets groups during the forecast period is 1%~11%, and the estimated cash flows beyond five years are determined at a fixed growth rate of 1%-3% (2025: 1%-3%) per annum. Other key assumptions adopted during the evaluation include estimated production capacity, future selling price, growth rate, expected gross profit margin and relevant expenditures of the asset product portfolio, and the above assumptions are based on the previous performance of these assets groups, industry standard and the management's expectations on market development.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 24. Long-term deferred expenditures

**30 June 2026**

*Unit: RMB*

| Items | Opening balance | Increase during the period | Amortisation during the period | Other decrease | Closing balance |
|---|---|---|---|---|---|
| Cost of stripping mines | **778,307,190.29** | **27,577,355.42** | **(39,739,109.45)** | **(33,590.01)** | **766,111,846.25** |
| Land lease prepayments and compensation for land acquisition | **340,682,783.39** | **12,069,821.11** | **(16,214,457.31)** | **–** | **336,538,147.19** |
| Decoration | **213,737,281.53** | **35,092,939.01** | **(31,061,033.75)** | **(6,470,513.04)** | **211,298,673.75** |
| Leasehold improvement for fixed assets rented | **17,622,557.37** | **3,287,370.80** | **(1,751,442.18)** | **(1,400,625.15)** | **17,757,860.84** |
| Others | **719,812,464.03** | **155,957,340.70** | **(83,015,918.40)** | **(1,979,730.42)** | **790,774,155.91** |
| **Total** | **2,070,162,276.61** | **233,984,827.04** | **(171,781,961.09)** | **(9,884,458.62)** | **2,122,480,683.94** |

31 December 2025

*Unit: RMB*

| Items | Opening balance | Increase during the year | Amortisation during the year | Other decrease | Closing balance |
|---|---|---|---|---|---|
| Cost of stripping mines | 771,185,902.22 | 118,663,389.52 | (111,461,448.93) | (80,652.52) | 778,307,190.29 |
| Land lease prepayments and compensation for land acquisition | 355,287,185.99 | 17,897,687.87 | (32,502,090.47) | – | 340,682,783.39 |
| Decoration | 156,897,489.36 | 137,708,955.87 | (79,898,932.84) | (970,230.86) | 213,737,281.53 |
| Leasehold improvement for fixed assets rented | 18,048,132.46 | 4,390,160.25 | (4,630,664.42) | (185,070.92) | 17,622,557.37 |
| Others | 672,955,265.32 | 214,050,662.21 | (154,213,800.08) | (12,979,663.42) | 719,812,464.03 |
| Total | 1,974,373,975.35 | 492,710,855.72 | (382,706,936.74) | (14,215,617.72) | 2,070,162,276.61 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 25. Deferred income tax assets/deferred income tax liabilities

#### *(1) Deferred income tax assets before offsetting*

*Unit: RMB*

| Items | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|
| | **Deductible temporary differences** | **Deferred income tax assets** | Deductible temporary differences | Deferred income tax assets |
| Deferred income tax assets | | | | |
| Provision for LAT | **553,716,934.76** | **138,429,233.69** | 756,575,782.00 | 189,143,945.50 |
| Deductible losses | **1,721,491,104.24** | **430,372,776.06** | 2,071,054,602.84 | 517,763,650.71 |
| Provision for impairment of assets | **1,683,300,034.64** | **420,825,008.66** | 1,686,958,523.60 | 421,739,630.90 |
| Accrual of property development cost | **260,953,288.72** | **65,238,322.18** | 438,998,508.36 | 109,749,627.09 |
| Unrealised profits and losses of internal transactions | **1,062,244,916.36** | **265,561,229.09** | 1,051,122,295.80 | 262,780,573.95 |
| Changes in fair value of investment in other equity instruments | **658,604,621.48** | **164,651,155.37** | 558,056,048.60 | 139,514,012.15 |
| Others | **839,011,545.84** | **209,752,886.46** | 1,035,001,837.84 | 258,750,459.46 |
| **Total** | **6,779,322,446.04** | **1,694,830,611.51** | 7,597,767,599.04 | 1,899,441,899.76 |

#### *(2) Deferred income tax liabilities before offsetting*

*Unit: RMB*

| Items | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|
| | **Taxable temporary difference** | **Deferred income tax liabilities** | Taxable temporary difference | Deferred income tax liabilities |
| Deferred income tax liabilities | | | | |
| Valuation gains of investment properties | **12,423,071,446.74** | **3,105,767,861.69** | 12,447,321,470.14 | 3,111,830,367.54 |
| Assessment increase/decrease in business combination | **13,005,320,438.28** | **3,251,330,109.57** | 13,134,763,051.68 | 3,283,690,762.92 |
| Others | **1,878,111,106.12** | **469,527,776.53** | 1,950,124,076.64 | 487,531,019.16 |
| **Total** | **27,306,502,991.14** | **6,826,625,747.79** | 27,532,208,598.46 | 6,883,052,149.62 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 25. Deferred income tax assets/deferred income tax liabilities (Continued)

***(3) Deferred income tax assets or liabilities presented as net amount after offsetting***

*Unit: RMB*

| Items | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|
| | **Offsetting amount of deferred income tax assets and liabilities** | **Deferred income tax assets or liabilities after offsetting** | Offsetting amount of deferred income tax assets and liabilities | Deferred income tax assets or liabilities after offsetting |
| Deferred income tax assets | **175,742,702.53** | **1,519,087,908.98** | – | 1,899,441,899.76 |
| Deferred income tax liabilities | **175,742,702.53** | **6,650,883,045.26** | – | 6,883,052,149.62 |

***(4) Deductible losses and temporary differences of unrecognised deferred income tax assets are as follows:***

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Deductible losses | **24,543,923,344.81** | 21,893,353,381.58 |
| Deductible temporary differences | **12,197,179,037.32** | 10,862,499,647.35 |
| **Total** | **36,741,102,382.13** | 32,755,853,028.93 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 25. Deferred income tax assets/deferred income tax liabilities (Continued)

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

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| 2026 | **2,999,629,366.16** | 3,005,496,583.13 |
| 2027 | **5,211,791,877.65** | 5,215,850,690.80 |
| 2028 | **5,327,812,624.00** | 5,329,378,358.42 |
| 2029 | **4,303,280,397.00** | 4,314,398,582.98 |
| 2030 | **4,087,795,696.00** | 4,028,229,166.25 |
| 2031 | **2,613,613,384.00** | – |
| **Total** | **24,543,923,344.81** | 21,893,353,381.58 |

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

### 26. Other non-current assets

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Prepayment for projects, equipment and plants | **124,875,027.79** | 119,632,483.85 |
| Prepayment for exploration rights | **110,240,305.94** | 103,496,177.03 |
| Prepayment for lands | **50,842,988.57** | 39,963,865.42 |
| Others | **89,074,512.78** | 81,267,529.70 |
| **Total** | **375,032,835.08** | 344,360,056.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 27. Assets with restricted titles or right to use

**30 June 2026**

*Unit: RMB*

| Items | Balance of carrying amount | Carrying value | Restricted type | Restriction |
|---|---|---|---|---|
| Pledged assets | | | | |
| Cash and bank balances | 1,434,913,044.36 | 1,434,913,044.36 | Guarantee | – |
| Statutory deposit reserve placement with central bank by finance company | 1,035,788,694.44 | 1,035,788,694.44 | Guarantee | Paid by BBMG Finance Co., Ltd. to the People's Bank of China as statutory deposit reserve in accordance with relevant regulations which cannot be used for daily operations |
| Guarantee deposits for L/C | 39,980,799.02 | 39,980,799.02 | Guarantee | – |
| Quality/performance deposits | 276,332,712.23 | 276,332,712.23 | Guarantee | – |
| Guarantee deposits for acceptance bills | 68,422,996.33 | 68,422,996.33 | Guarantee | – |
| Mortgage loan guarantee of real estate enterprise | 14,387,842.34 | 14,387,842.34 | Guarantee | – |
| Inventories | 3,310,218,018.02 | 3,310,218,018.02 | Mortgage/frozen | The Group obtained borrowings of RMB589,500,000.00 secured by inventories with a carrying amount of RMB2,890,000,000.00. The Group's inventories amounting to RMB420,218,018.02 are frozen due to contract dispute |
| Accounts receivable | 151,645,405.58 | 151,645,405.58 | Guarantee | The carrying amount of accounts receivable for which factoring was not derecognised by the Group was RMB151,645,405.58 |
| Bills receivable | 58,596,109.38 | 58,596,109.38 | Pledge/guarantee | The carrying amount of bills receivable endorsed or discounted by the Group but not yet due as at the balance sheet date and not derecognised was RMB58,596,109.38. The carrying amount of accounts payable settled thereby and short-term borrowings obtained therefrom were RMB53,596,109.38 and RMB5,000,000.00, respectively. |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

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

**30 June 2026 (Continued)**

*Unit: RMB*

| Items | Balance of carrying amount | Carrying value | Restricted type | Restriction |
|---|---|---|---|---|
| Fixed assets | 1,109,448,967.83 | 1,109,448,967.83 | Mortgage | The Group obtained borrowings of RMB821,183,502.91 secured by fixed assets with a carrying amount of RMB1,040,220,841.58. The Group's fixed assets amounting to RMB69,228,126.25 are frozen due to ongoing litigation |
| Investment properties | 10,989,239,414.99 | 10,989,239,414.99 | Mortgage | The Group obtained borrowings of RMB2,812,300,000.00 and other non-current liabilities of RMB1,657,254,953.02 pledged by investment properties with a carrying amount of RMB10,989,239,414.99 |
| Land use rights | 3,681,755,529.13 | 3,681,755,529.13 | Mortgage/frozen | The Group obtained borrowings of RMB705,927,096.00 secured by land use rights with a carrying amount of RMB3,647,746,391.67. The Group's land use rights amounting to RMB34,009,137.46 are frozen due to ongoing litigation |
| Data resources | 402,037.16 | 402,037.16 | Pledge | The Group obtained borrowings of RMB10,000,000.00 pledged by data resources with a carrying amount of RMB402,037.16 |
| Cash and bank balances whose titles are restricted for other reasons: | | | | |
| Restricted cash arising from pre-sales of properties | 789,433,833.88 | 789,433,833.88 | Project-specific | – |
| Others | 493,729,302.39 | 493,729,302.39 | Special purpose for mine reclamation, etc. | – |
| Total | 22,019,381,662.72 | 22,019,381,662.72 | | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

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

31 December 2025

*Unit: RMB*

| Items | Balance of carrying amount | Carrying value | Restricted type | Restriction |
|---|---|---|---|---|
| Pledged assets | | | | |
| Cash and bank balances | 1,374,798,755.72 | 1,374,798,755.72 | Guarantee | – |
| Statutory deposit reserve placement with central bank by finance company | 995,739,580.24 | 995,739,580.24 | Guarantee | Paid by BBMG Finance Co., Ltd. to the People's Bank of China as statutory deposit reserve in accordance with relevant regulations which cannot be used for daily operations |
| Guarantee deposits for L/C | 39,470,032.31 | 39,470,032.31 | Guarantee | – |
| Quality/performance deposits | 271,576,311.39 | 271,576,311.39 | Guarantee | – |
| Guarantee deposits for acceptance bills | 34,872,958.54 | 34,872,958.54 | Guarantee | – |
| Mortgage loan guarantee of real estate enterprise | 33,139,873.24 | 33,139,873.24 | Guarantee | – |
| Inventories | 5,624,386,462.27 | 5,624,386,462.27 | Mortgage/frozen | The Group obtained borrowings of RMB776,102,050.00 secured by inventories with a carrying amount of RMB5,205,167,567.00. The Group's inventories amounting to RMB419,218,895.27 are frozen due to contract dispute |
| Accounts receivable | 171,798,319.20 | 171,798,319.20 | Guarantee | The carrying amount of accounts receivable for which factoring was not derecognised by the Group was RMB43,841,883.73, and the carrying amount of accounts receivable for which supply chain financing was not derecognised was RMB127,956,435.47 |
| Bills receivable | 278,036,242.33 | 278,036,242.33 | Pledge/Guarantee | The Group obtained borrowings of RMB16,110,713.04 secured by bills receivable with a carrying amount of RMB16,110,713.04. The carrying amount of bills receivable endorsed or discounted but not yet due as at the balance sheet date and not derecognised was RMB261,925,529.29 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

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

31 December 2025 (Continued)

*Unit: RMB*

| Items | Balance of carrying amount | Carrying value | Restricted type | Restriction |
|---|---|---|---|---|
| Fixed assets | 648,065,053.21 | 648,065,053.21 | Mortgage/frozen | The Group obtained borrowings of RMB591,895,527.19 secured by fixed assets with a carrying amount of RMB637,873,140.39. The Group's fixed assets amounting to RMB10,191,912.82 are frozen due to ongoing litigation |
| Investment properties | 10,180,081,610.53 | 10,180,081,610.53 | Mortgage | The Group obtained borrowings of RMB2,800,900,000.00 and other non-current liabilities of 1,658,378,539.18 pledged by investment properties with a carrying amount of RMB10,180,081,610.53 |
| Equity interests | 5,118,176,371.21 | 5,118,176,371.21 | Pledge | The Group obtained borrowings of RMB250,000,000.00 pledged by equity investment with a carrying amount of RMB5,118,176,371.21 |
| Land use rights | 3,628,334,991.21 | 3,628,334,991.21 | Mortgage/frozen | The Group obtained borrowings of RMB504,615,200.00 secured by land use rights with a carrying amount of RMB3,614,492,164.08. The Group's land use rights amounting to RMB13,842,827.13 are frozen due to ongoing litigation |
| Data resources | 455,642.12 | 455,642.12 | Pledge | The Group obtained borrowings of RMB10,000,000.00 pledged by data resources with a carrying amount of RMB455,642.12 |
| Cash and bank balances whose titles are restricted for other reasons: | | | | |
| Restricted cash arising from pre-sales of properties | 712,160,961.19 | 712,160,961.19 | Project-specific | – |
| Others | 490,159,253.18 | 490,159,253.18 | Special purpose for mine reclamation, etc. | – |
| Total | 28,226,453,662.17 | 28,226,453,662.17 | | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 28. Short-term loans

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Credit loans | **26,272,314,601.61** | 23,585,719,685.30 |
| Guaranteed loans (Note 1) | **1,837,400,000.00** | 2,034,900,000.00 |
| Mortgaged loans (Note 2) | **230,000,000.00** | 30,000,000.00 |
| Pledged loans (Note 2) | **15,000,000.00** | 26,110,713.04 |
| **Total** | **28,354,714,601.61** | 25,676,730,398.34 |

Note 1: As at 30 June 2026 and 31 December 2025, the guaranteed loans were guaranteed by entities within the Group.

Note 2: As at 30 June 2026 and 31 December 2025, details and values of the mortgaged and pledged assets corresponding to the Group's mortgage and pledge loans are set out in Note V. 27.

As at 30 June 2026 and 31 December 2025, the Group had no outstanding loans that were due.

### 29. Bills payable

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Bank acceptance bills | **3,417,228,287.71** | 3,126,581,038.47 |
| Commercial acceptance bills | **1,760,621,403.03** | 1,023,601,137.40 |
| Total | **5,177,849,690.74** | 4,150,182,175.87 |

As at 30 June 2026 and 31 December 2025, the Group had no due and outstanding bills payable.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 30. Accounts payable

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

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year (inclusive of 1 year) | **11,378,324,301.81** | 11,428,369,996.36 |
| 1 to 2 years (inclusive of 2 years) | **3,539,947,136.66** | 2,615,193,764.48 |
| 2 to 3 years (inclusive of 3 years) | **716,160,384.43** | 1,175,820,493.30 |
| Over 3 years | **1,410,235,501.77** | 1,353,637,610.70 |
| **Total** | **17,044,667,324.67** | 16,573,021,864.84 |

As at 30 June 2026, the Group's significant accounts payable aged over 1 year or overdue are as follows:

*Unit: RMB*

| Items | Balance of accounts payable | Reasons for being outstanding or not carried forward |
|---|---|---|
| Unit 7 | **2,010,285,821.01** | Unsettled |
| Unit 13 | **395,129,995.92** | Unsettled |
| Unit 9 | **378,566,708.73** | Unsettled |
| Unit 14 | **253,628,375.46** | Unsettled |
| Unit 15 | **250,497,982.56** | Unsettled |
| Total | **3,288,108,883.68** | |

### 31. Receipts in advance

*Unit: RMB*

| Item | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Advances on rents | **283,681,770.58** | 318,616,077.79 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 32. Contract liabilities

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Advances on pre-sale of properties | **8,773,035,959.17** | 5,158,153,937.36 |
| Advances on sale of goods | **1,574,414,045.08** | 1,383,693,032.21 |
| Advances on property fees | **135,918,677.33** | 183,462,601.03 |
| Advances on construction costs | **146,121,454.62** | 125,202,071.25 |
| Others | **229,368,893.37** | 224,672,733.19 |
| **Total** | **10,858,859,029.57** | 7,075,184,375.04 |

As at 30 June 2026, the significant contract liabilities aged over one year are listed as below:

*Unit: RMB*

| Items | Balance of contract liabilities | Reasons for being not carried forward |
|---|---|---|
| Advances on pre-sale of properties | **2,084,829,229.91** | **Not completed, etc.** |
| Advances on sale of goods | **51,915,242.90** | **Supply of goods has not yet concluded, etc.** |
| Others | **3,447,644.28** | **Services have not yet been provided, etc.** |
| **Total** | **2,140,192,117.09** | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 32. Contract liabilities (Continued)

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

*Unit: RMB*

| Items | Expected settlement date of the next batch | Proportion of the pre-sale | 30 June 2026 | 31 December 2025 |
|---|---|---|---|---|
| Beijing – Yu • Dongxu | October 2027 | 29% | **2,126,188,083.83** | 1,626,275,919.52 |
| Suzhou – Zijinfeili | November 2026 | 35% | **1,678,533,536.83** | 1,499,023,206.47 |
| Beijing – Huaxi Yunjin | November 2027 | 90% | **1,641,946,487.66** | 339,658,383.80 |
| Beijing – Yu • Xisong | November 2027 | 38% | **1,213,208,535.53** | 355,137,508.03 |
| Beijing – Yu • Haiyue | June 2028 | 41% | **599,357,411.94** | 124,121,909.18 |
| Beijing – Shangchengjun | December 2026 | 93% | **530,065,464.39** | 519,912,435.95 |
| Shanghai – BBMG • Gongyuan Dongxu | June 2027 | 17% | **292,399,478.81** | 12,103,378.71 |
| Others | | | **691,336,960.18** | 681,921,195.70 |
| Total | | | **8,773,035,959.17** | 5,158,153,937.36 |

Contract liabilities with a carrying amount of RMB211,159,082.95 at the beginning of the period have been recognised as revenue for the period from January to June 2026.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 33. Wages payable

**January to June 2026**

*Unit: RMB*

| **Items** | **Opening balance** | **Increase during the period** | **Decrease during the period** | **Closing balance** |
|---|---|---|---|---|
| Short-term remunerations | **246,970,136.71** | **3,292,065,344.61** | **(3,404,049,694.90)** | **134,985,786.42** |
| Post-employment benefits (defined contribution plan) | **19,960,606.36** | **439,862,889.04** | **(440,559,935.59)** | **19,263,559.81** |
| Termination benefits | **31,679,235.71** | **29,333,859.10** | **(27,071,080.97)** | **33,942,013.84** |
| **Total** | **298,609,978.78** | **3,761,262,092.75** | **(3,871,680,711.46)** | **188,191,360.07** |

2025

*Unit: RMB*

| Items | Opening balance | Increase during the year | Decrease during the year | Closing balance |
|---|---|---|---|---|
| Short-term remunerations | 238,286,327.34 | 6,314,823,724.43 | (6,306,139,915.06) | 246,970,136.71 |
| Post-employment benefits (defined contribution plan) | 21,999,996.99 | 881,725,486.32 | (883,764,876.95) | 19,960,606.36 |
| Termination benefits | 37,113,597.39 | 67,863,400.00 | (73,297,761.68) | 31,679,235.71 |
| **Total** | 297,399,921.72 | 7,264,412,610.75 | (7,263,202,553.69) | 298,609,978.78 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 33. Wages payable (Continued)

Short-term remunerations are as below:

**January to June 2026**

*Unit: RMB*

| Items | Opening balance | Increase during the period | Decrease during the period | Closing balance |
|---|---|---|---|---|
| Salaries, bonuses, allowances and subsidies | **161,322,034.58** | **2,426,908,153.03** | **(2,543,672,749.06)** | **44,557,438.55** |
| Staff welfare | **2,611,038.13** | **243,732,972.09** | **(245,540,207.70)** | **803,802.52** |
| Social insurance | **19,744,909.46** | **232,814,195.27** | **(236,062,048.84)** | **16,497,055.89** |
| *Including: Medical insurance (including maternity insurance)* | ***19,120,767.09*** | ***209,273,569.95*** | ***(212,438,185.65)*** | ***15,956,151.39*** |
| *Work injury insurance* | ***624,142.37*** | ***23,540,625.32*** | ***(23,623,863.19)*** | ***540,904.50*** |
| Housing funds | **18,859,965.45** | **253,538,062.03** | **(254,783,865.08)** | **17,614,162.40** |
| Union fund and employee education fund | **43,395,799.23** | **70,434,671.42** | **(58,709,690.89)** | **55,120,779.76** |
| Other short-term remunerations | **1,036,389.86** | **64,637,290.77** | **(65,281,133.33)** | **392,547.30** |
| **Total** | **246,970,136.71** | **3,292,065,344.61** | **(3,404,049,694.90)** | **134,985,786.42** |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 33. Wages payable (Continued)

2025

*Unit: RMB*

| Items | Opening balance | Increase during the year | Decrease during the year | Closing balance |
|---|---|---|---|---|
| Salaries, bonuses, allowances and subsidies | 147,683,060.55 | 4,696,264,255.22 | (4,682,625,281.19) | 161,322,034.58 |
| Staff welfare | 1,110,494.97 | 462,271,534.88 | (460,770,991.72) | 2,611,038.13 |
| Social insurance | 18,351,753.23 | 467,854,205.23 | (466,461,049.00) | 19,744,909.46 |
| *Including: Medical insurance (including maternity insurance)* | *17,644,792.21* | *417,772,711.40* | *(416,296,736.52)* | *19,120,767.09* |
| *Work injury insurance* | *706,961.02* | *50,081,493.83* | *(50,164,312.48)* | *624,142.37* |
| Housing funds | 21,078,675.62 | 503,020,333.94 | (505,239,044.11) | 18,859,965.45 |
| Union fund and employee education fund | 44,238,647.91 | 110,283,195.45 | (111,126,044.13) | 43,395,799.23 |
| Other short-term remunerations | 5,823,695.06 | 75,130,199.71 | (79,917,504.91) | 1,036,389.86 |
| **Total** | 238,286,327.34 | 6,314,823,724.43 | (6,306,139,915.06) | 246,970,136.71 |

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 33. Wages payable (Continued)

Details of defined contribution plan are as follows:

**January to June 2026**

*Unit: RMB*

| **Items** | **Opening balance** | **Increase during the period** | **Decrease during the period** | **Closing balance** |
|---|---|---|---|---|
| Basic pension | **18,724,222.27** | **352,957,289.45** | **(354,015,407.87)** | **17,666,103.85** |
| Unemployment insurance | **739,581.51** | **12,957,049.90** | **(12,997,079.90)** | **699,551.51** |
| Corporate annuity | **496,802.58** | **73,948,549.69** | **(73,547,447.82)** | **897,904.45** |
| **Total** | **19,960,606.36** | **439,862,889.04** | **(440,559,935.59)** | **19,263,559.81** |

2025

*Unit: RMB*

| Items | Opening balance | Increase during the year | Decrease during the year | Closing balance |
|---|---|---|---|---|
| Basic pension | 20,537,710.74 | 714,176,083.64 | (715,989,572.11) | 18,724,222.27 |
| Unemployment insurance | 740,246.84 | 26,268,910.97 | (26,269,576.30) | 739,581.51 |
| Corporate annuity | 722,039.41 | 141,280,491.71 | (141,505,728.54) | 496,802.58 |
| **Total** | 21,999,996.99 | 881,725,486.32 | (883,764,876.95) | 19,960,606.36 |

The Group participated in the pension insurance and unemployment insurance managed by local government, to which the Group made contributions based on 16% and 0.3%-0.8% (2025: 16% and 0.3%-0.8%) of the total wages in the previous year respectively. In addition, the Group also participated in the corporate annuity scheme operated and managed by a competent external management organization, to pay as certain percentage of annuity for eligible enterprises and employees.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 34. Tax payable

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| VAT | **293,032,319.11** | 312,899,329.95 |
| Corporate income tax | **294,333,808.12** | 299,582,029.19 |
| Land appreciation tax | **66,092,556.06** | 65,687,033.62 |
| Resource tax | **41,702,880.83** | 38,068,889.93 |
| Real estate tax | **34,622,280.11** | 37,255,908.00 |
| City maintenance and construction tax | **30,562,254.58** | 24,857,673.29 |
| Education surcharges | **22,694,108.94** | 19,452,350.44 |
| Urban and rural land use tax | **18,158,989.62** | 17,934,037.44 |
| Individual income tax | **10,996,158.77** | 14,683,874.40 |
| Deed tax and others | **65,266,848.05** | 50,632,663.58 |
| **Total** | **877,462,204.19** | 881,053,789.84 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 35. Other payables

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Dividends payable | **894,700,456.43** | 482,027,356.76 |
| Other shareholders | **619,913,292.05** | 71,821,054.02 |
| Interest on perpetual bonds | **274,787,164.38** | 410,206,302.74 |
| Other payables | **6,746,626,730.19** | 6,635,856,247.84 |
| Deposits | **1,860,230,144.68** | 1,492,674,596.40 |
| Construction costs payable | **1,183,508,798.38** | 1,129,631,169.28 |
| Payables to related companies | **1,103,744,879.52** | 833,070,559.34 |
| Amounts collected on behalf and temporary receipts | **976,779,506.55** | 1,027,695,363.35 |
| Payables for acquisition of equity | **390,565,964.67** | 497,324,259.21 |
| Payables for relocation compensation | **292,652,731.99** | 420,266,547.17 |
| Payables for land use right | **62,125,646.00** | 62,125,646.00 |
| Public maintenance fund payable | **54,183,320.28** | 53,216,033.78 |
| Current portion of net liabilities of defined benefit plan | **31,143,808.00** | 31,939,639.00 |
| Utilities | **19,615,320.24** | 12,373,299.90 |
| Freight and miscellaneous charges payable | **13,454,394.54** | 36,515,114.26 |
| Others | **758,622,215.34** | 1,039,024,020.15 |
| **Total** | **7,641,327,186.62** | 7,117,883,604.60 |

As at 30 June 2026, significant other payables aged more than one year of the Group are as follows:

*Unit: RMB*

| Items | Relationship with the Group | Amount payable | Percentage of total other payables (%) | Reasons for being outstanding |
|---|---|---|---|---|
| Beijing Chenyu Real Estate Development Co., Ltd. | Associates | 514,500,000.00 | 7.63 | Unsettled |
| Unit 16 | Third party | 300,033,343.80 | 4.45 | Unsettled |
| Unit 17 | Third party | 56,915,228.47 | 0.84 | Unsettled |
| Unit 18 | Third party | 34,572,250.82 | 0.51 | Unsettled |
| Total | | 906,020,823.09 | 13.43 | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 36. Non-current liabilities due within one year

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Long-term loans due within one year (Note V. 38) | **20,917,077,584.84** | 19,489,750,132.64 |
| Bonds payable due within one year (Note V. 39) | **8,991,084,798.69** | 5,546,717,827.25 |
| Lease liabilities due within one year (Note V. 40) | **155,578,780.69** | 93,820,575.27 |
| Long-term payables due within one year (Note V. 41) | **169,912,431.73** | 123,348,388.56 |
| **Total** | **30,233,653,595.95** | 25,253,636,923.72 |

### 37. Other current liabilities

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Accrued expenses | **2,555,078,619.22** | 2,762,820,014.13 |
| *Including: Accrued development costs* | ***1,724,922,266.97*** | *1,740,361,819.12* |
| *Provision for LAT* | ***584,000,572.47*** | *757,797,652.31* |
| *Other accrued expenses* | ***246,155,779.78*** | *264,660,542.70* |
| Tax to be written off | **882,787,564.12** | 674,254,614.27 |
| **Total** | **3,437,866,183.34** | 3,437,074,628.40 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 38. Long-term loans

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Credit loans | **64,225,050,213.30** | 62,483,674,597.35 |
| Guaranteed loans (Note 1) | **8,996,521,165.08** | 7,650,192,035.67 |
| Mortgaged loans (Note 2) | **4,698,910,598.91** | 4,643,512,777.19 |
| Pledged loans (Note 2) | – | 250,000,000.00 |
| **Subtotal** | **77,920,481,977.29** | 75,027,379,410.21 |
| Less: Long-term loans due within one year | **20,917,077,584.84** | 19,489,750,132.64 |
| **Total** | **57,003,404,392.45** | 55,537,629,277.57 |

Note 1: As at 30 June 2026 and 31 December 2025, the guaranteed loans of the Group were guaranteed by entities within the Group.

Note 2: As at 30 June 2026 and 31 December 2025, details and value of collaterals corresponding to mortgaged and pledged loans of the Group are set out in Note V. 27.

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

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year | **20,917,077,584.84** | 19,489,750,132.64 |
| 1-2 years | **21,867,398,086.25** | 23,061,207,284.99 |
| 2-5 years | **31,611,570,354.55** | 28,669,455,942.30 |
| Over 5 years | **3,524,435,951.65** | 3,806,966,050.28 |
| **Total** | **77,920,481,977.29** | 75,027,379,410.21 |

As at 30 June 2026, the annual interest rates of the above loans were 2.13%-4.90% (31 December 2025: 2.00%-5.65%).

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 39. Short-term financing bonds payable and bonds payable

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Short-term financing bonds payable | – | 1,000,644,383.56 |
| Bonds payable | | |
| Corporate bonds | **13,859,624,178.31** | 14,601,734,490.65 |
| Medium-term notes | **8,093,857,560.83** | 7,103,525,616.48 |
| **Total** | **21,953,481,739.14** | 21,705,260,107.13 |
| Less: Bonds payable due within one year | **8,991,084,798.69** | 5,546,717,827.25 |
| Non-current portion | **12,962,396,940.45** | 16,158,542,279.88 |

Analysis of maturity:

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year (inclusive of 1 year) | **8,991,084,798.69** | 5,546,717,827.25 |
| 1 to 2 years (inclusive of 2 years) | **2,966,234,603.12** | 3,198,266,163.05 |
| 2 to 5 years (inclusive of 5 years) | **8,998,182,719.25** | 10,462,420,471.35 |
| Over 5 years | **997,979,618.08** | 2,497,855,645.48 |
| Total | **21,953,481,739.14** | 21,705,260,107.13 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 39. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2026, the balances of short-term financing bonds payable and bonds payable are as follows:

*Unit: RMB*

| Items | Par value | Coupon rate (%) | Issuance date | Term | Issuance amount | Opening balance | Issuance amount during the period | Interest charged at par value | Amortisation of discount/ premium | Repayment and interest payment | Reclassified to due within one year | Closing balance | Is there a breach of contract |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Corporate bonds and medium-term notes: | | | | | | | | | | | | | |
| RMB4.5 billion corporate bonds | RMB4.5 billion | 2.18 | 10 January 2020 | 5+2 years | 4,500,000,000.00 | 3,266,284,791.00 | - | 28,391,441.09 | 2,857,142.84 | (69,738,200.00) | (3,227,795,174.93) | - | No |
| RMB2.82 billion corporate bonds | RMB2.82 billion | 2.00 | 5 November 2020 | 6 years | 2,820,000,000.00 | 1,752,129,548.26 | - | 32,680,533.97 | 19,968,178.24 | (8,905.67) | (1,804,769,354.80) | - | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.49 | 11 June 2021 | 3+2 years | 1,000,000,000.00 | 795,742,217.69 | - | 8,687,333.45 | 116,948.86 | (804,546,500.00) | - | - | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.24 | 13 October 2021 | 3+2 years | 1,000,000,000.00 | 557,276,397.87 | - | 6,216,000.00 | 140,649.24 | - | (563,633,047.11) | - | No |
| RMB2.0 billion corporate bonds | RMB2.0 billion | 2.50 | 22 November 2021 | 3+2 years | 2,000,000,000.00 | 1,391,802,739.73 | - | 17,112,328.77 | - | - | (1,408,915,068.50) | - | No |
| RMB1.5 billion medium-term notes | RMB1.5 billion | 2.87 | 6 February 2024 | 5+2 years | 1,500,000,000.00 | 1,538,803,972.64 | - | 21,230,136.99 | - | (43,050,000.00) | (16,984,109.63) | 1,500,000,000.00 | No |
| RMB2.0 billion medium-term notes | RMB2.0 billion | 2.84 | 4 March 2024 | 5+2 years | 2,000,000,000.00 | 2,047,151,780.82 | - | 28,010,958.90 | - | (56,800,000.00) | (18,362,739.72) | 2,000,000,000.00 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.44 | 22 April 2024 | 3+2 years | 1,000,000,000.00 | 1,015,571,463.05 | - | 12,199,999.98 | 196,893.32 | (24,400,000.00) | (1,003,568,356.35) | - | No |
| RMB0.8 billion corporate bonds | RMB0.8 billion | 2.30 | 26 April 2024 | 1+1+1 years | 800,000,000.00 | 811,549,920.62 | - | 10,134,649.06 | - | (18,400,000.00) | (803,284,569.68) | - | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.35 | 8 July 2024 | 5 years | 1,000,000,000.00 | 1,009,623,567.89 | - | 11,589,041.10 | 247,945.21 | - | (22,984,931.51) | 998,475,622.69 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.67 | 8 July 2024 | 10 years | 1,000,000,000.00 | 1,010,803,316.71 | - | 13,167,123.29 | 123,972.60 | - | (26,114,794.52) | 997,979,618.08 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.15 | 20 September 2024 | 3+2 years | 1,000,000,000.00 | 1,004,455,326.75 | - | 10,750,000.02 | 195,616.79 | - | (16,602,777.85) | 998,798,165.71 | No |
| RMB2.0 billion medium-term notes | RMB2.0 billion | 2.29 | 23 September 2024 | 5 years | 2,000,000,000.00 | 2,012,547,945.21 | - | 22,586,301.37 | - | - | (35,134,246.58) | 2,000,000,000.00 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 1.99 | 17 December 2024 | 3+2 years | 1,000,000,000.00 | 999,168,474.24 | - | 9,813,698.63 | 413,242.01 | - | (10,631,506.85) | 998,763,908.03 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 1.99 | 20 January 2025 | 3+2 years | 1,000,000,000.00 | 987,326,726.84 | - | 9,949,999.98 | 195,524.73 | (20,164,969.85) | (8,634,752.32) | 968,672,529.38 | No |
| RMB1.5 billion medium-term notes | RMB1.5 billion | 2.35 | 10 November 2025 | 5 years | 1,500,000,000.00 | 1,505,021,917.81 | - | 17,383,561.64 | - | - | (22,405,479.45) | 1,500,000,000.00 | No |
| RMB1.0 billion medium-term notes | RMB1.0 billion | 1.75 | 3 June 2026 | 3 years | 1,000,000,000.00 | - | 999,700,000.00 | 1,263,888.89 | 7,096.56 | - | (1,263,888.89) | 999,707,096.56 | No |
| Subtotal | | | | | 26,120,000,000.00 | 21,705,260,107.13 | 999,700,000.00 | 261,166,997.13 | 24,463,210.40 | (1,037,108,575.52) | (8,991,084,798.69) | 12,962,396,940.45 | |
| Short-term financing bonds: | | | | | | | | | | | | | |
| RMB1.0 billion ultra-short financing bonds | RMB1.0 billion | 1.68 | 18 December 2025 | 56 days | 1,000,000,000.00 | 1,000,644,383.56 | - | 1,933,150.69 | - | (1,002,577,534.25) | - | - | No |
| Subtotal | | | | | 1,000,000,000.00 | 1,000,644,383.56 | - | 1,933,150.69 | - | (1,002,577,534.25) | - | - | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 39. Short-term financing bonds payable and bonds payable (Continued)

As at 31 December 2025, the balances of short-term financing bonds payable and bonds payable are as follows:

*Unit: RMB*

| Items | Par value | Coupon rate (%) | Issuance date | Term | Issuance amount | Opening balance | Issuance amount during the year | Interest charged at par value | Amortisation of discount/ premium | Repayment and interest payment | Reclassified to due within one year | Closing balance | Is there a breach of contract |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Corporate bonds and medium-term notes: | | | | | | | | | | | | | |
| RMB1.5 billion corporate bonds | RMB1.5 billion | 2.80 | 12 July 2018 | 5+2 years | 85,900,000.00 | 86,554,742.31 | - | 1,750,457.69 | - | (88,305,200.00) | - | - | No |
| RMB4.5 billion corporate bonds | RMB4.5 billion | 2.18 | 10 January 2020 | 5+2 years | 4,500,000,000.00 | 4,670,595,106.29 | - | 71,953,970.42 | 4,285,714.29 | (1,480,550,000.00) | (68,018,627.95) | 3,198,266,163.05 | No |
| RMB2.0 billion corporate bonds | RMB2.0 billion | 3.00 | 16 June 2020 | 3+2 years | 2,000,000,000.00 | 2,031,993,892.78 | - | 28,006,107.22 | - | (2,060,000,000.00) | - | - | No |
| RMB1.5 billion corporate bonds | RMB1.5 billion | 2.90 | 14 August 2020 | 3+2 years | 879,000,000.00 | 887,277,955.15 | - | 17,213,044.85 | - | (904,491,000.00) | - | - | No |
| RMB2.82 billion corporate bonds | RMB2.82 billion | 2.00 | 5 November 2020 | 6 years | 2,820,000,000.00 | 1,704,549,740.52 | - | 28,398,021.32 | 45,852,163.77 | (26,670,377.35) | (1,752,129,548.26) | - | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.49 | 11 June 2021 | 3+2 years | 1,000,000,000.00 | 795,463,506.99 | - | 19,546,500.00 | 278,710.70 | (19,546,500.00) | (795,742,217.69) | - | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.24 | 13 October 2021 | 3+2 years | 1,000,000,000.00 | 558,844,198.01 | - | 10,586,625.00 | 277,574.86 | (12,432,000.00) | (557,276,397.87) | - | No |
| RMB2.0 billion corporate bonds | RMB2.0 billion | 2.50 | 22 November 2021 | 3+2 years | 2,000,000,000.00 | 1,389,020,788.38 | - | 37,481,951.35 | - | (34,700,000.00) | (1,391,802,739.73) | - | No |
| RMB1.0 billion medium-term notes | RMB1.0 billion | 2.93 | 31 May 2022 | 3 years | 1,000,000,000.00 | 1,016,992,343.18 | - | 12,307,656.82 | - | (1,029,300,000.00) | - | - | No |
| RMB1.0 billion medium-term notes | RMB1.0 billion | 2.84 | 26 August 2022 | 3 years | 1,000,000,000.00 | 1,009,732,600.95 | - | 18,466,483.92 | 200,915.13 | (1,028,400,000.00) | - | - | No |
| RMB0.8 billion corporate bonds | RMB0.8 billion | 2.53 | 26 April 2024 | 1+1+1 years | 800,000,000.00 | 813,106,200.07 | 10,000,000.00 | 20,773,252.00 | - | (32,329,531.45) | (811,549,920.62) | - | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.44 | 22 April 2024 | 3+2 years | 1,000,000,000.00 | 1,015,184,303.26 | - | 24,399,999.96 | 387,159.83 | (24,400,000.00) | (16,808,888.82) | 998,762,574.23 | No |
| RMB1.5 billion medium-term notes | RMB1.5 billion | 2.87 | 6 February 2024 | 5+2 years | 1,500,000,000.00 | 1,538,921,917.81 | - | 42,932,054.83 | - | (43,050,000.00) | (38,803,972.64) | 1,500,000,000.00 | No |
| RMB2.0 billion medium-term notes | RMB2.0 billion | 2.84 | 4 March 2024 | 5+2 years | 2,000,000,000.00 | 2,047,151,780.82 | - | 56,800,000.00 | - | (56,800,000.00) | (47,151,780.82) | 2,000,000,000.00 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.35 | 8 July 2024 | 5 years | 1,000,000,000.00 | 1,009,123,567.84 | - | 23,500,000.05 | 500,000.00 | (23,500,000.00) | (11,395,890.41) | 998,227,677.48 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.67 | 8 July 2024 | 10 years | 1,000,000,000.00 | 1,010,553,316.71 | - | 26,700,000.00 | 250,000.00 | (26,700,000.00) | (12,947,671.23) | 997,855,645.48 | No |
| RMB2.0 billion medium-term notes | RMB2.0 billion | 2.29 | 23 September 2024 | 5 years | 2,000,000,000.00 | 2,012,547,945.21 | - | 45,800,000.00 | - | (45,800,000.00) | (12,547,945.21) | 2,000,000,000.00 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 1.99 | 17 December 2024 | 3+2 years | 1,000,000,000.00 | 998,335,140.91 | - | 19,900,000.00 | 833,333.33 | (19,900,000.00) | (817,808.22) | 998,350,666.02 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 2.15 | 20 September 2024 | 3+2 years | 1,000,000,000.00 | 1,004,070,202.61 | - | 21,500,000.04 | 385,124.10 | (21,500,000.00) | (5,852,777.83) | 998,602,548.92 | No |
| RMB1.0 billion corporate bonds | RMB1.0 billion | 1.99 | 20 January 2025 | 3+2 years | 1,000,000,000.00 | - | 968,000,000.00 | 18,849,722.19 | 477,004.65 | - | (18,849,722.14) | 968,477,004.70 | No |
| RMB1.5 billion medium-term notes | RMB1.5 billion | 2.35 | 10 November 2025 | 5 years | 1,500,000,000.00 | - | 1,500,000,000.00 | 5,021,917.81 | - | - | (5,021,917.81) | 1,500,000,000.00 | No |
| **Subtotal** | | | | | 30,084,900,000.00 | 25,600,019,249.80 | 2,478,000,000.00 | 551,887,765.47 | 53,727,700.66 | (6,978,374,608.80) | (5,546,717,827.25) | 16,158,542,279.88 | |
| Short-term financing bonds: | | | | | | | | | | | | | |
| RMB2.0 billion ultra-short financing bonds | RMB2.0 billion | 2.06 | 23 August 2024 | 210 days | 2,000,000,000.00 | 2,014,786,849.32 | - | 8,917,260.27 | - | (2,023,704,109.59) | - | - | No |
| RMB1.0 billion ultra-short financing bonds | RMB1.0 billion | 2.10 | 13 September 2024 | 245 days | 1,000,000,000.00 | 1,006,328,767.12 | - | 7,767,123.29 | - | (1,014,095,890.41) | - | - | No |
| RMB2.0 billion ultra-short financing bonds | RMB2.0 billion | 2.04 | 20 November 2024 | 247 days | 2,000,000,000.00 | 2,004,694,794.52 | - | 22,915,068.49 | - | (2,027,609,863.01) | - | - | No |
| RMB1.0 billion ultra-short financing bonds | RMB1.0 billion | 1.82 | 19 December 2024 | 267 days | 1,000,000,000.00 | 1,000,648,219.18 | - | 12,665,205.48 | - | (1,013,313,424.66) | - | - | No |
| RMB2.0 billion ultra-short financing bonds | RMB2.0 billion | 1.92 | 18 February 2025 | 269 days | 2,000,000,000.00 | - | 2,000,000,000.00 | 28,300,273.97 | - | (2,028,300,273.97) | - | - | No |
| RMB1.0 billion ultra-short financing bonds | RMB1.0 billion | 1.65 | 17 September 2025 | 100 days | 1,000,000,000.00 | - | 1,000,000,000.00 | 4,520,547.95 | - | (1,004,520,547.95) | - | - | No |
| RMB1.0 billion ultra-short financing bonds | RMB1.0 billion | 1.68 | 18 December 2025 | 56 days | 1,000,000,000.00 | - | 1,000,000,000.00 | 644,383.56 | - | - | - | 1,000,644,383.56 | No |
| **Subtotal** | | | | | 10,000,000,000.00 | 6,026,458,630.14 | 4,000,000,000.00 | 85,729,863.01 | - | (9,111,544,109.59) | - | 1,000,644,383.56 | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 39. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2026, the balances of short-term financing bonds payable and bonds payable are as follows:

1) Pursuant to the Replies (Zheng Jian Xu Ke [2019] No. 2255) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2019]2255號)), the Company issued the first tranche of corporate bonds (type two) of BBMG Corporation for 2020 to qualified investors by way of public issuance on 10 January 2020 (hereinafter referred to as "20 BBMG 02"), totalling RMB4,500,000,000.00 with a term of 7 years (with the issuer's option to adjust the coupon rate at the end of the fifth year and the investors' entitlement to sell back the bonds) and a coupon rate of 3.99%. From 10 January 2025 to 9 January 2027, the coupon rate of the bonds was adjusted to 2.18%.

2) Pursuant to the Replies (Zheng Jian Xu Ke [2020] No. 2416) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2020]2416號)), BBMG Jidong issued the convertible corporate bonds of BBMG Jidong on 5 November 2020 (hereinafter referred to as "Jidong Convertible Bonds"), totalling RMB2,820,000,000.00 with a term of 6 years, and the coupon rate was set at 0.20%, 0.40%, 0.80%, 1.20%, 1.50% and 2.00% for the first year, second year, third year, fourth year, fifth year and sixth year, respectively, with the redemption price at maturity of RMB106 (including the last payment of interests).

3) Pursuant to the document (Zheng Jian Xu Ke [2020] No. 2804) (《證監許可[2020]2804號》文件) issued by the China Securities Regulatory Commission, BBMG Jidong issued the first tranche of corporate bonds of BBMG Jidong to professional investors by way of public issuance on 11 June 2021 (hereinafter referred to as "21 Jidong 01"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.49%. The sale back amount as announced on 6 June 2024 was RMB215,000,000.00 (excluding interest). The bonds sold back shall not be resold. As of the date on which this report was approved and issued, the bonds matured on 11 June 2026 and have been fully redeemed, with all principal and interest amounts having been paid in full.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 39. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2026, the balances of short-term financing bonds payable and bonds payable are as follows: (Continued)

4) Pursuant to the document (Zheng Jian Xu Ke [2020] No. 2804) (《證監許可[2020]2804號》文件) issued by the China Securities Regulatory Commission, BBMG Jidong issued the second tranche of corporate bonds of BBMG Jidong to professional investors by way of public issuance on 13 October 2021 (hereinafter referred to as "21 Jidong 02"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.24%.

5) Pursuant to the Replies (Zheng Jian Xu Ke [2020] No. 2749) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2020]2749號)), the Company issued the first tranche of corporate bonds of BBMG Corporation for 2021 to professional investors by way of public issuance on 22 November 2021 (hereinafter referred to as "21 BBMG 01"), totalling RMB2,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 3.17%. As announced on 10 October 2024 (at the end of the third year of the duration), the Company decided to adjust the coupon rate of "21 BBMG 01" for the next two years, i.e. the coupon rate of the bonds for the period from 22 November 2024 to 21 November 2026 shall be 2.50%.

6) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. DFI6) (《接受註冊通知書》(中市協註[2023]DFI6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the first tranche of medium-term notes of BBMG Corporation for 2024 on 6 February 2024 (hereinafter referred to as "24 BBMG MTN001"), totalling RMB1,500,000,000.00 with a term of 5+2 years and a coupon rate of 2.87%.

7) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. DFI6) (《接受註冊通知書》(中市協註[2023]DFI6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the second tranche of medium-term notes of BBMG Corporation for 2024 on 4 March 2024 (hereinafter referred to as "24 BBMG MTN002"), totalling RMB2,000,000,000.00 with a term of 5+2 years and a coupon rate of 2.84%.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 39. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2026, the balances of short-term financing bonds payable and bonds payable are as follows: (Continued)

8) Pursuant to the Replies (Zheng Jian Xu Ke [2023] No. 810) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2023]810號)), BBMG Jidong issued the first tranche of corporate bonds of BBMG Jidong for 2024 to professional investors by way of public issuance on 22 April 2024 (hereinafter referred to as "24 Jidong 01"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.44%.

9) Pursuant to the No Objection Letter Regarding the Listing and Transfer of the Non-Public Issuance of Corporate Bonds of Tianjin Building Materials Group (Holding) Co., Ltd. (Shang Zheng Han [2023] No. 3167) (《關於對天津市建築材料集團(控股)有限公司非公開發行公司債券掛牌轉讓無異議的函》(上證函[2023]3167號)) issued by the Shanghai Stock Exchange, Tianjin Building Materials issued the first tranche of corporate bonds of Tianjin Building Materials Group (Holding) Co., Ltd. to investors by way of non-public issuance on 26 April 2024 (hereinafter referred to as "24 Jincai 01"), totalling RMB800,000,000.00 with a term of 3 years (with the investors' entitlement to sell back the bonds and the issuer's option to redeem at the end of the first and second year). The coupon rate for the first interest-bearing year (from 29 April 2024 to 28 April 2025) was 2.53%; for the subsequent two years from 29 April 2025 to 28 April 2027, the coupon rate was adjusted to 2.30%.

10) Pursuant to the Replies (Zheng Jian Xu Ke [2024] No. 412) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2024]412號)), the Company issued the first tranche of scientific and technological innovation corporate bonds (type one) of BBMG Corporation for 2024 to professional investors by way of public issuance on 8 July 2024 (hereinafter referred to as "24 BBMG K1"), totalling RMB1,000,000,000.00 with a term of 5 years and a coupon rate of 2.35%.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 39. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2026, the balances of short-term financing bonds payable and bonds payable are as follows: (Continued)

11) Pursuant to the Replies (Zheng Jian Xu Ke [2024] No. 412) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2024]412號)), the Company issued the first tranche of scientific and technological innovation corporate bonds (type two) of BBMG Corporation for 2024 to professional investors by way of public issuance on 8 July 2024 (hereinafter referred to as "24 BBMG K2"), totalling RMB1,000,000,000.00 with a term of 10 years and a coupon rate of 2.67%.

12) Pursuant to the Replies (Zheng Jian Xu Ke [2023] No. 810) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2023]810號)), BBMG Jidong issued the second tranche of corporate bonds of BBMG Jidong for 2024 to professional investors by way of public issuance on 20 September 2024 (hereinafter referred to as "24 Jidong 02"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.15%.

13) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. DFI6) (《接受註冊通知書》(中市協註[2023]DFI6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the third tranche of medium-term notes of BBMG Corporation for 2024 on 23 September 2024 (hereinafter referred to as "24 BBMG MTN003"), totalling RMB2,000,000,000.00 with a term of 5 years and a coupon rate of 2.29%.

14) Pursuant to the document (Zheng Jian Xu Ke [2024] No. 412) (《證監許可[2024]412號》文件) issued by the China Securities Regulatory Commission, the Company issued the second tranche of scientific and technological innovation corporate bonds of BBMG Corporation for 2024 to professional investors by way of public issuance on 17 December 2024 (hereinafter referred to as "24 BBMG K3"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 1.99%.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 39. Short-term financing bonds payable and bonds payable (Continued)

As at 30 June 2026, the balances of short-term financing bonds payable and bonds payable are as follows: (Continued)

15) Pursuant to the document (Zheng Jian Xu Ke [2023] No. 810) issued by the China Securities Regulatory Commission (中國證券監督管理委員會《證監許可[2023]810號》文), BBMG Jidong issued the first tranche of corporate bonds (Stock Code: 524120) to professional investors by way of public issuance on 20 January 2025 (hereinafter referred to as "25 Jidong 01"), totalling RMB1,000,000,000.00 with a coupon rate of 1.99% and a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds).

16) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2025] No. MTN161) (《接受註冊通知書》(中市協註[2025]MTN161號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the seventh tranche of medium-term notes of BBMG Corporation for 2025 on 10 November 2025 (hereinafter referred to as "25 BBMG MTN007"), totalling RMB1,500,000,000.00 with a term of 5 years and a coupon rate of 2.35%.

17) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2026] No. MTN185) (《接受註冊通知書》(中市協註[2026]MTN185號)) issued by the National Association of Financial Market Institutional Investors, BBMG Jidong issued the first tranche of medium-term notes of BBMG Jidong for 2026 on 3 June 2026 (hereinafter referred to as "26 BBMG Jidong MTN001"), totalling RMB1,000,000,000.00 with a term of 3 years and a coupon rate of 1.75%.

18) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2025] No. SCP37) (《接受註冊通知書》(中市協註[2025]SCP37號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the fourth tranche of ultra-short financing bonds of BBMG Corporation for 2025 on 18 December 2025 (hereinafter referred to as "25 BBMG SCP004"), totalling RMB1,000,000,000.00 with a term of 56 days and a coupon rate of 1.68%.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 40. Lease liabilities

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Principal of lease liabilities | **600,329,975.05** | 694,085,361.67 |
| Less: Unrecognised finance cost | **106,469,185.90** | 168,959,415.02 |
| **Subtotal** | **493,860,789.15** | 525,125,946.65 |
| Less: Lease liabilities due within one year | **155,578,780.69** | 93,820,575.27 |
| Non-current portion | **338,282,008.46** | 431,305,371.38 |

### 41. Long-term payables

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Long-term payables | **654,708,273.80** | 572,249,109.81 |
| Less: Long-term payables due within one year | **169,912,431.73** | 123,348,388.56 |
| **Total** | **484,795,842.07** | 448,900,721.25 |

Analysis of maturity of long-term payables:

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year (inclusive of 1 year) | **169,912,431.73** | 123,348,388.56 |
| 1 to 2 years (inclusive of 2 years) | **159,742,931.98** | 140,686,486.93 |
| 2 to 5 years (over 2 years and inclusive of 5 years) | **120,158,545.77** | 222,173,969.13 |
| Over 5 years | **204,894,364.32** | 86,040,265.19 |
| **Total** | **654,708,273.80** | 572,249,109.81 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 42. Long-term wages payable

*Unit: RMB*

| Item | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Net liabilities of defined benefit plan | **351,251,411.72** | 363,692,973.72 |

Present value of obligations of defined benefit plan:

*Unit: RMB*

| Items | January to June 2026 | 2025 |
|---|---|---|
| Opening balance | **395,632,612.72** | 439,698,326.72 |
| Recognized in profit or loss: | | |
| Current service cost | **559,000.00** | 1,117,000.00 |
| Previous service cost | **167,000.00** | 334,000.00 |
| Net interest | **3,405,475.00** | 7,248,429.00 |
| Recognized in other comprehensive income: | | |
| Actuarial changes arising from changes in financial assumptions | **–** | (3,577,204.00) |
| Actuarial changes arising from difference in experience | **(6,487,794.00)** | (24,820,380.00) |
| Other changes: | | |
| Benefits paid | **(10,881,074.00)** | (24,367,559.00) |
| Closing balance | **382,395,219.72** | 395,632,612.72 |
| Less: Current portion of net liability of defined benefit plans | **31,143,808.00** | 31,939,639.00 |
| **Total** | **351,251,411.72** | 363,692,973.72 |

The Group's defined benefit plans are various supplementary benefit plans for employees retiring before the designated dates, and the plans are subject to impacts from interest rate risk and the risk of changes in the life expectancy of pension beneficiaries. The present value of the net liabilities of the defined benefit plans as at 30 June 2026 was determined by Beijing Branch of Towers Watson Management and Consulting (Shenzhen) Company Limited (韜睿惠悅管理諮詢(深圳)有限公司), a member of the China Association of Actuaries (中國精算學會), using the projected accumulated benefit units method.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 42. Long-term wages payable (Continued)

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

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Discount rate (%) | **1.75-2.25** | 1.75-2.25 |
| Growth rate of annual benefit costs of retirees and early retirees (%) | **2.50** | 2.50 |

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

**30 June 2026**

*Unit: RMB*

| Items | Increase (%) | Increase/(decrease) of defined benefit plan obligations | Decrease (%) | Increase/(decrease) of defined benefit plan obligations |
|---|---|---|---|---|
| Discount rate | **0.25** | **(8,932,788.66)** | **0.25** | **9,325,235.31** |
| Expected growth rate of future retiree benefit costs | **0.50** | **13,427,041.91** | **0.50** | **(12,559,834.55)** |

31 December 2025

*Unit: RMB*

| Items | Increase (%) | Increase/(decrease) of defined benefit plan obligations | Decrease (%) | Increase/(decrease) of defined benefit plan obligations |
|---|---|---|---|---|
| Discount rate | 0.25 | (9,023,354.07) | 0.25 | 9,418,743.62 |
| Expected growth rate of future retiree benefit costs | 0.50 | 13,603,826.75 | 0.50 | (12,726,171.89) |

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 42. Long-term wages payable (Continued)

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

*Unit: RMB*

| Items | January to June 2026 | 2025 |
|---|---|---|
| Net interest expenses charged to finance expenses | **3,405,475.00** | 7,248,429.00 |
| Charged to management expenses | **726,000.00** | 1,451,000.00 |
| **Total** | **4,131,475.00** | 8,699,429.00 |

Expected future payments to the defined benefit plan:

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year | **31,143,808.00** | 31,939,639.00 |
| 2 to 5 years | **107,736,854.00** | 109,904,828.00 |
| 5 to 10 years | **100,813,377.00** | 102,564,334.00 |
| Over 10 years | **268,749,453.00** | 274,026,511.00 |
| Total | **508,443,492.00** | 518,435,312.00 |

### 43. Estimated liabilities

*Unit: RMB*

| Items | Opening balance | Increase during the period | Decrease during the period | Closing balance |
|---|---|---|---|---|
| Restoration cost of mines | 434,292,941.51 | 15,724,532.59 | (10,365,809.39) | 439,651,664.71 |
| Pending litigations or arbitration | 171,658,726.42 | 1,566,273.58 | (173,125,000.00) | 100,000.00 |
| Others | 45,342,501.27 | 81,155.63 | (13,996,518.07) | 31,427,138.83 |
| **Total** | 651,294,169.20 | 17,371,961.80 | (197,487,327.46) | 471,178,803.54 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 44. Deferred income

*Unit: RMB*

| Items | January to June 2026 | 2025 |
|---|---|---|
| Opening balance | **787,864,000.33** | 798,598,254.47 |
| Increase during the period | **26,691,559.48** | 161,521,011.10 |
| Decrease during the period | **(58,044,995.31)** | (172,255,265.24) |
| Closing balance | **756,510,564.50** | 787,864,000.33 |

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

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Government grants related to assets | | |
| Environmental protection and industrial development projects | **464,404,855.01** | 475,958,578.78 |
| Relocation compensation | **51,307,065.83** | 52,975,812.90 |
| Others | **164,007,908.47** | 182,188,461.68 |
| Government grants related to income | | |
| Research and development funds | **3,835,891.49** | 3,786,303.27 |
| **Total** | **683,555,720.80** | 714,909,156.63 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 44. Deferred income (Continued)

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

**January to June 2026**

*Unit: RMB*

| Items | Opening balance | Increase during the period | Included in profit or loss during the period | Closing balance | Related to assets/gains |
|---|---|---|---|---|---|
| Asset subsidy for relocation compensation of Tiantan | 52,975,812.90 | – | (1,668,747.07) | 51,307,065.83 | Related to assets |
| Subsidy for environmental protection equipment for Bio-Island project | 34,345,765.16 | – | (7,632,392.28) | 26,713,372.88 | Related to assets |
| Appropriation for mud project of Beijing Cement Plant | 2,739,168.67 | – | (2,054,376.50) | 684,792.17 | Related to assets |
| Tangshan Qixin Cement Industry Museum Project | 39,469,772.85 | – | (676,943.04) | 38,792,829.81 | Related to assets |
| Grant of Liushui construction garbage project | 19,594,666.57 | – | (1,224,666.68) | 18,369,999.89 | Related to assets |
| Replacement subsidy for Jianyuan | 15,035,377.37 | – | (589,622.64) | 14,445,754.73 | Related to assets |
| Zanhuang collaborative disposal of household garbage and sludge project | 8,053,500.00 | – | (531,000.00) | 7,522,500.00 | Related to assets |
| Special subsidies to support the development of advanced manufacturing and modern service industries | 9,890,500.00 | – | (393,000.00) | 9,497,500.00 | Related to assets |
| Grant of Heilongjiang industrial production project | 7,200,723.00 | – | (514,337.34) | 6,686,385.66 | Related to assets |
| Project of the production line with a capacity of 4,600 tonnes of cement clinkers in Hechuan | 10,871,184.48 | – | (161,054.58) | 10,710,129.90 | Related to assets |
| Central budget investment plan for pollution control and energy conservation and carbon reduction projects (focused on energy conservation and carbon reduction) in 2022 | 45,880,000.01 | – | – | 45,880,000.01 | Related to assets |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 44. Deferred income (Continued)

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

**January to June 2026 (Continued)**

*Unit: RMB*

| Items | Opening balance | Increase during the period | Included in profit or loss during the period | Closing balance | Related to assets/gains |
|---|---|---|---|---|---|
| Environmental protection and governance fee project | 6,224,888.81 | – | (250,666.68) | 5,974,222.13 | Related to assets |
| Subsidy funds for SCR denitrification project | 7,080,666.64 | – | (272,333.34) | 6,808,333.30 | Related to assets |
| SCR collaborative disposal project | 6,998,980.81 | – | (225,053.71) | 6,773,927.10 | Related to assets |
| A technology demonstration production line for capturing, storing, and utilizing 100,000 tonnes of carbon dioxide per year | 21,930,000.00 | – | – | 21,930,000.00 | Related to assets |
| Special fund for energy conservation and carbon reduction | 21,266,666.68 | – | (733,333.32) | 20,533,333.36 | Related to assets |
| SCR denitration management subsidy from Lincheng Branch of Xingtai Ecological Environment Bureau | 11,676,653.97 | – | (417,023.34) | 11,259,630.63 | Related to assets |
| VAT additional tax deduction | 7,152,640.82 | – | – | 7,152,640.82 | Related to assets |
| Government special-purpose fund for the Innovation Center project | 36,460,000.00 | – | – | 36,460,000.00 | Related to assets |
| SCR ultra-low emission renovation project of Third Branch | – | 8,347,000.00 | – | 8,347,000.00 | Related to assets |
| Energy efficiency improvement project for Line 1 raw material grinding system of Luanzhou Company | – | 3,000,000.00 | – | 3,000,000.00 | Related to assets |
| SCR denitrification environmental protection project for Cement Kiln Tail Flue Gas | – | 2,300,000.00 | – | 2,300,000.00 | Related to assets |
| **Total** | 364,846,968.74 | 13,647,000.00 | (17,344,550.52) | 361,149,418.22 | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 44. Deferred income (Continued)

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

2025

*Unit: RMB*

| Items | Opening balance | Increase during the year | Included in profit or loss during the year | Closing balance | Related to assets/gains |
|---|---|---|---|---|---|
| Asset subsidy for relocation compensation of Tiantan | 124,871,983.14 | 7,210,000.00 | (79,106,170.24) | 52,975,812.90 | Related to assets |
| Subsidy for environmental protection equipment for Bio-Island project | 49,610,549.72 | – | (15,264,784.56) | 34,345,765.16 | Related to assets |
| Appropriation for mud project of Beijing Cement Plant | 6,191,486.02 | – | (3,452,317.35) | 2,739,168.67 | Related to assets |
| Tangshan Qixin Cement Industry Museum Project | 40,823,658.93 | – | (1,353,886.08) | 39,469,772.85 | Related to assets |
| Grant of Liushui construction garbage project | 22,043,999.96 | – | (2,449,333.39) | 19,594,666.57 | Related to assets |
| Replacement subsidy for Jianyuan | 16,214,622.65 | – | (1,179,245.28) | 15,035,377.37 | Related to assets |
| Zanhuang collaborative disposal of household garbage and sludge project | 9,115,500.00 | – | (1,062,000.00) | 8,053,500.00 | Related to assets |
| Special subsidies to support the development of advanced manufacturing and modern service industries | 10,676,500.00 | – | (786,000.00) | 9,890,500.00 | Related to assets |
| Grant of Heilongjiang industrial production project | 8,229,397.68 | – | (1,028,674.68) | 7,200,723.00 | Related to assets |
| Project of the production line with a capacity of 4,600 tonnes of cement clinkers in Hechuan | 11,193,293.64 | – | (322,109.16) | 10,871,184.48 | Related to assets |
| Central budget investment plan for pollution control and energy conservation and carbon reduction projects (focused on energy conservation and carbon reduction) in 2022 | 17,333,333.34 | 33,200,000.00 | (4,653,333.33) | 45,880,000.01 | Related to assets |
| Environmental protection and governance fee project | 6,726,222.17 | – | (501,333.36) | 6,224,888.81 | Related to assets |
| Subsidy funds for SCR denitrification project | 7,625,333.32 | – | (544,666.68) | 7,080,666.64 | Related to assets |
| SCR collaborative disposal project | 7,567,000.00 | – | (568,019.19) | 6,998,980.81 | Related to assets |
| A technology demonstration production line for capturing, storing, and utilizing100,000 tonnes of carbon dioxide per year | 21,930,000.00 | – | – | 21,930,000.00 | Related to assets |
| Special fund for energy conservation and carbon reduction | 11,000,000.00 | 11,000,000.00 | (733,333.32) | 21,266,666.68 | Related to assets |
| SCR denitration management subsidy from Lincheng Branch of Xingtai Ecological Environment Bureau | 12,510,700.64 | – | (834,046.67) | 11,676,653.97 | Related to assets |
| VAT additional tax deduction | 6,156,593.76 | 996,047.06 | – | 7,152,640.82 | Related to assets |
| Government special-purpose fund for the Innovation Center project | – | 36,460,000.00 | – | 36,460,000.00 | Related to assets |
| **Total** | 389,820,174.97 | 88,866,047.06 | (113,839,253.29) | 364,846,968.74 | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 45. Other non-current liabilities

*Unit: RMB*

| Item | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Commercial mortgage-backed securities | **1,657,254,953.02** | 1,658,378,539.18 |

The Group's commercial mortgage-backed security "Ping An-Jinyu Shanyue Jiayuan Public Rental Housing Asset-Backed Special Plan" (平安－金隅山樾嘉園公租房資產支持專項計劃) was established and commenced operations on 28 March 2025. The asset-backed special plan includes priority tranche and subordinated tranches: the priority tranche has an issuance size of RMB1.656 billion, with an annual interest rate of 2.44% and a duration of 18 years; the subordinated tranche has an issuance size of RMB1 million, with no fixed yield and obtaining excess returns, and its duration is 18 years. The principal shall be repaid by installments, with principal repayments to be made quarterly commencing on 20 June 2028. The amount of each installment shall increase in accordance with the contractual terms, and the final installment of principal shall be repaid on 20 March 2043. The asset-backed special plan is secured by the real-property ownership of the Shanyue Jiayuan public rental housing project.

### 46. Share capital

**30 June 2026**

*Unit: RMB*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 46. Share capital (Continued)

31 December 2025

*Unit: RMB*

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 47. Other equity instruments

*Perpetual bonds*

*Unit: RMB*

| | At the beginning of the period | | Increase during the period | | Decrease during the period | | At the end of the period | |
|---|---|---|---|---|---|---|---|---|
| Items | Amount | Carrying value | Amount | Carrying value | Amount | Carrying value | Amount | Carrying value |
| Perpetual bonds – 2022 First Tranche of Renewable Corporate Bonds (22 BBMG Y2) | 5,000,000.00 | 500,000,000.00 | - | - | - | - | 5,000,000.00 | 500,000,000.00 |
| Perpetual bonds – 2022 Second Tranche of Renewable Corporate Bonds (22 BBMG Y4) | 15,000,000.00 | 1,500,000,000.00 | - | - | - | - | 15,000,000.00 | 1,500,000,000.00 |
| Perpetual bonds – 2022 Third Tranche of Renewable Corporate Bonds (22 BBMG Y6) | 5,000,000.00 | 500,000,000.00 | - | - | - | - | 5,000,000.00 | 500,000,000.00 |
| Jiangsu Trust Perpetual Bonds Investment | 49,990,000.00 | 4,999,000,000.00 | - | - | - | - | 49,990,000.00 | 4,999,000,000.00 |
| Perpetual bonds – 2023 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY02) | 20,000,000.00 | 1,994,000,000.00 | - | - | 20,000,000.00 | 1,994,000,000.00 | - | - |
| Perpetual bonds – 2023 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY03) | 20,000,000.00 | 1,994,000,000.00 | - | - | 20,000,000.00 | 1,994,000,000.00 | - | - |
| Perpetual bonds – 2023 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY05) | 30,000,000.00 | 2,991,300,000.00 | - | - | 30,000,000.00 | 2,991,300,000.00 | - | - |
| Perpetual bonds – 2024 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY06) | 15,000,000.00 | 1,496,250,000.00 | - | - | - | - | 15,000,000.00 | 1,496,250,000.00 |
| 2024 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY07) | 10,000,000.00 | 997,500,000.00 | - | - | - | - | 10,000,000.00 | 997,500,000.00 |
| 2024 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY08) | 5,000,000.00 | 498,750,000.00 | - | - | - | - | 5,000,000.00 | 498,750,000.00 |
| 2024 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY09) | 5,000,000.00 | 498,833,333.33 | - | - | - | - | 5,000,000.00 | 498,833,333.33 |
| 2024 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY10) | 10,000,000.00 | 997,666,666.67 | - | - | - | - | 10,000,000.00 | 997,666,666.67 |
| Perpetual bonds – 2025 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY11) | 5,000,000.00 | 499,000,000.00 | - | - | - | - | 5,000,000.00 | 499,000,000.00 |
| Perpetual bonds – 2025 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY12) | 10,000,000.00 | 997,500,000.00 | - | - | - | - | 10,000,000.00 | 997,500,000.00 |
| Perpetual bonds – 2025 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY13) | 10,000,000.00 | 997,500,000.00 | - | - | - | - | 10,000,000.00 | 997,500,000.00 |
| Perpetual bonds – 2025 First Tranche of Medium-term Notes (25 BBMG MTN001) | 13,000,000.00 | 1,297,750,000.00 | 2,000,000.00 | 200,000,000.00 | - | - | 15,000,000.00 | 1,497,750,000.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 47. Other equity instruments (Continued)

*Perpetual bonds (Continued)*

*Unit: RMB*

| Items | At the beginning of the period | | Increase during the period | | Decrease during the period | | At the end of the period | |
|---|---|---|---|---|---|---|---|---|
| | Amount | Carrying value | Amount | Carrying value | Amount | Carrying value | Amount | Carrying value |
| Perpetual bonds – 2025 Third Tranche of Scientific and Technological Innovation Bonds (25 BBMG MTN003 (Sci-tech Innovation Bonds)) | 15,000,000.00 | 1,497,750,000.00 | - | - | - | - | 15,000,000.00 | 1,497,750,000.00 |
| Perpetual bonds – 2025 Fourth Tranche of Scientific and Technological Innovation Bonds (25 BBMG MTN004 (Sci-tech Innovation Bonds)) | 15,000,000.00 | 1,497,750,000.00 | - | - | - | - | 15,000,000.00 | 1,497,750,000.00 |
| Perpetual bonds – 2025 Fifth Tranche of Medium-term Notes (25 BBMG MTN005) | 15,000,000.00 | 1,497,750,000.00 | - | - | - | - | 15,000,000.00 | 1,497,750,000.00 |
| Perpetual bonds – 2025 Sixth Tranche of Medium-term Notes (25 BBMG MTN006) | 15,000,000.00 | 1,497,750,000.00 | - | - | - | - | 15,000,000.00 | 1,497,750,000.00 |
| Perpetual bonds – 2025 Eighth Tranche of Medium-term Notes (25 BBMG MTN008) | 14,900,000.00 | 1,488,500,000.00 | 100,000.00 | 10,000,000.00 | - | - | 15,000,000.00 | 1,498,500,000.00 |
| Perpetual bonds – 2026 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY14) | - | - | 10,000,000.00 | 997,825,000.00 | - | - | 10,000,000.00 | 997,825,000.00 |
| Perpetual bonds – 2026 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY15) | - | - | 10,000,000.00 | 997,825,000.00 | - | - | 10,000,000.00 | 997,825,000.00 |
| Perpetual bonds – 2026 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY16) | - | - | 13,000,000.00 | 1,296,880,000.00 | - | - | 13,000,000.00 | 1,296,880,000.00 |
| Perpetual bonds – 2026 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY17) | - | - | 7,000,000.00 | 698,320,000.00 | - | - | 7,000,000.00 | 698,320,000.00 |
| Perpetual bonds – 2026 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY18) | - | - | 3,000,000.00 | 299,100,000.00 | - | - | 3,000,000.00 | 299,100,000.00 |
| Perpetual bonds – 2026 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY19) | - | - | 16,000,000.00 | 1,596,400,000.00 | - | - | 16,000,000.00 | 1,596,400,000.00 |
| Total | 302,890,000.00 | 30,238,550,000.00 | 61,100,000.00 | 6,096,350,000.00 | 70,000,000.00 | 6,979,300,000.00 | 293,990,000.00 | 29,355,600,000.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 47. Other equity instruments (Continued)

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 47. Other equity instruments (Continued)

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 47. Other equity instruments (Continued)

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

| | |
|---|---|
| Mandatory distribution payment events | If the Company has any of the following events within 12 months before the payment date of any i-th investment income, the Company shall not defer the payment of the current i-th investment income and all the deferred i-th investment income:<br><br>(1) paying dividends to shareholders;<br><br>(2) reducing the registered capital;<br><br>(3) making any form of interest payment or payment with respect to other perpetual bonds or securities or creditor's rights with the same repayment order as or inferior repayment order than the Perpetual Bonds. |
| Redemption and purchase | Before 90 days of the expiration date of each investment period, the Company shall have the right, according to the provisions of this Contract, fully pay such investment fund, the investment income (including the deferred investment income under such investment fund) and other amounts payable. |
| Interest rate determination | The Perpetual Bonds shall bear interest at the fixed rate of return within the previous 7 years;<br><br>The investment income will be adjusted on the day immediately after the expiration date of the 7th year from the starting date of the i-th investment period. The adjusted interest rate will be the original applicable investment income rate plus 300bp, and such investment income rate will remain unchanged thereafter. |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 47. Other equity instruments (Continued)

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

| | |
|---|---|
| Maturity date | The basic period of the Bonds shall be 2, 3 or 5 years, with every 2, 3 or 5 interest-bearing years as a cycle (repricing cycle). The Company has the option of renewal at the end of each agreed period, and the Company has the right to choose to extend the period of the Bonds for one cycle, or choose to pay the Bonds in full at the expiration of the repricing cycle. |
| Deferred distribution | Unless a mandatory interest payment event has occurred, on each interest payment date of the current bonds, the Company can elect to defer payment of interest due and all interest deferred according to the provisions and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The foregoing deferred interest payment does not make the Company fail to pay the interest in full according to the requirement. |
| Mandatory distribution payment events | If any of the following events occurs within 12 months prior to the interest payment date, the Company shall not defer the payment of interest due or all interest deferred as agreed and its fruits:<br><br>(1) distributing dividends to ordinary shareholders;<br><br>(2) reducing the registered capital. |
| Redemption and purchase | The Company has no right or obligation to redeem the Bonds, except that the Company redeems the Bonds due to change of tax policies and change of accounting standards. If the Company redeems the Bonds, it will redeem all the Bonds from the investors with the par value plus the current interest, the deferred interest and its fruits (if any). The payment method of redemption will be the same as the payment method of the principal and interest due for the Bonds. The list of bondholders will be counted according to the relevant regulations of the registration authority of the Bonds, and it will be handled according to the relevant regulations of the registration authority of the Bonds. |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 47. Other equity instruments (Continued)

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

| | |
|---|---|
| Interest rate determination | The Renewable Bonds will be in the form of fixed interest rate, with simple interest bearing annual interest, excluding compound interest;<br><br>If there is any deferral, each deferred interest will accrue at the current coupon rate during the deferred period. The coupon rate of the first cycle of the Bonds shall be fixed in the first cycle, and then reset once every cycle;<br><br>The coupon rate of the first cycle shall be the initial benchmark interest rate plus the initial interest rate spread. If the Company exercises the renewal option at the end of the first cycle or a subsequent cycle, the coupon rate will be adjusted to the current benchmark interest rate plus the initial interest rate spread plus 300 basis points from the second cycle. After that, the coupon rate will be reset to the current benchmark interest rate plus the initial interest rate spread plus 300 basis points in each cycle, and so on, and such 300 basis points will not be superimposed progressively. |

The interest rate of medium-term notes, Jiangsu Trust Perpetual Bonds and renewable corporate bonds of the Group was 2.06%-5.45%, and from January to June 2026, the interest accrued was RMB503,230,398.62 and interest payable to specific investors amounted to RMB638,649,536.98 (from January to June 2025: the interest accrued was RMB527,035,424.65 and interest payable to specific investors amounted to RMB666,699,536.98).

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 47. Other equity instruments (Continued)

***(4) Movements in medium-term notes and perpetual bonds for this year:***

Note 1: In April 2026, the Company redeemed the Perpetual bonds – 2023 First Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY02) at its par value of RMB2.0 billion.

Note 2: In May 2026, the Company redeemed the Perpetual bonds – 2023 Second Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY03) at its par value of RMB2.0 billion.

Note 3: In May 2026, the Company redeemed the Perpetual bonds – 2023 Third Tranche of Scientific and Technological Innovation Renewable Corporate Bonds (BBMG KY05) at its par value of RMB3.0 billion.

Note 4: In January, February and March 2026, the Company issued the BBMG KY14, BBMG KY15, BBMG KY16, BBMG KY17, BBMG KY18, BBMG KY19 (hereinafter referred to as "Renewable Corporate Bonds"). The actual total issuance amount was RMB6.0 billion; after deducting underwriting fees and other related transaction costs, the Company received cash totalling RMB5.886 billion. Pursuant to the issuance provisions of the above mentioned Renewable Corporate Bonds, the Company has the right to pay cash interest annually at the stated interest rate, but has no contractual obligation to repay principal or to pay any interest. Unless a mandatory interest payment event has occurred, on each interest payment date of the Renewable Corporate Bonds and the Medium-term Notes, the Company can elect to defer payment of interest due and all interest deferred according to this provisions and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The Company believes that the Renewable Corporate Bonds and the Medium-term Notes do not meet the definition of a financial liability. Consequently, the actual amount received after deducting the related transaction costs from the total issuance amount have been recognised as equity, and any declared distributions of interest are accounted for as a distribution of profits.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 48. Capital reserve

**30 June 2026**

*Unit: RMB*

| Items | Opening balance | Increase during the period | Decrease during the period | Closing balance |
|---|---|---|---|---|
| Capital reserve | **5,016,200,135.25** | **–** | **(105,178,094.04)** | **4,911,022,041.21** |

31 December 2025

*Unit: RMB*

| Items | Opening balance | Increase during the year | Decrease during the year | Closing balance |
|---|---|---|---|---|
| Capital reserve | 5,038,256,982.55 | – | (22,056,847.30) | 5,016,200,135.25 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 49. Other comprehensive income

**Accumulated balance of other comprehensive income attributable to shareholders of the parent company in the consolidated balance sheet:**
**January to June 2026**

*Unit: RMB*

| Items | Opening balance | Movements during the period: Amount before income tax during the current period | Less: Amount included in other comprehensive income in the previous period and transferred to retained earnings in the current period | Less: Income tax expenses | Attributable to the parent company after tax | Attributable to minority shareholders after tax | Closing balance |
|---|---|---|---|---|---|---|---|
| I. Other comprehensive income not allowed to be reclassified into profit or loss | (70,645,355.48) | (94,060,778.89) | - | (25,137,143.22) | (37,339,227.81) | (31,584,407.86) | (107,984,583.29) |
| Including: Changes arising from re-measurement of defined benefit plans | 131,022,478.94 | 6,487,794.00 | - | - | 3,652,050.63 | 2,835,743.37 | 134,674,529.57 |
| Changes in fair value of investment in other equity instruments | (201,667,834.42) | (100,548,572.89) | - | (25,137,143.22) | (40,991,278.44) | (34,420,151.23) | (242,659,112.86) |
| II. Other comprehensive income to be reclassified into profit or loss | 855,042,780.06 | 44,961,346.81 | - | 9,617,167.42 | 29,504,295.88 | 5,839,883.51 | 884,547,075.94 |
| Including: Other comprehensive income that can be transferred to profit or loss under the equity method | (7,578,115.36) | 12,140,093.48 | - | - | 6,598,972.52 | 5,541,120.96 | (979,142.84) |
| Changes in fair value of other debt investments | (578,925.00) | 3,580,030.00 | - | 895,007.50 | 2,685,022.50 | - | 2,106,097.50 |
| Cash flow hedging reserves | (733,367.25) | - | - | - | - | - | (733,367.25) |
| Exchange differences on foreign currency translation | 28,098,058.78 | (5,647,416.28) | - | - | (3,414,312.93) | (2,233,103.35) | 24,683,745.85 |
| The difference between the fair value and the carrying value of self-occupied properties or inventories on the date when it changed to the investment properties measured with the fair value model | 835,835,128.89 | 34,888,639.61 | - | 8,722,159.92 | 23,634,613.79 | 2,531,865.90 | 859,469,742.68 |
| Total other comprehensive income | 784,397,424.58 | (49,099,432.08) | - | (15,519,975.80) | (7,834,931.93) | (25,744,524.35) | 776,562,492.65 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 49. Other comprehensive income (Continued)

2025

*Unit: RMB*

| | | Movements during the year | | | | | |
|---|---|---|---|---|---|---|---|
| **Items** | Opening balance | Amount before income tax during the current year | Less: Amount included in other comprehensive income in the previous period and transferred to retained earnings in the current period | Less: Income tax expenses | Attributable to the parent company after tax | Attributable to minority shareholders after tax | Closing balance |
| I. Other comprehensive income not allowed to be reclassified into profit or loss | (94,674,295.50) | 33,566,688.20 | 4,233,075.20 | 4,016,655.29 | 24,028,940.02 | 1,288,017.69 | (70,645,355.48) |
| Including: Changes arising from re-measurement of defined benefit plans | 114,428,403.64 | 28,397,584.00 | – | 7,099,396.00 | 16,594,075.30 | 4,704,112.70 | 131,022,478.94 |
| Changes in fair value of investment in other equity instruments | (209,102,699.14) | 5,169,104.20 | 4,233,075.20 | (3,082,740.71) | 7,434,864.72 | (3,416,095.01) | (201,667,834.42) |
| II. Other comprehensive income to be reclassified into profit or loss | 767,130,620.15 | 144,306,023.79 | – | 35,187,149.93 | 87,912,159.91 | 21,206,713.95 | 855,042,780.06 |
| Including: Other comprehensive income that can be transferred to profit or loss under the equity method | (13,446,690.97) | 10,796,386.30 | – | – | 5,868,575.61 | 4,927,810.69 | (7,578,115.36) |
| Changes in fair value of other debt investments | – | (771,900.00) | – | (192,975.00) | (578,925.00) | – | (578,925.00) |
| Cash flow hedging reserves | (733,367.25) | – | – | – | – | – | (733,367.25) |
| Exchange differences on foreign currency translation | 32,041,651.79 | (7,238,962.21) | – | – | (3,943,593.01) | (3,295,369.20) | 28,098,058.78 |
| The difference between the fair value and the carrying value of self-occupied properties or inventories on the date when it changed to the investment properties measured with the fair value model | 749,269,026.58 | 141,520,499.70 | – | 35,380,124.93 | 86,566,102.31 | 19,574,272.46 | 835,835,128.89 |
| **Total other comprehensive income** | 672,456,324.65 | 177,872,711.99 | 4,233,075.20 | 39,203,805.22 | 111,941,099.93 | 22,494,731.64 | 784,397,424.58 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 50. Specific reserve

**30 June 2026**

*Unit: RMB*

| Item | Opening balance | Increase during the period | Decrease during the period | Closing balance |
|---|---|---|---|---|
| Production safety cost | **32,946,315.73** | **50,688,041.63** | **(59,656,447.71)** | **23,977,909.65** |

31 December 2025

*Unit: RMB*

| Item | Opening balance | Increase during the year | Decrease during the year | Closing balance |
|---|---|---|---|---|
| Production safety cost | 79,233,220.09 | 170,863,465.30 | (217,150,369.66) | 32,946,315.73 |

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 51. Surplus reserve

**30 June 2026**

*Unit: RMB*

| **Item** | **Opening balance** | **Increase during the period** | **Decrease during the period** | **Closing balance** |
|---|---|---|---|---|
| Statutory surplus reserve | **3,136,562,941.30** | **–** | **–** | **3,136,562,941.30** |

31 December 2025

*Unit: RMB*

| Item | Opening balance | Increase during the year | Decrease during the year | Closing balance |
|---|---|---|---|---|
| Statutory surplus reserve | 3,032,786,180.00 | 103,776,761.30 | – | 3,136,562,941.30 |

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 52. General risk reserve

**30 June 2026**

*Unit: RMB*

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

31 December 2025

*Unit: RMB*

| Item | Opening balance | Increase during the year | Closing balance |
|---|---|---|---|
| General risk reserve | 497,216,299.67 | – | 497,216,299.67 |

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 53. Retained earnings

*Unit: RMB*

| Items | January to June 2026 | 2025 |
|---|---|---|
| Retained earnings as at the beginning of the period/year | **20,640,609,530.17** | 23,262,404,290.69 |
| Net profit attributable to the shareholders of the parent company | **(2,171,914,414.74)** | (1,009,466,516.70) |
| Less: Interest of perpetual bonds | **503,230,398.62** | 978,896,001.02 |
| Appropriation of surplus reserve | **–** | 103,776,761.30 |
| Distribution of cash dividends | **533,888,556.70** | 533,888,556.70 |
| Others | **–** | 4,233,075.20 |
| Retained earnings at the end of the period/year | **17,431,576,160.11** | 20,640,609,530.17 |

Upon the consideration and approval by the Company's 2025 annual general meeting convened on 4 June 2026, the profit distribution was calculated based on the total share capital of the Company of 10,677,771,134 shares before implementation of the plan, with the distribution of a cash dividend of RMB0.05 per share (tax inclusive) in an aggregate amount of cash dividends of RMB533,888,556.70.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 54. Operating revenue and costs

*Unit: RMB*

| Items | January to June 2026 | | January to June 2025 | |
|---|---|---|---|---|
| | Revenue | Costs | Revenue | Costs |
| Principal operations | **35,630,487,508.67** | **32,370,384,327.83** | 45,220,417,862.22 | 40,447,547,583.18 |
| Other operations | **285,690,025.20** | **104,672,515.52** | 345,297,218.87 | 162,694,715.33 |
| **Total** | **35,916,177,533.87** | **32,475,056,843.35** | 45,565,715,081.09 | 40,610,242,298.51 |

Operating revenue are as follows:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Revenue from contracts with customers | **34,958,839,214.34** | 44,453,324,933.08 |
| Rental income | **844,862,863.72** | 1,003,228,447.48 |
| *Including: Rental income from investment properties* | **648,681,199.71** | 849,337,373.52 |
| *Other rental income* | **196,181,664.01** | 153,891,073.96 |
| Interest income | **112,475,455.81** | 109,161,700.53 |
| **Total** | **35,916,177,533.87** | 45,565,715,081.09 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 54. Operating revenue and costs (Continued)

Disaggregated operating revenue is as follows:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Types of goods | | |
| Sale of products | **14,520,115,942.39** | 14,437,594,170.88 |
| Sale of properties | **1,416,907,945.62** | 3,498,246,475.46 |
| Income from decoration | **757,347,185.28** | 1,203,574,911.84 |
| Rental income | **844,862,863.72** | 1,003,228,447.48 |
| Property management | **636,628,588.37** | 603,538,018.43 |
| Treatment of solid wastes | **474,414,110.58** | 364,803,431.16 |
| Hotel operation | **220,026,713.10** | 228,092,197.86 |
| Bulk commodity trade | **16,149,176,572.03** | 22,704,631,671.47 |
| Logistics and transportation | **432,501,058.64** | 1,071,831,239.23 |
| Interest income | **112,475,455.81** | 109,161,700.53 |
| Others | **351,721,098.33** | 341,012,816.75 |
| **Total** | **35,916,177,533.87** | 45,565,715,081.09 |
| Operating regions | | |
| North China | **26,834,246,693.49** | 34,294,394,075.82 |
| Overseas | **4,738,229,566.62** | 5,428,368,299.53 |
| East China | **1,499,186,030.82** | 2,209,626,535.10 |
| Northwest China | **784,799,086.10** | 1,147,683,399.36 |
| Northeast China | **791,080,869.16** | 994,440,130.28 |
| Southwest China | **785,239,101.32** | 804,907,443.11 |
| Central China | **450,702,362.60** | 575,983,727.09 |
| South China | **32,693,823.76** | 110,311,470.80 |
| **Total** | **35,916,177,533.87** | 45,565,715,081.09 |
| Time of transfer of goods | | |
| At a point in time | **32,870,422,617.01** | 42,053,316,373.79 |
| Over time | **3,045,754,916.86** | 3,512,398,707.30 |
| **Total** | **35,916,177,533.87** | 45,565,715,081.09 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 54. Operating revenue and costs (Continued)

Disaggregated operating costs are as follows:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Types of goods | | |
| Sale of products | **12,748,175,154.23** | 11,515,884,273.02 |
| Sale of properties | **1,458,731,644.71** | 3,246,722,958.64 |
| Income from decoration | **558,241,681.43** | 816,592,744.64 |
| Rental income | **46,428,778.64** | 103,859,625.40 |
| Property management | **494,725,694.95** | 461,450,156.90 |
| Treatment of solid wastes | **346,414,915.83** | 264,106,171.75 |
| Hotel operation | **140,658,260.80** | 140,731,290.77 |
| Bulk commodity trade | **16,093,298,393.48** | 22,621,658,548.06 |
| Logistics and transportation | **419,177,262.64** | 1,098,539,432.62 |
| Interest income | **–** | – |
| Others | **169,205,056.64** | 340,697,096.71 |
| **Total** | **32,475,056,843.35** | 40,610,242,298.51 |
| Operating regions | | |
| North China | **24,061,150,906.62** | 30,406,313,219.76 |
| Overseas | **4,654,913,772.40** | 5,324,991,865.30 |
| East China | **1,449,246,449.38** | 2,122,216,290.61 |
| Northwest China | **623,753,030.61** | 804,182,020.16 |
| Northeast China | **573,007,096.59** | 692,734,838.74 |
| Southwest China | **700,735,407.36** | 707,218,241.23 |
| Central China | **377,000,687.74** | 453,944,556.86 |
| South China | **35,249,492.65** | 98,641,265.85 |
| **Total** | **32,475,056,843.35** | 40,610,242,298.51 |
| Time of transfer of goods | | |
| At a point in time | **30,888,587,511.70** | 38,823,502,309.05 |
| Over time | **1,586,469,331.65** | 1,786,739,989.46 |
| **Total** | **32,475,056,843.35** | 40,610,242,298.51 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 54. Operating revenue and costs (Continued)

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

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

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 55. Tax and surcharges

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Real estate tax | **219,724,841.53** | 240,876,736.54 |
| Resource tax | **114,649,506.63** | 109,824,642.12 |
| Urban and rural land use tax | **100,157,782.03** | 100,705,521.35 |
| City maintenance and construction tax | **49,868,551.42** | 62,306,034.46 |
| Education surcharges | **38,769,398.86** | 50,031,006.09 |
| Stamp duty | **35,733,682.08** | 47,019,033.19 |
| Land appreciation tax | **23,013,122.20** | 218,858,433.99 |
| Green tax | **17,321,948.72** | 20,423,583.50 |
| Vehicle and vessel tax | **712,304.45** | 648,860.54 |
| Others | **3,300,509.69** | 2,568,513.14 |
| **Total** | **603,251,647.61** | 853,262,364.92 |

### 56. Selling expenses

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Employee remuneration | **502,529,148.71** | 547,873,663.07 |
| Agency intermediary fee | **189,687,385.16** | 196,742,247.43 |
| Office expenses | **173,584,214.55** | 174,614,737.10 |
| Advertisement fee | **125,787,188.79** | 128,359,401.99 |
| Lease fee | **24,044,307.16** | 49,046,652.56 |
| Transportation and travel expenses | **12,322,544.25** | 20,812,323.21 |
| Others | **17,081,410.92** | 18,859,480.38 |
| **Total** | **1,045,036,199.54** | 1,136,308,505.74 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 57. Administrative expenses

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Employee remuneration | **1,536,086,474.22** | 1,654,327,126.67 |
| Office expenses | **513,204,535.76** | 513,547,095.57 |
| Loss on shut down | **357,359,105.21** | 418,310,495.43 |
| Intermediary service fees | **102,549,740.49** | 115,981,597.76 |
| Lease fee | **73,588,817.60** | 90,535,597.39 |
| Sewage and afforestation fees | **14,609,713.56** | 19,076,523.36 |
| Others | **595,411,561.60** | 611,790,173.27 |
| **Total** | **3,192,809,948.44** | 3,423,568,609.45 |

### 58. Research and development expenses

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Employee remuneration | **183,887,385.63** | 201,499,531.40 |
| Material and equipment cost | **65,752,285.97** | 76,021,757.45 |
| Others | **71,318,779.61** | 79,144,162.95 |
| **Total** | **320,958,451.21** | 356,665,451.80 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 59. Finance costs

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Interest expense | **1,561,181,556.53** | 1,908,694,741.87 |
| Less: Interest income | **(39,621,082.60)** | (91,289,093.43) |
| Less: Amount of capitalized interest | **(220,300,757.54)** | (382,224,440.61) |
| Exchange gains | **6,083,977.00** | (6,166,317.88) |
| Handling charges | **13,400,533.78** | 15,697,298.55 |
| Others | **13,981,616.06** | 13,029,164.00 |
| **Total** | **1,334,725,843.23** | 1,457,741,352.50 |

From January to June 2026, the amount of capitalised borrowing costs has been included in construction in progress of RMB3,450,398.98 (from January to June 2025: RMB2,315,186.80) and costs for properties under development of RMB216,850,358.56 (from January to June 2025: RMB379,909,253.81).

### 60. Other gains

Government subsidies in relation to the ordinary activities are as follows:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 | Related to assets/gains |
|---|---|---|---|
| Refunds of VAT | **75,696,537.30** | 89,898,859.96 | Related to gains |
| Income from other subsidies | **127,637,823.03** | 216,969,348.39 | Related to gains |
| Grants on sale of heat | **2,712,400.00** | 3,876,300.00 | Related to assets/gains |
| **Total** | **206,046,760.33** | 310,744,508.35 | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 61. Investment gains

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Interest income from financial assets during the holding period | **35,007,928.82** | 26,451,839.88 |
| Investment gains from other non-current financial assets during the holding period | **9,671,800.49** | 3,271,738.41 |
| Dividend income from investment in other equity instruments during the holding period | **6,658,251.87** | 6,628,782.33 |
| Investment gains from disposal of financial assets | **580,892.08** | 23,173,416.70 |
| Gains from long-term equity investments under equity method | **(79,255,841.80)** | (91,260,867.36) |
| Investment gains from disposal of long-term equity investments | **–** | 273,339,396.60 |
| Others | **(2,447,908.38)** | 6,493,560.94 |
| **Total** | **(29,784,876.92)** | 248,097,867.50 |

### 62. Gains from changes in fair value

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Investment properties measured at fair value | **(59,138,663.01)** | 203,080,134.47 |
| Hedging business | **557,419.92** | 368,491.44 |
| Financial assets at fair value through profit or loss | **39,730,608.93** | (18,601,258.10) |
| **Total** | **(18,850,634.16)** | 184,847,367.81 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 63. Credit impairment losses

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Reversal of bad debts of other receivables | **12,208,543.51** | 2,700,628.14 |
| Reversal/(losses) of bad debts of bills receivables | **3,063,922.35** | (109,192.21) |
| Reversal/(losses) of bad debts of long-term receivables | **1,837,384.29** | (1,963,780.04) |
| Losses on bad debts of accounts receivable | **(58,679,418.22)** | (51,634,681.90) |
| **Total** | **(41,569,568.07)** | (51,007,026.01) |

### 64. Asset impairment losses

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Losses on decline in value of inventory | **(1,430,083.82)** | (41,124,077.28) |
| Losses on impairment of contract assets | **4,438,840.97** | 4,186,499.95 |
| Reversal of/(losses on) impairment of prepayments | **45,166.91** | (3,336,317.68) |
| Losses on impairment of fixed assets | **–** | (22,243,256.99) |
| **Total** | **3,053,924.06** | (62,517,152.00) |

### 65. Gains on disposal of assets

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Gains on disposal of intangible assets | **165,823,729.37** | 145,607,230.38 |
| Gains on disposal of fixed assets | **13,601,531.96** | 52,650,533.83 |
| Others | **2,275,271.41** | 6,725,183.74 |
| **Total** | **181,700,532.74** | 204,982,947.95 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 66. Non-operating income

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 | Recognised in non-recurring profit and loss for January to June 2026 |
|---|---|---|---|
| Unpayable amounts | **40,618,658.19** | 42,830,346.59 | 40,618,658.19 |
| Gains on retirement of non-current assets | **15,381,735.59** | 9,990,337.97 | 15,381,735.59 |
| Net gains from fines | **11,248,055.26** | 18,432,342.28 | 11,248,055.26 |
| Government grants | **945,632.39** | 1,205,647.98 | 945,632.39 |
| Others | **55,087,157.07** | 87,062,878.00 | 55,087,157.07 |
| **Total** | **123,281,238.50** | 159,521,552.82 | 123,281,238.50 |

### 67. Non-operating expenses

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 | Recognised in non-recurring profit and loss for January to June 2026 |
|---|---|---|---|
| Losses on retirement of non-current assets | **16,318,933.48** | 6,615,995.79 | 16,318,933.48 |
| Including: Losses on retirement of fixed assets | **16,318,933.48** | 6,615,995.79 | 16,318,933.48 |
| Expenses on compensation, penalties and fines | **7,537,467.17** | 29,702,149.15 | 7,537,467.17 |
| Other expenses | **6,824,907.46** | 16,653,509.14 | 6,824,907.46 |
| **Total** | **30,681,308.11** | 52,971,654.08 | 30,681,308.11 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 68. Expenses by nature

The supplemental information on the Group's operating costs, selling expenses, administrative expenses and R&D expenditure by nature is as follows:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Procurement costs of tradable goods | **16,093,298,393.48** | 22,621,658,548.06 |
| Consumption of raw materials | **10,668,744,031.75** | 9,352,619,899.68 |
| Employee remunerations | **3,761,988,092.75** | 3,856,939,494.26 |
| Depreciation and amortisation | **2,299,757,388.73** | 2,604,256,716.95 |
| Cost of sales of real estate | **1,458,731,644.71** | 3,226,811,556.12 |
| Fuel and energy costs | **1,178,537,095.28** | 1,165,488,025.09 |
| Logistics and transportation costs | **419,177,262.64** | 1,098,539,432.62 |
| Transportation fee | **666,840,962.49** | 637,747,013.68 |
| Maintenance expenses | **383,099,113.07** | 403,623,031.09 |
| Intermediary fee | **292,237,125.65** | 312,723,845.19 |
| Advertisement fee | **138,027,580.81** | 149,287,682.38 |
| Rentals | **132,511,741.97** | 144,494,977.73 |
| Administrative expenses | **28,768,034.52** | 31,086,965.33 |
| Changes in inventory of finished goods and work in progress | **(1,232,272,767.74)** | (789,135,405.56) |
| Others | **744,415,742.43** | 710,643,082.88 |
| **Total** | **37,033,861,442.54** | 45,526,784,865.50 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 69. Income tax expense

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Current income tax expense | **196,541,901.14** | (295,441,645.30) |
| Deferred income tax expense | **163,704,862.22** | 873,930,726.27 |
| **Total** | **360,246,763.36** | 578,489,080.97 |

A reconciliation of income tax expense and total profit is set out as follows:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Total profit | **(2,662,465,331.14)** | (1,330,375,089.49) |
| Income tax expense at the statutory income tax rate | **(665,616,332.79)** | (332,593,772.37) |
| Effect of different tax rates of subsidiaries | **595,177.96** | (4,278,253.54) |
| Effect of adjustments on the income tax of previous periods | **9,648,983.64** | 9,782,540.83 |
| Profits and losses attributable to joint ventures and associates | **19,813,960.45** | 22,815,216.84 |
| Effect of income not subject to tax | **(6,586,125.18)** | (6,367,196.98) |
| Effect of non-deductible costs, expenses and losses | **6,417,606.46** | 7,760,579.92 |
| Effect of deductible temporary differences or deductible losses for which deferred income tax assets are not recognized in the current period | **904,549,140.30** | 881,369,966.27 |
| Reversal of deductible losses on deferred income tax asset previously recognized | **91,424,352.52** | – |
| **Income tax expense at the effective tax rate of the Group** | **360,246,763.36** | 578,489,080.97 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 70. Earnings per share

| Items | January to June 2026 RMB/share | January to June 2025 RMB/share |
|---|---|---|
| Earnings | | |
| Net profit for the period attributable to shareholders of the Company | **(2,171,914,414.74)** | (1,495,582,382.78) |
| Less: Interests on other equity instrument | **503,230,398.62** | 527,035,424.65 |
| Shares | | |
| Weighted average number of outstanding ordinary shares of the Company | **10,677,771,134.00** | 10,677,771,134.00 |
| Basic earnings per share – continuing operations | **(0.25)** | (0.19) |

The calculation of the basic earnings per share is based on the net profit for the period attributable to ordinary shareholders of the Company after deducting the interests on other equity instruments divided by the weighted average number of outstanding ordinary shares.

As the Group recorded losses during the period and considering that a potential dilution of ordinary shares would have an anti-dilutive effect, the diluted earnings per share shall not apply.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 71. Notes to items of statement of cash flows

#### *(1) Cash related to operating activities*

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Cash received from other operating activities | | |
| Interest income received | **26,534,725.47** | 77,970,973.75 |
| Recovery of principal and interest on financing sale-leaseback | **101,390,869.29** | 175,248,536.10 |
| Deposit and amounts collected on behalf, disbursements previously made and payment on behalf | **367,555,548.28** | 209,636,506.05 |
| Current accounts and other current account | **217,459,076.98** | 408,806,102.65 |
| **Total** | **712,940,220.02** | 871,662,118.55 |
| Cash paid for other operating activities | | |
| Selling and administrative expenses paid | **1,727,322,844.29** | 1,680,914,640.64 |
| Principal on financing sale-leaseback | **133,852,127.01** | – |
| Deposit and other amounts paid | **380,877,067.49** | 960,698,796.19 |
| Other current accounts | **778,056,016.51** | 448,675,461.78 |
| **Total** | **3,020,108,055.30** | 3,090,288,898.61 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 71. Notes to items of statement of cash flows (Continued)

#### *(2) Cash related to investing activities*

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Cash received from recovery of investment | | |
| Redemption of financial assets | **2,177,181,956.70** | 768,793,466.70 |
| Recovery of equity | **18,000,000.00** | – |
| **Total** | **2,195,181,956.70** | 768,793,466.70 |
| Cash paid for investments | | |
| Payment for equity | **106,758,294.54** | 44,099,999.99 |
| Purchase of financial assets | **3,811,906,328.02** | 1,787,889,071.71 |
| **Total** | **3,918,664,622.56** | 1,831,989,071.70 |
| Cash received from other investing activities | | |
| Collection of the principal and interest of borrowings from associates | **210,152,492.72** | 328,304,068.44 |
| **Total** | **210,152,492.72** | 328,304,068.44 |
| Cash paid for other investing activities | | |
| Payment of borrowings from associates | – | 173,913,998.09 |
| Payment of borrowings from other companies | – | 267,000,000.00 |
| Payment for trust products | **318,096,580.80** | 180,000,000.00 |
| **Total** | **318,096,580.80** | 620,913,998.09 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 71. Notes to items of statement of cash flows (Continued)

#### *(3) Cash related to financing activities*

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Cash received from other financing activities | | |
| Borrowings received from minority shareholders | **85,000,000.00** | 154,684,671.97 |
| Payment for equipment finance lease received | **279,856,842.74** | – |
| Commercial mortgage-backed securities | **–** | 1,657,000,000.00 |
| Proceeds from the subscription of incentive equity | **–** | 90,637,800.00 |
| **Total** | **364,856,842.74** | 1,902,322,471.97 |
| Cash paid for other financing activities | | |
| Payment for acquisition of minority interests | **426,171,300.00** | 19,800,000.00 |
| Repayment of borrowings of minority shareholders | **15,000,000.00** | 180,000,000.00 |
| Principal and interest of lease liabilities | **55,587,203.65** | 75,441,929.66 |
| Repayment of external borrowings | **157,620,275.59** | 35,395,871.51 |
| Payment for repurchase and cancellation of shares under equity incentive plan | **6,719,993.80** | – |
| **Total** | **661,098,773.04** | 310,637,801.17 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 71. Notes to items of statement of cash flows (Continued)

#### *(3) Cash related to financing activities (Continued)*

*The changes in liabilities generated from financing activities*

*Unit: RMB*

| | | Increase during the period | | Decrease during the period | | |
|---|---|---|---|---|---|---|
| **Items** | Opening balance | Cash changes | Non-cash changes | Cash changes | Non-cash changes | **Closing balance** |
| Short-term borrowings | 25,676,730,398.34 | 17,302,542,980.21 | – | 14,624,558,776.94 | – | **28,354,714,601.61** |
| Interest payable | – | – | 1,300,533,242.05 | 1,300,533,242.05 | – | **–** |
| Dividends payable | 482,027,356.76 | – | 1,145,656,827.87 | 732,983,728.20 | – | **894,700,456.43** |
| Long-term borrowings (including the portion due within one year) | 75,027,379,410.21 | 15,344,630,632.03 | – | 12,451,528,064.95 | – | **77,920,481,977.29** |
| Bonds payable (including the portion due within one year) | 21,705,260,107.13 | 999,700,000.00 | 285,630,207.53 | 1,037,108,575.52 | – | **21,953,481,739.14** |
| Lease liabilities (including the portion due within one year) | 525,125,946.65 | – | 24,322,046.15 | 55,587,203.65 | – | **493,860,789.15** |
| Short-term financing notes payable | 1,000,644,383.56 | – | 1,933,150.69 | 1,002,577,534.25 | – | **–** |
| Other non-current liabilities | 1,658,378,539.18 | – | 19,759,890.56 | 20,883,476.72 | – | **1,657,254,953.02** |
| **Total** | 126,075,546,141.83 | 33,646,873,612.24 | 2,777,835,364.85 | 31,225,760,602.28 | – | **131,274,494,516.64** |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 72. Supplemental information to statement of cash flows

#### *(1) Supplemental information to statement of cash flows*

Reconciliation of net profit to cash flows from operating activities:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Net profit | **(3,022,712,094.50)** | (1,908,864,170.46) |
| Add: Losses on credit impairment | **41,569,568.07** | 51,007,026.01 |
| Asset impairment (gains)/losses | **(3,053,924.06)** | 62,517,152.00 |
| Depreciation of fixed asset | **1,729,767,584.58** | 1,958,887,066.30 |
| Depreciation of right-of-use assets | **92,129,149.64** | 92,018,888.75 |
| Amortisation of intangible assets | **306,078,693.42** | 371,643,816.45 |
| Amortisation of long-term deferred expenditures | **171,781,961.09** | 181,706,945.45 |
| Gains from disposal of fixed assets, intangible assets and other long-term assets | **(181,700,532.74)** | (204,982,947.95) |
| Losses/(gains) on retirement of fixed assets | **937,197.89** | (3,374,342.18) |
| Losses/(gains) from changes in fair value | **18,850,634.16** | (184,847,367.81) |
| Finance costs | **1,342,444,470.22** | 1,500,032,165.61 |
| Investment losses/(gains) | **29,784,876.92** | (248,097,867.50) |
| Decrease in deferred income tax assets | **229,748,431.47** | 864,528,510.53 |
| (Decrease)/increase in deferred income tax liabilities | **(66,043,569.25)** | 23,434,812.11 |
| Increase in inventories | **(1,796,219,654.04)** | (2,757,762,406.98) |
| Increase in operating receivables | **(3,842,205,659.71)** | (6,160,321,910.16) |
| Increase in operating payables | **7,626,471,224.31** | 4,839,000,452.92 |
| Amount that the combination cost is less than the fair value of identifiable net assets acquired | **–** | (14,346,710.40) |
| **Net cash flows from/(used in) operating activities** | **2,677,628,357.47** | (1,537,820,887.31) |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 72. Supplemental information to statement of cash flows (Continued)

#### *(1) Supplemental information to statement of cash flows (Continued)*

Material financing activities not involving cash:

*Unit: RMB*

| Item | January to June 2026 | January to June 2025 |
|---|---|---|
| Endorsement and transfer of bank acceptance bills received from sale of goods or rendering of services | **2,730,880,418.34** | 4,474,648,823.09 |

Net changes in cash and cash equivalents:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Balance of cash and cash equivalents at the end of the period | **15,551,643,644.34** | 16,134,473,856.82 |
| Less: Balances of cash and cash equivalents at the beginning of the period | **13,646,993,204.36** | 14,870,850,675.58 |
| **Net increase in cash and cash equivalents** | **1,904,650,439.98** | 1,263,623,181.24 |

#### *(2) Composition of cash and cash equivalents*

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Cash | **15,551,643,644.34** | 13,646,993,204.36 |
| *Including: Cash on hand* | **175,377.60** | 236,628.28 |
| *Bank deposits on demand* | **15,551,468,266.74** | 13,646,756,576.08 |
| **Balance of cash and cash equivalents at end of the period** | **15,551,643,644.34** | 13,646,993,204.36 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 73. Foreign currency monetary items

*Unit: RMB*

| | 30 June 2026 | | | 31 December 2025 | | |
|---|---|---|---|---|---|---|
| Items | Original currency | Exchange rate | As RMB | Original currency | Exchange rate | As RMB |
| Cash and bank balances | | | | | | |
| USD | 25,338,405.04 | 6.81 | 172,577,342.89 | 29,267,042.00 | 7.03 | 205,712,184.81 |
| EUR | 517,500.91 | 7.77 | 4,019,481.32 | 517,000.28 | 8.24 | 4,257,755.81 |
| HKD | 36,823.37 | 0.87 | 31,984.78 | 29,305.78 | 0.90 | 26,468.98 |
| ZAR | 514,327,905.48 | 0.41 | 213,137,484.03 | 445,299,838.83 | 0.42 | 188,094,651.92 |
| Accounts receivable | | | | | | |
| USD | 3,891,490.17 | 6.81 | 26,504,550.40 | 320,773.00 | 7.03 | 2,254,649.26 |
| EUR | 25,000.00 | 7.77 | 194,177.50 | – | 8.24 | – |
| Bills receivable | | | | | | |
| USD | 43,707,817.34 | 6.81 | 297,689,573.12 | 33,569,782.79 | 7.03 | 235,955,289.27 |
| Other receivables | | | | | | |
| USD | 36,039,967.35 | 6.81 | 245,464,613.62 | 40,126,807.85 | 7.03 | 282,043,307.02 |
| EUR | 517,000.00 | 7.77 | 4,015,590.70 | – | 8.24 | – |
| HKD | 21,747,941.00 | 0.87 | 18,890,261.55 | 21,747,941.00 | 0.90 | 19,642,740.31 |
| JPY | 500.00 | 0.04 | 21.00 | 500.00 | 0.04 | 22.40 |
| ZAR | 50,000.00 | 0.41 | 20,720.00 | – | 0.42 | – |
| Total foreign currency monetary assets | | | 982,545,800.91 | | | 937,987,069.78 |
| Accounts payable | | | | | | |
| ZAR | 42,990,922.67 | 0.41 | 17,815,438.35 | 43,266,217.01 | 0.42 | 18,275,650.07 |
| USD | 12,858,872.85 | 6.81 | 87,580,497.09 | 4,833,088.73 | 7.03 | 33,970,814.07 |
| JPY | 5,932,118.29 | 0.04 | 249,148.97 | 382,438.00 | 0.04 | 17,133.22 |
| EUR | 16,970.80 | 7.77 | 131,813.90 | – | 8.24 | – |
| Bills payable | | | | | | |
| USD | 56,535,738.72 | 6.81 | 385,059,262.85 | 61,528,072.85 | 7.03 | 432,468,518.45 |
| Tax payable | | | | | | |
| USD | – | 6.81 | – | 247,653.00 | 7.03 | 1,740,703.41 |
| HKD | 22,794.32 | 0.87 | 19,799.15 | – | 0.90 | – |
| EUR | 13.81 | 7.77 | 107.26 | – | 8.24 | – |
| JPY | 0.45 | 0.04 | 0.02 | – | 0.04 | – |
| Other payables | | | | | | |
| ZAR | 28,248,127.61 | 0.41 | 11,706,024.08 | 20,802,981.51 | 0.42 | 8,787,179.39 |
| USD | 94,386.20 | 6.81 | 642,854.97 | – | 7.03 | – |
| Total foreign currency monetary liabilities | | | 503,204,946.64 | | | 495,259,998.61 |
| **Net foreign currency monetary assets** | | | 479,340,854.27 | | | 442,727,071.17 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 74. Lease

#### *(1) As lessee*

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Interest expense of leasing liabilities | **15,085,206.02** | 18,891,573.18 |
| Expenses relating to short-term leases accounted for current profit or loss under the simplified approach | **126,613,823.44** | 135,825,279.07 |
| Lease expenses relating to low value asset accounted for current profit or loss under the simplified approach (other than short-term leases) | **5,897,918.53** | 8,669,698.66 |
| **Total cash outflow for leases** | **188,098,945.62** | 228,358,135.59 |

#### *(2) As lessor*

*Finance leases*

The profit or loss relating to finance leases is as follows:

*Unit: RMB*

| Item | January to June 2026 | January to June 2025 |
|---|---|---|
| Finance income on the net investment in the lease | **15,351,185.11** | 21,973,181.75 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 74. Lease (Continued)

#### (2) As lessor (Continued)

According to the lease contracts entered into with lessees, the undiscounted minimum lease receivables are as follows:

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year (inclusive of 1 year) | **374,345,198.99** | 450,860,277.69 |
| 1 to 2 years (inclusive of 2 years) | **275,221,652.21** | 317,589,829.42 |
| 2 to 3 years (inclusive of 3 years) | **167,051,141.31** | 215,836,958.94 |
| 3 to 4 years (inclusive of 4 years) | **105,053,110.63** | 91,047,312.30 |
| 4 to 5 years (inclusive of 5 years) | **60,455,368.79** | – |
| **Subtotal** | **982,126,471.93** | 1,075,334,378.35 |
| Less: Unrealised finance income | **79,668,743.15** | 82,749,856.06 |
| **Net investment in the lease** | **902,457,728.78** | 992,584,522.29 |

*Operating leases*

The profit or loss relating to operating leases is as follows:

*Unit: RMB*

| Item | January to June 2026 | January to June 2025 |
|---|---|---|
| Rental income | **812,649,305.12** | 940,288,129.15 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

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

### 74. Lease (Continued)

#### *(2) As lessor (Continued)*

According to the lease contracts entered into with lessees, the undiscounted minimum lease receivables are as follows:

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year (inclusive of 1 year) | **1,079,418,810.61** | 1,158,477,840.02 |
| 1 to 2 years (inclusive of 2 years) | **746,272,594.89** | 812,849,974.81 |
| 2 to 3 years (inclusive of 3 years) | **412,424,270.44** | 536,014,677.31 |
| 3 to 4 years (inclusive of 4 years) | **220,005,267.59** | 187,077,051.93 |
| 4 to 5 years (inclusive of 5 years) | **165,885,845.50** | 162,315,433.86 |
| Over 5 years | **222,887,195.13** | 177,011,860.78 |
| **Total** | **2,846,893,984.16** | 3,033,746,838.71 |

Please refer to Note V. 18 and Note V. 19 for details of investment properties and fixed assets leased under operating leases.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VI. CHANGE IN SCOPE OF CONSOLIDATION

### 1. Deregistration of subsidiaries

The Group deregistered 3 subsidiaries during the period. The relevant information is as follows:

| Company | Proportion of shareholding before deregistration (%) | Reason for not being a subsidiary |
|---|---|---|
| Zhuxin (Hebei Xiong'an) Inspection and Testing Co., Ltd. (築信(河北雄安)檢驗檢測有限公司) | 100.00 | Deregistration |
| Tangshan Qianxi Jidong Concrete Co., Ltd. | 100.00 | Deregistration |
| Lingshou Jidong Cement Co., Ltd. (靈壽冀東水泥有限責任公司) | 100.00 | Deregistration |

### 2. Establishment of new subsidiaries

The Group established 3 subsidiaries during the period. The relevant information is as follows:

| Company | Acquired method | Percentage of shareholding (%) |
|---|---|---|
| BBMG Coating Engineering Co., Ltd. (北京金隅塗裝工程有限責任公司) | Establishment | 100.00 |
| BBMG Digital Intelligence Technology Co., Ltd. (北京金隅數智科技有限公司) | Establishment | 100.00 |
| Jinyu Business Management (Tianjin) Co., Ltd. (金隅商業管理(天津)有限公司) | Establishment | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES

### 1. Interests in the subsidiaries

Information of the Company's major subsidiaries is as follows:

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment** | | | | | |
| Beijing BBMG Concrete Co., Ltd. | Beijing | Processing of commodity concrete etc. | 46,541.04 | – | 100.00 |
| Handan BBMG Taihang Shangtong Technology Co., Ltd. | Hebei | Manufacture and sale of concrete | 6,600.00 | – | 100.00 |
| Wei County BBMG Concrete Co., Ltd. | Hebei | Manufacture and sale of concrete | 1,000.00 | – | 92.00 |
| Handan Hanshan BBMG Concrete Co., Ltd. | Hebei | Manufacture and sale of commercial concrete and crushed stone | 3,000.00 | – | 92.00 |
| Handan Jinyu Chenxiang Concrete Co., Ltd. | Hebei | Manufacture and sale of concrete | 3,000.00 | – | 92.00 |
| Beijing BBMG Coating Co., Ltd. | Beijing | Manufacture of coating; professional contracting | 15,720.00 | – | 100.00 |
| BBMG New Building Materials Industrialization Group Co., Ltd. | Beijing | Manufacture and sale of building materials | 527,795.20 | 100.00 | – |
| Beijing Sanchong Mirror (Dachang) Co., Ltd. | Beijing | Manufacture and sale of glass made spectacle lenses | 5,800.00 | – | 100.00 |
| Beijing Jinyu Energy-Saving Materials & Technology (Dachang) Co., Ltd. | Hebei | Manufacture and sale of building materials | 34,763.12 | – | 100.00 |
| Beijing Jiandu Design and Research Institute Co., Ltd. | Beijing | Design of modern building materials, etc. | 6,000.00 | – | 100.00 |
| Beijing Jinyu Aerated Concrete Co., Ltd. | Beijing | Manufacture and sale of aerated concrete products etc. | 10,000.00 | – | 100.00 |
| Beijing BBMG Business and Trading Co., Ltd. | Beijing | Wholesale of building materials and metal materials etc. | 66,000.00 | – | 100.00 |
| BBMG Mortar Co., Ltd. | Beijing | Manufacture and sale of dry and mixed mortar | 56,007.79 | – | 100.00 |
| BBMG (Dachang) Modern Industrial Park Management Co., Ltd. | Hebei | Manufacture of various modern building materials etc. | 100,795.08 | – | 100.00 |
| Beijing Building Materials Academy of Sciences Research Co., Ltd. | Beijing | Research, manufacture and sale of building materials etc. | 24,385.00 | 100.00 | – |
| Beijing BBMG Tiantan Furniture Co., Ltd. (Note 1) | Beijing | Manufacture, processing, and sale of furniture etc. | 40,818.28 | – | 97.81 |
| BBMG Residential Industrialization (Tangshan) Co., Ltd. | Hebei | Manufacture and sale of building materials | 46,429.24 | – | 100.00 |
| Beijing Building Materials Testing Academy Co., Ltd. (Note 1) | Beijing | Testing for building material quality etc. | 12,380.75 | 39.43 | – |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Beijing Concrete World Magazine Co., Ltd. | Beijing | Releasing and publishing of Concrete World Magazine; advertising design and production | 30.00 | – | 100.00 |
| Beijing Dacheng Changrun Properties Limited | Beijing | Property development and operation | 1,000.00 | – | 91.00 |
| Beijing BBMG Konggang Development Co., Ltd. | Beijing | Property development | 10,000.00 | – | 95.00 |
| BBMG Xingda Real Estate Development Co., Ltd. | Beijing | Property development and operation | 109,500.00 | – | 100.00 |
| Chongqing BBMG Dacheng Property Development Co., Ltd. | Chongqing | Property development and consultation etc. | 87,000.00 | – | 100.00 |
| Chongqing BBMG Dacheng Shanshui Real Estate Co., Ltd. | Chongqing | Property development and sale of housing, etc. | 49,250.00 | – | 100.00 |
| Chongqing BBMG Dacheng New Metropolis Co., Ltd. | Chongqing | Property development; sale of commodity housing etc. | 150,000.00 | – | 100.00 |
| Chengdu BBMG Dacheng Property Development Co., Ltd. | Sichuan | Property development etc. | 75,500.00 | – | 100.00 |
| Chengdu BBMG Yuehuang Real Estate Co., Ltd. | Sichuan | Property development | 5,000.00 | – | 100.00 |
| Shanghai BBMG Dacheng Property Development Co., Ltd. | Shanghai | Property development and operation, etc. | 100,000.00 | – | 100.00 |
| BBMG Jinghua Property Development Hefei Co., Ltd. | Anhui | Property development | 50,000.00 | – | 100.00 |
| Ningbo BBMG Dacheng Property Development Co., Ltd. | Zhejiang | Property development and operation, etc. | 5,000.00 | – | 100.00 |
| BBMG Jingyuan (Ningbo) Real Estate Development Co., Ltd. | Zhejiang | Property development | 20,000.00 | – | 100.00 |
| Beijing Longyuan Real Estate Development Co., Ltd. | Beijing | Property development and operation | 116,100.00 | – | 100.00 |
| Qingdao Jinyu Chuangzhi Real Estate Development Co., Ltd. | Shandong | Property development and operation | 118,800.00 | – | 100.00 |
| Tianjin Jinyu Jinli Real Estate Development Co., Ltd. | Tianjin | Property development and operation | 5,000.00 | – | 100.00 |
| BBMG Jindian (Tianjin) Property Development Co., Ltd. | Tianjin | Property development and operation | 257,800.00 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) | |
|---|---|---|---|---|---|
| | | | | Direct | Indirect |
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Chengdu BBMG Jingfeng Real Estate Development Co., Ltd. | Sichuan | Property development | 5,000.00 | – | 100.00 |
| Chengdu BBMG Wancheng Real Estate Development Co., Ltd. | Sichuan | Property development | 5,000.00 | – | 100.00 |
| BBMG Jiahua Nanjing Real Estate Co., Ltd. | Jiangsu | Property development | 50,000.00 | – | 100.00 |
| BBMG Real Estate Development (Hefei) Co., Ltd. | Anhui | Property development and operation | 45,000.00 | – | 100.00 |
| BBMG Properties (Anhui) Co., Ltd. | Anhui | Property development and property management, etc. | 81,500.00 | – | 100.00 |
| Hefei BBMG Jingyun Real Estate Development Co., Ltd. | Anhui | Property development and operation | 5,000.00 | – | 100.00 |
| Tianjin Ershiyi Stations Testing Technology Co., Ltd. | Tianjin | Inspection and identification of building materials products and inspection and identification technical services of construction engineering, etc. | 3,000.00 | – | 100.00 |
| Shaanxi Jinyu Energy-Saving Materials & Technology Co., Ltd. (陝西金隅節能保溫科技有限公司) | Shaanxi | Manufacture and sale of building materials | 12,000.00 | – | 100.00 |
| BBMG (Changzhou) Real Estate Development Co., Ltd. (金隅(常州)房地產開發有限公司) | Jiangsu | Property development and operation | 56,600.00 | – | 100.00 |
| BBMG Yuechao (Hangzhou) Real Estate Development Co., Ltd. (金隅悅潮(杭州)房地產開發有限公司) | Zhejiang | Property development and operation | 117,018.15 | – | 100.00 |
| BBMG Technology Innovation Co., Ltd. (北京金隅科技創新有限公司) | Beijing | Business service industry | 1,000.00 | – | 100.00 |
| Ningbo Yinzhou BBMG Property Management Co., Ltd. (寧波鄞州金隅物業管理有限責任公司) | Zhejiang | Real estate | 100.00 | – | 100.00 |
| Beijing BBMG Finance Lease Co., Ltd. (北京金隅融資租賃有限公司) | Beijing | Financial leasing | 80,000.00 | 100.00 | – |
| BBMG Tianjian Intelligent Logistics (Tianjin) Co., Ltd. (金隅天建智慧物流(天津)有限公司) | Tianjin | Road transportation | 5,000.00 | – | 70.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Hefei Jinzhongjinghu Real Estate Development Co., Ltd. (合肥金中京湖房地產開發有限公司) | Anhui | Business service industry | 12,000.00 | – | 51.00 |
| Beijing Jincheng Property Investment Co., Ltd. (北京金珵置業有限公司) | Beijing | Property development and operation | 1,000.00 | – | 100.00 |
| Hebei Green Building Materials Product Quality Testing Co., Ltd. (河北省綠色建材產品質量檢測有限公司) | Hebei | Professional technical service industry | 4,000.00 | – | 100.00 |
| BBMG Jiaxing Nanjing Real Estate Development Co., Ltd. | Jiangsu | Property development | 10,000.00 | – | 70.00 |
| Beijing BBMG Dongcheng Real Estate Co., Ltd. | Beijing | Property development | 100,000.00 | – | 90.50 |
| Qingdao BBMG Yangguang Property Development Co., Ltd. | Shandong | Property development | 60,000.00 | – | 100.00 |
| BBMG China Railway Noble (Hangzhou) Property Development Co., Ltd. | Zhejiang | Property development and operation, etc. | 50,000.00 | – | 51.00 |
| Shanghai BBMG Jingcheng Property Development Co., Ltd. | Shanghai | Property development | 27,200.00 | – | 100.00 |
| BBMG GEM Real Estate Development Co., Ltd. | Beijing | Property development and operation, etc. | 650,000.00 | 100.00 | – |
| Beijing Jinyu Chaoxin Tiandi Property Investment Co., Ltd. | Beijing | Property development and property management, etc. | 1,000.00 | – | 100.00 |
| Beijing BBMG Changyang GEM Real Estate Development Co., Ltd. | Beijing | Property development and operation, etc. | 237,254.90 | – | 100.00 |
| Beijing BBMG Property Investment Co., Ltd. | Beijing | Sale of self-developed commercial housing | 5,000.00 | – | 70.00 |
| Inner Mongolia BBMG Property Investment Co., Ltd. | Inner Mongolia | Property development and operation, etc. | 20,000.00 | – | 100.00 |
| Tangshan BBMG Julong Property Development Co., Ltd. | Hebei | Property development and operation etc. | 5,000.00 | – | 80.00 |
| Beijing BBMG Chengyuan Property Development Co., Ltd. | Beijing | Property development and sale of commodity housing etc. | 45,944.06 | – | 100.00 |
| Beijing Xisanqi High Tech New Building Material City Management and Development Co., Ltd. | Beijing | Property rental and development etc. | 6,129.76 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Beijing BBMG Innovation and Technology Incubator Co., Ltd. | Beijing | Property management and technology enterprise incubating | 170,000.00 | 100.00 | – |
| BBMG Investment Property Management Co., Ltd. | Beijing | Hotel management | 177,000.00 | 100.00 | – |
| Beijing BBMG Culture Technology Development Co., Ltd. | Beijing | Technology development, transfer, consulting, service | 3,000.00 | – | 68.00 |
| BBMG Commercial Management Co., Ltd. | Beijing | Business management | 1,000.00 | – | 100.00 |
| BBMG Property Management Co., Ltd. | Beijing | Property management | 5,000.00 | – | 100.00 |
| Beijing Jinhaiyan Property Management Co., Ltd. | Beijing | Property management | 1,370.00 | – | 100.00 |
| Beijing Keshi Hardware Co., Ltd. | Beijing | Manufacture of new products such as construction hardware | 30,000.00 | – | 100.00 |
| BBMG Fengshan Hotel Co., Ltd. | Beijing | Accommodation and catering services, etc. | 36,818.91 | – | 100.00 |
| Beijing Jianji Asset Management Co., Ltd. | Beijing | Self-owned property rental, property management etc. | 78,732.78 | – | 100.00 |
| Beijing BBMG Xinggang Technology Development Co., Ltd. | Beijing | Manufacture and sales of aerated concrete panel | 27,480.00 | 55.68 | – |
| Beijing Woodworking Factory Co., Ltd. | Beijing | Manufacture and sale of wood-based panels, etc. | 50,443.00 | 100.00 | – |
| BBMG Finance Co., Ltd. | Beijing | Operation of finance business and financing advisory business etc. | 300,000.00 | 100.00 | – |
| BBMG Finance Lease Co., Ltd. | Tianjin | Finance lease business | (USD) 10,000.00 | 60.00 | 40.00 |
| Beijing Tongda Refractory Engineering Technology Co., Ltd. | Beijing | R&D and manufacture of various new refractory materials, etc. | 11,000.00 | – | 100.00 |
| Gongyi Tongda Zhongyuan Refractory Technology Co., Ltd. | Henan | Manufacture and distribution of refractory materials | 4,000.00 | – | 100.00 |
| Yangquan BBMG Tongda Fire-resistant Materials Co., Ltd. | Shanxi | Manufacture and sale of refractory ceramic products, etc. | 13,500.00 | – | 100.00 |
| Cheng'an BBMG Taihang Concrete Co., Ltd. | Hebei | Manufacture and sale of commodity concrete | 2,500.00 | – | 100.00 |
| Daming BBMG Taihang Concrete Co., Ltd. | Hebei | Sales of concrete and mortar | 1,000.00 | – | 100.00 |
| Guantao BBMG Yuzhen Concrete Co., Ltd. | Hebei | Sales of prefabricated part | 1,000.00 | – | 100.00 |
| Jinyu Han Chao (Hangzhou) Real Estate Development Co., Ltd. | Zhejiang | Property development and operation, etc. | 5,000.00 | – | 100.00 |
| Beijing Yucheng Real Estate Co., Ltd. | Beijing | Property development and operation, etc. | 20,000.00 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Beijing Jianyuan Hotel Co., Ltd. | Beijing | Accommodation and catering services | 1,000.53 | – | 100.00 |
| BBMG Badaling Hotel Co., Ltd. | Beijing | Room rental | 65,420.00 | – | 100.00 |
| Beijing Chengyuan Real Estate Co., Ltd. | Beijing | Property development | 10,000.00 | – | 100.00 |
| Tangshan Jinyu Tiancai Pipe Technology Co., Ltd. | Tianjin | Manufacturing and sales of steel and iron pipes | 50,000.00 | – | 100.00 |
| Huanbohai (Tianjin) International Economic and Trade Co., Ltd. | Tianjin | Import or export of goods or technologies | 20,000.00 | – | 100.00 |
| Tianjin Jinyu Jinchen Real Estate Development Co., Ltd. | Tianjin | Property development and operation, etc. | 50,000.00 | – | 100.00 |
| Beijing BBMG Wangjing Real Estate Co., Ltd. | Beijing | Property management | 5,000.00 | – | 100.00 |
| Beijing BBMG Hotel Management Co., Ltd. | Beijing | Hotel management | 1,000.00 | – | 100.00 |
| Chengde BBMG Real Estate Development Co., Ltd. | Hebei | Property development and operation | 5,000.00 | – | 100.00 |
| Ningbo BBMG Jingsheng Real Estate Development Co., Ltd. | Zhejiang | Property development and operation, etc. | 96,000.00 | – | 100.00 |
| Shaanxi Jinyu Aerated Assembly Parts Co., Ltd. (陝西金隅加氣裝配式部品有限公司) | Shaanxi | Manufacture and sale of aerated concrete products etc. | 21,628.93 | – | 100.00 |
| Beijing Yutai Real Estate Development Co., Ltd. (北京隅泰房地產開發有限公司) | Beijing | Property development and operation, etc. | 48,668.00 | – | 60.00 |
| Nanjing Jinjiarui Real Estate Development Co., Ltd. (南京金嘉瑞房地產開發有限公司) | Jiangsu | Property development and operation, etc. | 3,000.00 | – | 34.00 |
| Zanhuang BBMG Cement Co., Ltd. | Hebei | Manufacture and sales of cement and clinker | 70,000.00 | – | 100.00 |
| BBMG Cement Trading Co., Ltd. | Beijing | Wholesale cement and cement products, etc. | 50,000.00 | – | 100.00 |
| Beijing BBMG International Supply Chain Service Co., Ltd. (北京金隅國際供應鏈服務有限公司) | Beijing | Supply chain management services, etc. | 230,000.00 | – | 100.00 |
| Chongqing Jinyu Xintuo Hotel Management Co., Ltd. (重慶金隅新拓酒店管理有限公司) | Chongqing | Accommodation services, etc. | 10,000.00 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Beijing Yuyang Real Estate Development Co., Ltd. (北京隅陽房地產開發有限公司) | Beijing | Property development and operation | 123,000.00 | – | 100.00 |
| Beijing Nanyuan Jiasheng Real Estate Co., Ltd. (北京南苑嘉盛置業有限公司) | Beijing | Real estate | 80,000.00 | – | 100.00 |
| Shanghai BBMG Jingpu Real Estate Development Co., Ltd. | Shanghai | Real estate | 96,500.00 | – | 100.00 |
| Liaoning Jinzhong New Material Industry Group Co., Ltd. (遼寧金中新材料產業集團有限公司) | Liaoning | Road transportation | 180,000.00 | – | 50.00 |
| Jinyu Energy-saving Technology (Tianjin) Co., Ltd. (金隅節能科技(天津)有限公司) | Tianjin | Manufacture of chemical raw materials and chemical products | 10,000.00 | – | 100.00 |
| Shanghai Jinyu Jingyang Real Estate Development Co., Ltd. (上海金隅京揚房地產開發有限公司) | Shanghai | Real estate development and operation, residential interior decoration | 59,200.00 | – | 100.00 |
| Suzhou Jinbaoyue Real Estate Development Co., Ltd. (蘇州金保悅房地產開發有限公司) | Jiangsu | Real estate development and operation | 150,000.00 | – | 60.00 |
| Hebei Jinyu Jidong Supply Chain Co., Ltd. (河北金隅冀東供應鏈有限公司) | Hebei | Sale of building materials; sale of cement products, etc. | 10,000.00 | – | 100.00 |
| Henan Jinyu Jidong Supply Chain Co., Ltd. (河南金隅冀東供應鏈有限公司) | Henan | Supply chain management services; sale of building materials, etc. | 5,000.00 | – | 100.00 |
| Beijing Yuxin Real Estate Development Co., Ltd. (北京隅新房地產開發有限公司) | Beijing | Real estate development and operation, residential interior decoration | 226,900.00 | – | 100.00 |
| Beijing Yutong Real Estate Co., Ltd. (北京隅通置業有限公司) | Beijing | Real estate development and operation | 40,000.00 | – | 100.00 |
| Beijing Xingfang New Building Materials Co., Ltd. (北京興房新型建材有限公司) | Beijing | Manufacture of cement products; leasing of machinery and equipment, etc. | 3,000.00 | – | 100.00 |
| Shijiazhuang Jinyu Jinlong Concrete Co., Ltd. (石家莊金隅金龍混凝土有限公司) | Hebei | Manufacture of cement products; sale of cement products, etc. | 3,000.00 | – | 100.00 |
| Shijiazhuang Jinyu Lutong Concrete Co., Ltd. (石家莊金隅鹿砼混凝土有限公司) | Hebei | Manufacture of cement products; sale of cement products, etc. | 3,000.00 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Beijing Haiyu Jianye Real Estate Development Co., Ltd. (北京海隅建業房地產開發有限公司) | Beijing | Real estate development and operation, residential interior decoration, etc. | 100,000.00 | – | 100.00 |
| Tianjin BBMG Concrete Co., Ltd. | Tianjin | Concrete project construction and manufacturing, etc. | 39,590.51 | – | 100.00 |
| Beijing BBMG Xingfa Science and Technology Co., Ltd. | Beijing | Manufacture of cement and clinker, etc. | 131,500.00 | 95.70 | – |
| Jinyu Jingti (Beijing) Sports Culture Co., Ltd. | Beijing | Project operation of sports | 300.00 | – | 100.00 |
| Beijing Doors and Windows Co., Ltd. | Beijing | Manufacture and process of plastics-steel doors and windows | 100.00 | 100.00 | – |
| Guantao BBMG Taihang Concrete Co., Ltd. | Hebei | Manufacture and sale of commodity concrete | 4,000.00 | – | 100.00 |
| Jidong Development Group Co., Ltd. | Hebei | Building materials industry | 247,950.41 | 55.00 | – |
| BBMG Jidong Cement Group Co., Ltd. | Hebei | Manufacture and sales of cement, clinker, relevant building materials and cement equipment, etc. | 265,821.28 | 44.34 | 17.22 |
| Jidong Sand Gravel Aggregate Co., Ltd. | Hebei | Aggregate | 25,000.00 | – | 100.00 |
| Tangshan High Voltage Porcelain Insulator Co., Ltd. | Hebei | Manufacture and sales of high voltage porcelain insulator | 38,000.00 | – | 100.00 |
| Hebei Building Material Industry Design & Research Institution | Hebei | Engineering design for the building materials industry | 4,500.00 | – | 100.00 |
| Tangshan Qixin Cement Industry Museum | Hebei | Cultural relic collection and exhibition to promote national culture, etc. | 15,624.00 | – | 100.00 |
| Tangshan Qixin Jiyi Property Services Co., Ltd. | Hebei | Property service, retail of daily necessities, etc. | 500.00 | – | 100.00 |
| Tangshan Jidong Equipment & Engineering Co., Ltd. (Note 1) | Hebei | Machinery equipment and spare parts and civil installation | 22,700.00 | – | 30.00 |
| Tangshan Jidong Development Machinery and Equipment Manufacturing Co., Ltd. | Hebei | Manufacture and sales of machinery equipment and accessories | 97,000.00 | – | 100.00 |
| Jinyu Rizhang Fan Energy-Conserving Technology (Hebei) Co., Ltd. (formerly known as Jidong Rizhang Energy-Conserving Fan Manufacture Co., Ltd.) | Hebei | State-owned enterprise (machinery manufacturing industry) | 21,400.00 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Tangshan Jidong Development Construction Technology Co., Ltd. (formerly known as Tangshan Jidong Development Yan Dong Construction Co., Ltd.) | Hebei | Construction industry | 50,000.00 | – | 59.00 |
| Jidong Development International Trading Co., Ltd. | Beijing | Import and export and bulk commodity trade | 63,000.00 | – | 100.00 |
| Jidong Development (HK) International Co., Ltd. | Hong Kong | Commodities trading | (USD) 2,000.00 | – | 100.00 |
| Tangshan Dunshi Real Estate Development Co., Ltd. | Hebei | Real estate | 191,100.00 | – | 100.00 |
| Tangshan Jidong Cement Nanhu Property Development Co., Ltd. | Hebei | Real estate | 75,000.00 | – | 100.00 |
| Tangshan Jidong Property Services Co., Ltd. | Hebei | Property service | 300.00 | – | 100.00 |
| Huahai Wind Power Development Co., Ltd. | Hebei | Wind power equipment manufacturing | 15,000.00 | – | 100.00 |
| Tangshan Qixin Building Materials Co., Ltd. | Hebei | Manufacture of cement and cement products | 16,747.00 | – | 100.00 |
| Tangshan Qixin Cement Co., Ltd. | Hebei | Manufacture of limestone, cement and cement clinker, etc. | 23,544.00 | – | 100.00 |
| Jidong Development Group Tangshan Xinxing Knitting Co., Ltd. | Hebei | Knitting processing | 915.98 | – | 100.00 |
| BBMG Jidong Caofeidian Supply Chain Management Co., Ltd. | Hebei | Supply chain management service | 20,000.00 | – | 90.00 |
| Tangshan Jinyu Dunshi Real Estate Development Co., Ltd. | Hebei | Real estate development and operation and property management services | 35,000.00 | – | 100.00 |
| Tianjin Building Materials Group (Holding) Co., Ltd. | Tianjin | Manufacture and sales of building and decorative materials, etc. | 377,059.45 | 90.06 | – |
| Tianjin Jianyu Energy Development Co., Ltd. | Tianjin | Building materials and commerce and logistics | 20,000.00 | – | 51.00 |
| Tianjin Tiancai Hengye Building Materials Co., Ltd. | Tianjin | Building materials and commerce and logistics | 16,526.32 | – | 100.00 |
| Huanbohai Jin'an (Tianjin) Group Holding Co., Ltd. (Note 1) | Tianjin | Property investment management | 19,634.40 | – | 51.66 |
| Tianjin Xincai Property Development Co., Ltd. | Tianjin | Real estate | 32,549.81 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Tianjin Tiancai Xingchen Building Material Co., Ltd. | Tianjin | Property investment management | 42,798.30 | – | 100.00 |
| Beijing Zhiyu Technology Co., Ltd. (北京智隅科技有限公司) (formerly known as Beijing Bengpu Construction Machinery Operation Co., Ltd.) | Beijing | Professional contracting; construction general contracting | 10,000.00 | – | 100.00 |
| Tianjin Binhai New Area Haoyu Investment Co., Ltd. | Tianjin | Real estate development and operation; property management | 10,000.00 | – | 100.00 |
| Beijing Mingzhu Glass Products Co., Ltd. | Beijing | Manufacturing, design and installment of glass products | 50.00 | – | 100.00 |
| Jinyu Concrete Group Co., Ltd. (formerly known as Jinyu Jidong (Tangshan) Concrete Environmental Protection Technology Group Co., Ltd.) | Hebei | Manufacturing and sale of concrete and concrete-based products | 401,584.26 | 55.00 | 45.00 |
| Beijing Jidong Haiqiang Concrete Co., Ltd. | Beijing | Ready-mix commodity concrete, etc. | 2,980.00 | – | 70.00 |
| Beijing Hanxin Concrete Co., Ltd. | Beijing | Production of concrete, etc. | 4,509.97 | – | 70.00 |
| Beijing Hengkun Concrete Co., Ltd. | Beijing | Special goods transportation (in tank), etc. | 15,000.00 | – | 100.00 |
| Tianjin Jidong Haifeng Concrete Co., Ltd. | Tianjin | Wholesale and retail of commodity concrete, etc. | 2,500.00 | – | 100.00 |
| Tianjin Jinbei Jinyu Concrete Co., Ltd. (formerly known as Tianjin Jidong Jinpujiye Concrete Co., Ltd.) | Tianjin | Processing, sales and pouring of ready-mixed concrete, etc. | 4,405.00 | – | 100.00 |
| Tianjin Dongli Jinyu Concrete Co., Ltd. (天津東麗金隅混凝土有限公司) (formerly known as Jidong Concrete (Tianjin) Co., Ltd.) | Tianjin | Production, processing and sale of ready-mixed concrete, etc. | 6,520.00 | – | 100.00 |
| Tangshan Jidong Cement Xujian Concrete Co., Ltd. | Hebei | Production of ready-mixed concrete, etc. | 3,500.00 | – | 70.00 |
| Tangshan Jidong Xingang Concrete Co., Ltd. | Hebei | Production of commodity concrete etc. | 3,360.00 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired through establishment or investment (Continued)** | | | | | |
| Chengde Jinyu Concrete Co., Ltd. (承德金隅混凝土有限公司) (formerly known as Chengde Jidong Hengsheng Concrete Co., Ltd.) | Hebei | Lease of tools and formworks for construction operations, etc. | 2,000.00 | – | 100.00 |
| Hohhot Jidong Cement Concrete Co., Ltd. | Inner Mongolia | Special goods transportation (in tanks) | 7,000.00 | – | 100.00 |
| Jilin Jidong Concrete Co., Ltd. | Jilin | Production of concrete components and products, etc. | 2,000.00 | – | 100.00 |
| **Subsidiaries acquired in business combination not under common control** | | | | | |
| Chongqing Jushi New Building Materials Co., Ltd. | Chongqing | Class III Qualification for ready-mixed commodity concrete professional contracting, etc. | 2,100.00 | – | 100.00 |
| Xinxingzhan (Chongqing) Building Materials Co., Ltd. | Chongqing | Manufacture and sale of commodity concrete | 7,563.07 | – | 100.00 |
| Chongqing Jinyu Concrete Co., Ltd. (formerly known as Jidong Cement (Chongqing) Concrete Co., Ltd.) | Chongqing | Special goods transportation (in tank), etc. | 3,000.00 | – | 100.00 |
| Baoji Jidong Dunshi Concrete Co., Ltd. | Shaanxi | Ready-mixed concrete and pouring projects, etc. | 7,500.00 | – | 100.00 |
| Shenzhou Jinyu Concrete Co., Ltd. (formerly known as Shenzhou Jidong Concrete Co., Ltd.) | Hebei | Manufacture and sales of ready-mixed commercial concrete | 3,000.00 | – | 100.00 |
| Datong Dunshi Concrete Co., Ltd. | Shanxi | Sales and transportation of ready mixed concrete, etc. | 3,600.00 | – | 100.00 |
| Changchun Jidong Cement & Concrete Co., Ltd. | Jilin | Production of concrete, etc. | 3,000.00 | – | 100.00 |
| Huanghua Jinyu Concrete Co., Ltd. (formerly known as Huanghua BBMG Jidong Concrete Co., Ltd.) | Hebei | Sales and transportation of ready-mixed concrete, etc. | 3,800.00 | – | 100.00 |
| Cangzhou Lingang BBMG Jidong Concrete Co., Ltd. | Hebei | Sales and transportation of ready-mixed concrete, etc. | 2,500.00 | – | 100.00 |
| Shijiazhuang BBMG Concrete Co., Ltd. | Hebei | Sales and transportation of ready-mixed concrete, etc. | 21,500.00 | – | 100.00 |
| Tianjin Binhai BBMG Concrete Co., Ltd. | Tianjin | Manufacturing and sale of cement based products, etc. | 12,000.00 | – | 100.00 |
| Jiayu Shangpin Property Management (Tianjin) Co., Ltd. | Tianjin | Property management, etc. | 1,000.00 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired in business combination not under common control (Continued)** | | | | | |
| Hebei BBMG Dingxin Cement Co., Ltd. | Hebei | Manufacture and sales of cement and clinker | 131,700.00 | – | 100.00 |
| Jinyu Thermal Processing Tangshan Co., Ltd. | Hebei | Ferrous metal casting and sales of metal structure, etc. | 54,125.00 | – | 85.00 |
| Beijing BBMG Decoration Engineering Co., Ltd. (北京金隅裝飾工程有限公司) | Beijing | Construction and design of construction work and sales of building decoration materials, etc. | 5,882.35 | – | 100.00 |
| Beijing Huanke Environmental Protection Technology Co., Ltd. (北京環科環保技術有限公司) | Beijing | Sales of environmental protection equipment, pollution treatment and technical services, etc. | 1,574.16 | – | 100.00 |
| Beijing Jingcai Talent Development Center Co., Ltd. (北京京才人才開發中心有限公司) | Beijing | Human resources services, labor dispatch and intermediary services for studying abroad, etc. | 12,953.80 | 100.00 | – |
| Beijing Wuhu Sihai Human Resources Co., Ltd. (北京五湖四海人力資源有限公司) | Beijing | Human resources services, information consultation services, etc. | 440.00 | – | 100.00 |
| Handan Dongfang Risheng Commercial Concrete Co., Ltd. (邯鄲市東方日盛商品混凝土有限公司) | Hebei | Manufacture and sale of concrete | 2,500.00 | – | 90.00 |
| Beijing Jingu Zhitong Lulian Technology Co., Ltd. (北京金谷智通綠鏈科技有限公司) | Beijing | Logistics information technology development; logistics data technology services, etc. | 15,333.33 | – | 85.00 |
| Handan BBMG Taihang Cement Co., Ltd. | Hebei | Cement manufacturing | 66,434.29 | – | 92.04 |
| Laishui BBMG Jidong Environmental Protection Technology Co., Ltd. (淶水金隅冀東環保科技有限公司) | Hebei | Eco-friendly technology development, technical services, technical consultation; | 37,000.00 | – | 100.00 |
| Shaanxi Qinhan Hengsheng New Building Materials Technology Co., Ltd. (陝西秦漢恒盛新型建材科技有限責任公司) | Shaanxi | Non-metallic mineral products industry | 10,000.00 | – | 51.00 |
| Shuangyashan Xinshidai Cement Company Limited (雙鴨山新時代水泥有限責任公司) | Heilongjiang | Manufacture of cement products; manufacture of plastic products, etc. | 10,618.50 | – | 100.00 |
| Zhejiang Jinyu Hangjia Green Building Technology Co., Ltd. (浙江金隅杭加綠建科技有限公司) | Zhejiang | Technical services; technology development, technical consulting, technical exchange, technology transfer, technology promotion, etc. | 60,000.00 | – | 54.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB0'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired in business combination not under common control (Continued)** | | | | | |
| Tianjin Longda Health Consulting Services Co., Ltd. (天津市龍達健康諮詢服務有限公司) | Tianjin | Health-consulting services (excluding medical diagnosis and treatment); conference and exhibition services | 5,257.08 | – | 100.00 |
| Tianjin New Building Materials Architectural Design & Research Institute Co., Ltd. (天津市新型建材建築設計研究院有限公司) | Tianjin | Construction engineering design; engineering general contracting for building construction and municipal infrastructure projects | 4,000.99 | – | 100.00 |
| Tangshan Hongde Haisheng Mineral Products Co., Ltd. (唐山鴻德海升礦產品有限責任公司) | Tangshan | Mineral washing and processing; sale of recycled resources; sale of non-ferrous metal alloys; | 16,700.00 | – | 70.00 |
| Yantai Runshuo Economic and Trade Co., Ltd. (煙台潤碩經貿有限公司) | Shandong | Sales of coal and coal products, etc. | 3.00 | – | 100.00 |
| Liaoyang Hongguang Mining Co., Ltd. (遼陽市弘光礦業有限公司) | Liaoning | Exploitation of limestone for construction stone within the business scope; processing of construction stone, etc. | 500.00 | – | 70.00 |
| Benxi Jinzhong New Material Technology Co., Ltd. (本溪金中新材料科技有限公司) (formerly known as Benxi Yongxing New Building Materials Co., Ltd. (本溪永星新型建材有限公司)) | Liaoning | Processing and sale of water-quenched slag and new building materials, etc. | 1,700.00 | – | 100.00 |
| Liaoning Hengwei Cement Group Co., Ltd. (遼寧恒威水泥集團有限公司) | Liaoning | Cement production; exploitation of non-coal mineral resources, etc. | 18,000.00 | – | 100.00 |
| Handan Yongnian District Hongpeng Commercial Concrete Co., Ltd. (邯鄲市永年區宏鵬商砼有限公司) | Hebei | Ready-mixed concrete production and sales, etc. | 1,100.00 | – | 90.00 |
| Shanghai ABM Rock Wool Co.,Ltd. (上海新型建材岩棉有限公司) | Shanghai | New mineral-wool thermal-insulation materials, decorative materials and other mineral-wool products, ancillary materials and construction services for mineral-wool products, etc. | 40,816.33 | – | 70.00 |
| Baoding Jinyu Concrete Co., Ltd. (保定金隅混凝土有限公司) (formerly known as Baoding Dongdayang Building Materials Co., Ltd. (保定市東大洋建材有限公司)) | Hebei | Manufacture of cement products; sale of cement products; sale of non-metallic minerals and their products, etc. | 4,000.00 | – | 100.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

Information of the Company's major subsidiaries is as follows: (Continued)

| Company | Place of principal business/ registration | Business nature | Registered capital (RMB'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Subsidiaries acquired in business combination under common control** | | | | | |
| Beijing Building Decoration and Design Engineering Co., Ltd. | Beijing | Design of projects' decoration and furniture decoration, etc. | 20,000.00 | – | 100.00 |
| Beijing BBMG Doudian Technology Corporate Management Co., Ltd. | Beijing | Manufacture of energy-saving and insulation building materials, etc. | 15,037.66 | – | 100.00 |
| BBMG Real Estate Development Group Co., Ltd. | Beijing | Property development and operation | 1,371,500.00 | 100.00 | – |
| Haikou Dacheng Property Investment Co., Ltd. | Hainan | Property development, etc. | 1,600.00 | – | 100.00 |
| BBMG Dacheng Property Management Co., Ltd. | Beijing | Property management | 1,000.00 | – | 100.00 |
| BBMG Hongye Ecological Science and Technology Co., Ltd. | Beijing | Rental and property management, etc. | 2,000.00 | – | 100.00 |
| BBMG Hong Kong Limited | Hong Kong | Rental of properties held | (HK$)34,885.00 | 100.00 | – |
| Beijing Yanshui Asset Management Co., Ltd. | Beijing | Production of concrete | 6,266.85 | 100.00 | – |
| Beijing BBMG Tongda Fire-resistant Technology Co., Ltd. | Beijing | R&D and manufacture of various new refractory materials, etc. | 28,517.14 | 100.00 | – |
| Jidong Cement Tongchuan Co., Ltd. | Shaanxi | Manufacturing and sale of cement and cement-based products | 130,000.00 | – | 100.00 |

Note 1: Among the subsidiaries of the Group, Beijing BBMG Tiantan Furniture Co., Ltd., BBMG Jidong, Jidong Equipment, Huanbohai Jin'an (Tianjin) Group Holding Co., Ltd. and Beijing Building Materials Testing Academy Co., Ltd. are joint stock companies (股份有限公司), and other subsidiaries are limited liability companies (有限責任公司).

Note 2: Due to the large number of subsidiaries of the Group, the above tables only list the subsidiaries that have a significant impact on income statement or equity attributable to the shareholders, and do not list all subsidiaries one by one.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

***Subsidiaries with significant minority interests are as follows:***

**January to June 2026**

*Unit: RMB*

| Company | Percentage of minority shareholding | Profit or loss attributable to minority shareholder | Dividend payment to minority shareholders | Capital reduction by minority shareholders | Accumulated equity attributable to minority shareholders at the end of the period |
|---|---|---|---|---|---|
| Tianjin Building Materials Group (Holding) Co., Ltd. | 9.94% | (20,286,776.75) | – | 426,171,300.00 | 1,528,921,882.60 |
| BBMG Jidong Cement Group Co., Ltd. | 46.19% | (531,713,287.69) | 102,181,872.55 | – | 14,635,429,690.72 |

2025

*Unit: RMB*

| Company | Percentage of minority shareholding | Profit or loss attributable to minority shareholder | Dividend payment to minority shareholders | Accumulated equity attributable to minority shareholders at the end of the year |
|---|---|---|---|---|
| Tianjin Building Materials Group (Holding) Co., Ltd. | 16.79% | (42,356,490.86) | 18,982,537.92 | 1,975,379,959.35 |
| BBMG Jidong Cement Group Co., Ltd. | 46.19% | (59,005,335.91) | 10,300,000.00 | 15,269,324,850.96 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 1. Interests in the subsidiaries (Continued)

The following table sets forth the major financial information of the above-mentioned subsidiaries. Relevant figures represent amounts before intragroup offsetting:

**30 June 2026**

*Unit: RMB*

| **Items** | **Tianjin Building Materials Group (Holding) Co., Ltd.** | **BBMG Jidong Cement Group Co., Ltd.** |
|---|---|---|
| Current assets | **7,092,762,658.90** | **13,779,177,653.43** |
| Non-current assets | **11,319,721,190.62** | **45,877,866,328.73** |
| Total assets | **18,412,483,849.52** | **59,657,043,982.16** |
| Current liabilities | **11,885,287,695.17** | **16,877,747,962.25** |
| Non-current liabilities | **1,293,861,719.23** | **12,701,625,046.48** |
| Total liabilities | **13,179,149,414.40** | **29,579,373,008.73** |
| Operating revenue | **2,427,838,320.77** | **9,641,843,394.95** |
| Net profits | **(192,718,399.50)** | **(1,078,963,507.23)** |
| Total comprehensive income | **(167,653,411.91)** | **(1,147,780,067.63)** |
| Net cash flows from operating activities | **329,595,519.17** | **325,098,009.46** |

31 December 2025

*Unit: RMB*

| Items | Tianjin Building Materials Group (Holding) Co., Ltd. | BBMG Jidong Cement Group Co., Ltd. |
|---|---|---|
| Current assets | 7,350,522,281.21 | 13,256,453,811.25 |
| Non-current assets | 11,334,415,260.72 | 46,807,133,316.02 |
| Total assets | 18,684,937,541.93 | 60,063,587,127.27 |
| Current liabilities | 11,529,438,015.95 | 15,518,949,264.91 |
| Non-current liabilities | 1,267,242,672.97 | 13,049,186,697.15 |
| Total liabilities | 12,796,680,688.92 | 28,568,135,962.06 |
| Operating revenue | 9,014,328,672.71 | 24,500,912,048.98 |
| Net profits | (511,233,843.18) | 7,705,187.23 |
| Total comprehensive income | (514,937,605.12) | 7,484,818.93 |
| Net cash flows from operating activities | 808,848,755.52 | 3,350,945,228.12 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 2. Interests in joint ventures or associates

| Company | Place of registration/ principal business | Business nature | Registered capital (RMB'000) | Percentage of shareholding (%) Direct | Indirect |
|---|---|---|---|---|---|
| **Joint ventures** | | | | | |
| STAR-USG Building Materials Co., Ltd. | Dachang County | Production of mineral wool acoustic board, etc. | (USD) 54,520.00 | 50.00 | – |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | Baoji | Manufacture and sales of cement and clinker, etc. | 489,875.00 | – | 48.11 |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | Xianyang | Manufacture and sales of cement and clinker, etc. | 458,960.00 | – | 50.00 |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | Tangshan | Manufacture and sales of slag fine powder and byproduct | 200,000.00 | – | 50.00 |
| Anshan Jidong Cement Co., Ltd. | Anshan | Manufacture and sales of cement and clinker, etc. | 300,000.00 | – | 50.00 |
| Cross Point Trading 274 (Pty) Ltd (RF) | South Africa | Investment in building materials industry, etc. | (ZAR) 300,000.00 | – | 56.10 |
| Hebei Xiongan Zhitong Technology Co., Ltd. | Baoding | New material technology promotion service and concrete technology development, etc. | 20,000.00 | – | 51.00 |
| Beijing Qiyuan Development and Construction Co., Ltd. (北京啟苑開發建設有限公司) | Beijing | Property development and operation, etc. | 100,000.00 | – | 90.00 |
| Dahongmen (Beijing) Construction Development Co., Ltd. | Beijing | Property development and sale of self-developed commercial housing | 1,000,000.00 | – | 60.00 |
| BBMG Vanke Property Development Co., Ltd. | Beijing | Property development and sale of self-developed commercial housing | 190,000.00 | – | 51.00 |
| Beijing Baohe Real Estate Development Co., Ltd. (北京保合房地產開發有限公司) | Beijing | Property development and operation | 10,000.00 | – | 60.00 |
| Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司) | Beijing | Property development and operation | 100,000.00 | – | 49.00 |
| **Associates** | | | | | |
| Zehnder (China) Indoor Climate Co., Ltd. | Beijing | Production of radiators, etc. | (USD) 27,500.00 | 26.73 | – |
| Beijing Sinobaide Technology Co., Ltd. | Beijing | Design and production of equipment | 10,000.00 | – | 23.00 |
| Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd. | Chengde | Technology research and testing for comprehensive utilization of solid waste | 53,739.00 | – | 44.18 |
| Tangshan Conch Profiles Co., Ltd. | Tangshan | Manufacture and sales of architectural profiles | 160,000.00 | 40.00 | – |
| Beijing Chenyu Real Estate Development Co., Ltd. | Beijing | Property development and operation, etc. | 5,500,000.00 | – | 49.00 |
| Toto Machinery (Beijing) Company Limited | Beijing | Production of sanitary ceramics, etc. | (USD) 24,000.00 | 20.00 | – |
| Jidong Cement Fufeng Transportation Co., Ltd. | Baoji | Automobile transportation, etc. | 16,000.00 | – | 23.75 |
| Jilin Changjitu Investment Co., Ltd. | Jilin | Service industry, etc. | 500,000.00 | – | 30.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 2. Interests in joint ventures or associates (Continued)

| Company | Place of registration/ principal business | Business nature | Registered capital (RMB'000) | Percentage of shareholding (%) | |
|---|---|---|---|---|---|
| | | | | Direct | Indirect |
| **Associates (Continued)** | | | | | |
| Tianjin Yaopi Glass Co., Ltd. | Tianjin | Manufacture and sale of various types of plate glass, etc. | 736,166.00 | – | 22.74 |
| Beijing Innovation Industry Investment Co., Ltd. | Beijing | Investment management, asset management, etc. | 2,000,000.00 | 10.00 | – |
| Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | Nanjing | Property development and sale of self-developed commercial housing | 1,000,000.00 | – | 50.00 |
| Nanjing Huayu Decoration Engineering Co., Ltd. (南京鏵隅裝飾工程有限公司) | Nanjing | Permitted items: residential interior decoration and renovation; building construction | 2,000.00 | – | 50.00 |
| Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) | Beijing | Property development and sale of self-developed commercial housing, etc. | 1,830,000.00 | – | 35.00 |
| Beijing Jinhaicheng Management Consulting Partnership LLP (北京金海誠管理諮詢合夥企業(有限合夥)) | Beijing | Business management | 2,000.00 | – | 30.00 |
| Beijing Jinhaicheng Technology Innovation Investment Partnership LLP (北京金海誠科創投資合夥企業(有限合夥)) | Beijing | Asset management, investment consultation | 198,000.00 | – | 50.51 |
| Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司) | Beijing | Cultural industry investment, project development and operation | 1,000,000.00 | 10.00 | – |
| Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司) | Beijing | Property development and operation; sale of self-developed commercial housing | 100,000.00 | – | 34.00 |
| Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司) | Baoding | Manufacture and sales of cement products, etc. | 100,000.00 | – | 12.00 |
| Beijing Jinzhu Xingye Real Estate Development Co., Ltd. | Beijing | Property development and operation | 1,500,000.00 | – | 49.00 |
| Easyhome New Retail Group Corporation Limited | Wuhan | Sales of general merchandise and daily necessities | 6,287,288.00 | 10.00 | – |
| CAMC BBMG Intelligent Manufacturing Workshop REIT | Note 1 | Closed-end fund | 1,135,600.00 | 35.00 | – |
| OCV Reinforcements (Beijing) Co., Ltd. | Beijing | Manufacture of alkali-resistant and alkali-free glass fibers | 276,000.33 | 20.00 | – |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | Tianjin | Building construction, equipment leasing, etc. | 100,000.00 | – | 30.00 |
| Zhongfang Huarui (Tangshan) Real Estate Co., Ltd. | Tangshan | Property development and operation | 10,000.00 | – | 40.00 |

The Group adopts the equity method for interests in joint ventures and associates.

Note 1: The fund was issued and listed on the Shanghai Stock Exchange.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

### 2. Interests in joint ventures or associates (Continued)

The following table sets forth the consolidated financial information on joint ventures and associates which are not individually significant to the Group:

*Unit: RMB*

| Items | January to June 2026 | 2025 |
|---|---|---|
| Joint ventures: | | |
| Total carrying amount of investments | **1,656,548,019.51** | 1,669,984,059.59 |
| Total amount calculated based on shareholding | | |
| Net profits | **1,374,421.53** | 106,413,790.91 |
| Total comprehensive income | **13,514,515.01** | 117,210,177.21 |
| Associates: | | |
| Total carrying amount of investments | **7,199,815,548.43** | 7,286,999,937.83 |
| Total amount calculated based on shareholding | | |
| Net profits | **(80,630,263.33)** | (147,684,471.05) |
| Total comprehensive income | **(80,630,263.33)** | (147,684,471.05) |
| Total carrying amount | **8,856,363,567.94** | 8,956,983,997.42 |
| Total investment gains | **(79,255,841.80)** | (41,270,680.14) |
| Total comprehensive income | **(67,115,748.32)** | (30,474,293.84) |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## VIII. GOVERNMENT GRANTS

### 1. Government grants recognized based on amounts receivable at the end of the Reporting Period

*Unit: RMB*

| Item | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Balance of receivables at the end of period/year | **62,795,263.32** | 35,902,831.36 |

### 2. Government grants included in profit or loss

*Unit: RMB*

| Type | January to June 2026 | January to June 2025 |
|---|---|---|
| Related to assets | **58,044,995.31** | 172,255,265.24 |
| Related to gains | **148,947,397.41** | 139,694,891.09 |
| **Total** | **206,992,392.72** | 311,950,156.33 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS

### 1. Financial instruments risks

The Group is exposed to various types of risks from financial instruments during its ordinary course of business, mainly including credit risk, liquidity risk and market risk. The Group's risk management policies for financial instruments are described as follows.

***Credit risk***

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who request to trade on credit terms are subject to credit verification procedures. In addition, balances of accounts receivable are monitored on an ongoing basis to ensure that the Group's exposure to bad debt is not significant. For transactions that are not settled in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control of the Group.

As the counterparties of cash and bank balances and bank acceptance bills receivable are mainly banks with good reputations and higher credit ratings, these financial instruments have lower credit risk.

The credit risk of the Group's other financial assets, which comprise other receivables, long-term receivables and debt investments, etc. arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Group is also exposed to credit risk for providing financial guarantees, further details of which are disclosed in Note XIII. 2. Contingencies.

The maximum credit risk exposure of the Group on each balance sheet date is the total amount charged to customers less the amount after deducing impairment provision.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's accounts receivable are widely dispersed in different sectors and industries. The Group does not hold any collateral or other credit enhancements over the balances of accounts receivable.

*Criteria for judging significant increase in credit risk*

The Group assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each balance sheet date. The Group determines the significant increase in credit risk mainly based on the criteria that if there are any significant changes in one or more of the following indicators: the material adverse changes in the business environment, internal and external credit rating, actual or expected operating results of the debtor.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 1. Financial instruments risks (Continued)

***Credit risk (Continued)***

*Definition of credit-impaired asset*

The primary criterion of the Group to determine credit impairment is the overdue period exceeding 180 days. However, in certain circumstances, if internal or external information indicates that the contract amount may not be fully recovered before taking into account any credit enhancements, the Group also considers it is credit impaired.

The credit impairment on a financial asset may be caused by the combined effect of multiple events and may not be necessarily due to a single event.

The assessment of a significant increase in credit risk and the calculation of ECL both involve forward-looking information. Through the analysis of historical data, the Group identifies the key economic indicators that affect the credit risk and ECL of various business types.

***Liquidity risk***

The Group's objective is to maintain a balance between continuity and flexibility of financing through the use of various financing methods, such as bank borrowings, perpetual bonds, bonds payable and short-term financing bonds payable.

The liquidity of the Group is primarily dependent on adequate cash inflows from operations to meet its debt obligations as they fall due and external financing to meet its committed future capital expenditure. The table below summarises the maturity analysis of financial liabilities and lease liabilities based on the undiscounted contractual cash flows:

**30 June 2026**

*Unit: RMB*

| Items | Within 1 year | 1-2 years | 2-5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| Short-term loans | 28,730,024,191.63 | – | – | – | 28,730,024,191.63 |
| Bills payable | 5,177,849,690.74 | – | – | – | 5,177,849,690.74 |
| Accounts payable | 17,044,667,324.67 | – | – | – | 17,044,667,324.67 |
| Other payables | 7,098,103,867.93 | – | – | – | 7,098,103,867.93 |
| Long-term borrowings | 21,227,417,940.34 | 23,601,077,040.23 | 33,375,367,431.13 | 4,767,937,047.90 | 82,971,799,459.60 |
| Bonds payable | 9,361,917,795.27 | 309,894,750.00 | 12,600,919,395.00 | 1,080,685,205.48 | 23,353,417,145.75 |
| Lease liabilities | 174,571,681.66 | 92,543,876.68 | 200,372,177.40 | 132,842,239.31 | 600,329,975.05 |
| Long-term payables | 185,920,244.64 | 174,792,654.61 | 131,478,938.87 | 224,197,899.78 | 716,389,737.90 |
| Other non-current liabilities | 41,685,753.02 | 50,430,800.00 | 251,292,400.00 | 1,990,059,254.10 | 2,333,468,207.12 |
| **Total** | 89,042,158,489.90 | 24,228,739,121.52 | 46,559,430,342.40 | 8,195,721,646.57 | 168,026,049,600.39 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 1. Financial instruments risks (Continued)

***Liquidity risk (Continued)***

31 December 2025

*Unit: RMB*

| Items | Within 1 year | 1-2 years | 2-5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| Short-term loans | 25,987,371,182.60 | – | – | – | 25,987,371,182.60 |
| Bills payable | 4,150,182,175.87 | – | – | – | 4,150,182,175.87 |
| Accounts payable | 16,573,021,864.84 | – | – | – | 16,573,021,864.84 |
| Other payables | 6,584,045,169.32 | – | – | – | 6,584,045,169.32 |
| Short-term financing bonds payable | 1,002,577,534.25 | – | – | – | 1,002,577,534.25 |
| Long-term borrowings | 19,787,144,653.56 | 24,755,441,944.19 | 30,370,069,991.97 | 5,113,577,520.30 | 80,026,234,110.02 |
| Bonds payable | 6,022,652,533.84 | 3,518,385,735.11 | 11,142,920,747.68 | 2,598,171,506.85 | 23,282,130,523.48 |
| Lease liabilities | 105,416,376.71 | 155,395,896.27 | 196,772,515.84 | 236,500,572.85 | 694,085,361.67 |
| Long-term payables | 172,474,158.80 | 143,473,474.59 | 231,513,263.64 | 91,993,377.31 | 639,454,274.34 |
| Other non-current liabilities | 40,430,800.00 | 40,430,800.00 | 239,292,400.00 | 2,033,363,453.15 | 2,353,517,453.15 |
| Total | 80,425,316,449.79 | 28,613,127,850.16 | 42,180,568,919.13 | 10,073,606,430.46 | 161,292,619,649.54 |

***Market risk***

*Interest rate risk*

The Group's exposure to the changes in market interest rates is mainly related to the floating-rate long-term liabilities of the Group. The Group manages its interest cost by maintaining an appropriate mix of fixed- and floating-rate debts. The Group manages interest rate risk by closely monitoring the changes in interest rates and reviewing borrowings on a regular basis.

The table below demonstrates the sensitivity analysis of interest rate risk that reflects the impact on net profit or loss for the year (through the impact on floating-rate borrowings) and shareholders' equity when a reasonably possible change in interest rates occurs, with all other variables held constant.

*Unit: RMB*

| **Items** | **Increase/(decrease) in basis points** | **Increase/(decrease) in net profit or loss** | **Increase/ (decrease) in total shareholders' equity** |
|---|---|---|---|
| 30 June 2026 | **50.00** | **(106,887,648.16)** | **(106,887,648.16)** |
| 31 December 2025 | 50.00 | (107,079,460.26) | (107,079,460.26) |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 1. Financial instruments risks (Continued)

***Market risk (Continued)***

*Foreign exchange risk*

The Group is exposed to transactional foreign exchange risk. This risk arises from sales or purchases conducted by operating units in currencies other than their functional currency.

The table below demonstrates the sensitivity analysis of foreign exchange risk that reflects the impact on net profit or loss and net other comprehensive income after tax when a possible change in the exchange rate of USD and ZAR against RMB occurs, with other variables held constant.

**January to June 2026**

*Unit: RMB*

| Items | Increase/ (decrease) in exchange rate % | Increase/ (decrease) in net profit or loss | Increase/ (decrease) in net other comprehensive income after tax | Increase/ (decrease) in total shareholders' equity |
|---|---|---|---|---|
| RMB depreciation against USD | **1.00** | **2,017,150.99** | **–** | **2,017,150.99** |
| RMB appreciation against USD | **1.00** | **(2,017,150.99)** | **–** | **(2,017,150.99)** |
| RMB depreciation against ZAR | **1.00** | **1,377,275.56** | **–** | **1,377,275.56** |
| RMB appreciation against ZAR | **1.00** | **(1,377,275.56)** | **–** | **(1,377,275.56)** |

2025

*Unit: RMB*

| Items | Increase/ (decrease) in exchange rate % | Increase/ (decrease) in net profit or loss | Increase/ (decrease) in net other comprehensive income after tax | Increase/ (decrease) in total shareholders' equity |
|---|---|---|---|---|
| RMB depreciation against USD | 1.00 | 1,933,390.46 | – | 1,933,390.46 |
| RMB appreciation against USD | 1.00 | (1,933,390.46) | – | (1,933,390.46) |
| RMB depreciation against ZAR | 1.00 | 1,207,738.67 | – | 1,207,738.67 |
| RMB appreciation against ZAR | 1.00 | (1,207,738.67) | – | (1,207,738.67) |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 2. Capital management

The main objective of the Group's capital management is to ensure the Group's ability to operate on a going concern basis and maintain healthy capital ratios so as to support business growth and maximise shareholder value.

The Group manages its capital structure and makes adjustments in response to changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the distribution of profits to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. As at 30 June 2026 and 31 December 2025, there was no change in the capital management objectives, policies or procedures.

The Group controls its capital using debt ratio, which is calculated by dividing total liabilities by total assets. As at the balance sheet date, the debt ratio of the Group was as follows:

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Total liabilities | **184,774,230,908.81** | 174,703,297,682.91 |
| Total assets | **268,147,221,518.28** | 263,618,957,678.36 |
| Debt ratio | **68.91%** | 66.27% |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 3. Hedging

***(1) Conducing hedge transactions for the purpose of risk management***

| Item | Relevant risk management strategy and objectives | Qualitative and quantitative information of hedged risks | Economic correlation between the hedged item and relevant hedging instruments | Effective fulfillment of expected risk management objectives | Impact of relevant hedging activities on risk exposure |
|---|---|---|---|---|---|
| Commodity price risk | Hedging, as an important risk management tool, allows companies to use the futures market to transfer risks, with a view to avoiding the risk of fluctuations in spot price, achieving more stable operation and improving the operational efficiency of the enterprise. | As at 30 June 2026, the hedged item with the amount of RMB408.82 million was exposed to changes in fair value. | Selling hedging for existing spot inventories. | Taking stable production and operation as its fundamental starting point, the Company prudently carried out financial derivative business, strengthened business supervision and management, and effectively leveraged the hedging functions of financial derivatives to offset the risk of fluctuations in commodity price. | The hedging instruments effectively hedged the commodity price risk, and the Group adopted fair value hedge accounting for such hedging activities. |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 3. Hedging (Continued)

***(2) Conducting qualifying hedge transactions and applying hedge accounting***

| Item | Hedging type | Carrying amount related to hedged items and hedging instruments | Cumulative fair value hedge adjustments of hedged items included in the carrying amount of the hedged items recognised | Sources of hedge effectiveness and hedge ineffectiveness | Impact of hedge accounting on the Company's financial statements |
|---|---|---|---|---|---|
| Market risk | Fair value hedging | As at 30 June 2026, hedged items were RMB408,824,115.04 | RMB(4,085,330.08) | Expected to be highly effective | From January to June 2026, gains and losses from changes in fair value was RMB557,419.92 |

***Fair value hedge***

The Group is engaged in trading of commodities such as non-ferrous metals and ferrous metals (including copper, iron ore, steel billet, coking coal futures). The industrial products held by the Group are subject to the risk of price changes. Therefore, the Group uses futures contracts of futures exchanges to manage its exposure to commodity price risks arising from all industrial products it holds. The standard indicators for the industrial products sold by the Group are the same as the corresponding delivery grades in the futures contract. The basic variables of the hedging instrument (futures contract) and the hedged item (standard parameters of the bulk commodities held by the Group) are all standard parameter prices. Through qualitative analysis, the Group determines that the ratio of the number of hedging instruments to the number of hedged items was 1:1. The ineffective portion of hedging mainly arose from the basis risk, the risk of changes in supply and demand in the spot or futures market, and other risks of uncertainties in the spot or futures market. The amount of ineffective hedges recognized during the period was not significant. The Group adopted fair value hedge for such hedging.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 3. Hedging (Continued)

***Fair value hedge (Continued)***

The time distribution and average price of the nominal amount of the hedging instruments are as follows:

**January to June 2026**

*Unit: RMB*

| **Items** | **Within 6 months** |
|---|---|
| Nominal amount of copper futures | **150,213,650.35** |
| Average price of copper futures (Unit: RMB/tonne) | **101,153.97** |
| Nominal amount of iron ore futures | **190,724,300.00** |
| Average price of iron ore futures (Unit: RMB/tonne) | **778.47** |
| Nominal amount of steel billet futures | **78,550,000.00** |
| Average price of steel billet futures (Unit: RMB/tonne) | **3,142.00** |

January to June 2025

*Unit: RMB*

| Items | Within 6 months |
|---|---|
| Nominal amount of copper futures | 290,901,749.49 |
| Average price of copper futures (Unit: RMB/tonne) | 78,728.48 |
| Nominal amount of iron ore futures | 658,077,044.32 |
| Average price of iron ore futures (Unit: RMB/tonne) | 710.67 |
| Nominal amount of steel billet futures | 41,731,855.96 |
| Average price of steel billet futures (Unit: RMB/tonne) | 3,073.04 |
| Nominal amount of coking coal futures | 146,674,644.00 |
| Average price of coking coal futures (Unit: RMB/tonne) | 809.19 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 3. Hedging (Continued)

***Fair value hedge (Continued)***

Changes in the carrying amount and fair value of the hedging instruments are as follows:

**January to June 2026**

*Unit: RMB*

| Item | Nominal amounts of the hedging instruments | Carrying amounts of the hedging instruments | | Items on the balance sheet that contain hedging instruments | Changes in fair value of hedging instruments used as a basis for recognizing the ineffective portion of hedging for the period |
|---|---|---|---|---|---|
| | | Assets | Liabilities | | |
| Commodity price risk – inventories | **419,487,950.35** | **4,642,750.00** | **–** | **Inventories** | **–** |

January to June 2025

*Unit: RMB*

| Item | Nominal amounts of the hedging instruments | Carrying amounts of the hedging instruments | | Items on the balance sheet that contain hedging instruments | Changes in fair value of hedging instruments used as a basis for recognizing the ineffective portion of hedging for the period |
|---|---|---|---|---|---|
| | | Assets | Liabilities | | |
| Commodity price risk – inventories | 1,137,385,293.77 | (12,098,540.04) | – | Inventories | – |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 3. Hedging (Continued)

***Fair value hedge (Continued)***

The carrying amount of hedged items and related adjustments are as follows:

**January to June 2026**

*Unit: RMB*

| Item | Carrying amount of hedged items Assets | Cumulative amount of adjustments to fair value hedge of hedged items (included in carrying amount of hedged items) Liabilities | Items on the balance sheet that contain hedging instruments | Changes in fair value of hedging instruments used as a basis for recognizing the ineffective portion of hedging for the period |
|---|---|---|---|---|
| Commodity price risk – inventories | **408,824,115.04** | **(4,085,330.08)** | **Inventories** | **–** |

January to June 2025

*Unit: RMB*

| Item | Carrying amount of hedged items Assets | Cumulative amount of adjustments to fair value hedge of hedged items (included in carrying amount of hedged items) Assets | Items on the balance sheet that contain hedging instruments | Changes in fair value of hedging instruments used as a basis for recognizing the ineffective portion of hedging for the period |
|---|---|---|---|---|
| Commodity price risk – inventories | 1,104,833,175.00 | 12,467,031.48 | Inventories | – |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 3. Hedging (Continued)

***Fair value hedge (Continued)***

The ineffective portion of hedging in the changes in fair value of hedging instruments is set out below:

**January to June 2026**

*Unit: RMB*

| **Item** | **Ineffective portion of hedging included in profit or loss** | **Ineffective portion of hedging included in other comprehensive income** | **Items on the income statement that contain ineffective portion of hedging** |
|---|---|---|---|
| Inventory price risk | **557,419.92** | – | – |

**January to June 2025**

*Unit: RMB*

| Item | Ineffective portion of hedging included in profit or loss | Ineffective portion of hedging included in other comprehensive income | Items on the income statement that contain ineffective portion of hedging |
|---|---|---|---|
| Inventory price risk | 368,491.44 | – | – |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 4. Transfers of financial assets

*Unit: RMB*

| Transfer method | Nature of transferred financial assets | Amount of transferred financial assets | Derecognition | Basis for determining derecognition |
|---|---|---|---|---|
| Endorsement of bills/bill discounting | Bills receivable | 58,596,109.38 | Not derecognised | Retained substantially all risks and rewards, including default risks associated |
| Endorsement of bills/bill discounting | Receivables financing | 2,671,450,630.68 | Derecognised | Transferred substantially all risks and rewards |
| Factoring | Accounts receivable | 151,645,405.58 | Not derecognised | Retained substantially all risks and rewards, including default risks associated |
| Factoring | Accounts receivable | 401,837,458.67 | Derecognised | Transferred substantially all risks and rewards |
| Asset securitization | Accounts receivable | 424,592,798.52 | Derecognised | Transferred substantially all risks and rewards |
| **Total** | | 3,708,122,402.83 | | |

As at 30 June 2026, the financial assets derecognised due to transfer are as follows:

*Unit: RMB*

| Items | Transfer method of financial assets | Amount of financial assets derecognized | Losses related to derecognition |
|---|---|---|---|
| Receivables financing | Endorsement of bills/bill discounting | 2,671,450,630.68 | – |
| Accounts receivable | Factoring | 401,837,458.67 | (810,959.54) |
| Accounts receivable | Asset securitization | 424,592,798.52 | (1,049,405.13) |
| **Total** | | 3,497,880,887.87 | (1,860,364.67) |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## IX. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

### 4. Transfers of financial assets (Continued)

***Financial assets transferred but not yet fully derecognised***

As at 30 June 2026, the Group endorsed or discounted bank acceptance bills and commercial acceptance bills with a carrying amount of RMB7,625,533.32 and RMB50,970,576.06 (31 December 2025: RMB17,441,688.20 and RMB244,483,841.09), respectively. The Group is of the opinion that the Group has retained substantially all their risks and rewards, including the default risk associated, the Group continues to recognise them in full and the settled accounts payable or short-term borrowings associated therewith. After the endorsement or discount, the Group no longer reserves the rights to use these financial assets, including the rights to sell, transfer or pledge to any other third parties. As at 30 June 2026, the carrying amount of accounts payable settled by these financial assets or short-term borrowings amounted to RMB58,596,109.38 (31 December 2025: RMB261,925,529.29) in total.

***Transferred financial assets fully derecognised but with continuing involvement***

As at 30 June 2026, the carrying amount of bank acceptance bills endorsed to its suppliers for settlement of accounts payable or discounted to the banks by the Group was RMB2,671,450,630.68 (31 December 2025: bank acceptance bills of RMB3,388,627,828.97). As at 30 June 2026, the maturities ranged from 1 to 12 months. Pursuant to relevant provisions of the “Law of Negotiable Instruments”, the holders of commercial instruments shall have the right of recourse against the Group (“Continuing Involvement”) if the relevant acceptance bank defaults. As the Group is of the opinion that the Group has transferred substantially all their risks and rewards, the Group has derecognised them and the carrying amount of the settled accounts payable associated therewith. The maximum exposure to loss from the Continuing Involvement and repurchase and the undiscounted cash flows equal to their carrying amounts. The Group is of the opinion that the fair value of the Continuing Involvement is insignificant.

From January to June 2026, the Group didn’t recognise any gains and losses on their dates of transfer (from January to June 2025: Nil). No income or expenses were recognised for the current year or on an accumulative basis as a result of the Group’s Continuing Involvement in derecognised financial assets. Endorsements were incurred basically evenly during the period.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## X. DISCLOSURE OF FAIR VALUE

### 1. Assets and liabilities measured at fair value

**30 June 2026**

*Unit: RMB*

| Items | Inputs used for the measurement of fair value<br>Quoted price in active market (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total |
|---|---|---|---|---|
| Continuous measurement at fair value | | | | |
| Financial assets held for trading | 16,267,900.00 | 450,863,147.76 | – | 467,131,047.76 |
| Receivables financing | – | 578,210,612.99 | – | 578,210,612.99 |
| Other debt investments | – | 609,197,470.37 | – | 609,197,470.37 |
| Investment in other equity instruments | 298,252,819.99 | – | 599,608,922.47 | 897,861,742.46 |
| Other non-current financial assets | 840,469,099.89 | 811,887,400.00 | – | 1,652,356,499.89 |
| Investment properties | – | 965,200,000.00 | 47,475,235,433.03 | 48,440,435,433.03 |
| **Total** | **1,154,989,819.88** | **3,415,358,631.12** | **48,074,844,355.50** | **52,645,192,806.50** |

31 December 2025

*Unit: RMB*

| Items | Inputs used for the measurement of fair value<br>Quoted price in active market (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total |
|---|---|---|---|---|
| Continuous measurement at fair value | | | | |
| Financial assets held for trading | 18,342,500.00 | 952,254,054.47 | – | 970,596,554.47 |
| Receivables financing | – | 850,433,443.17 | – | 850,433,443.17 |
| Other debt investments | – | 467,784,342.37 | – | 467,784,342.37 |
| Investment in other equity instruments | 398,814,241.32 | – | 599,596,074.03 | 998,410,315.35 |
| Other non-current financial assets | 798,123,889.85 | – | – | 798,123,889.85 |
| Investment properties | – | 1,233,447,300.00 | 46,620,244,425.75 | 47,853,691,725.75 |
| **Total** | 1,215,280,631.17 | 3,503,919,140.01 | 47,219,840,499.78 | 51,939,040,270.96 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## X. DISCLOSURE OF FAIR VALUE (CONTINUED)

### 2. Valuation of fair value

Management has assessed that the fair values of the short-term financial assets and financial liabilities, such as cash and bank balances, bills receivable, accounts receivable, receivables financing, debt investments, other receivables, short-term loans, bills payable, accounts payable, other payables and non-current liabilities due within one year, approximate their carrying amounts due to the short residual term of these instruments.

The Group's finance team is led by the manager of the finance and capital department, and is responsible for formulating policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the chief financial officer and the Audit and Risk Committee. As at each balance sheet date, the finance team analyses changes in the values of financial instruments and determines the main inputs applicable to the valuation, and the valuation must be reviewed and approved by the chief accountant. For the purpose of preparing interim and annual financial statements, the finance team meets the Audit and Risk Committee twice a year to discuss the valuation process and results.

The fair value of financial assets and financial liabilities is determined based on the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction, instead of the amount under forced sale or under liquidation. The following methods and assumptions are used to estimate the fair value:

The fair values of long-term receivables, long-term loans, bonds payable, lease liabilities and long-term payables are calculated by discounting the future cash flows using market yields currently available for other financial instruments with similar contractual terms, credit risk and residual term as the discount rate. As at 30 June 2026, the Group's exposure to non-performance risk associated with the long-term borrowings, bonds payable, lease liabilities and long-term payables is assessed as insignificant.

The fair values of listed equity instruments are determined on the basis of market prices.

### 3. Level 2 fair value measurement

The Group has entered into derivative financial instrument contracts with various counterparties, mainly of which are financial institutions with high credit ratings. Derivative financial instruments, including foreign exchange forward contracts and interest rate swaps, are measured using valuation techniques similar to forward pricing and swap models and present value methods. The model covers multiple inputs observable in markets, including counterparty's credit quality, spot and forward rates and interest rate curves. The carrying value of foreign exchange forward contracts and interest rate swaps is the same as the fair value. As at 30 June 2026, the mark to market value of derivative financial assets is the net value after offsetting the credit valuation adjustment attributable to the default risk of derivative instrument counterparties. The change of counterparty's credit risk has no significant impact on the evaluation of hedging effectiveness of designated derivative instruments in hedging relationship and other financial instruments measured at fair value.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## X. DISCLOSURE OF FAIR VALUE (CONTINUED)

### 3. Level 2 fair value measurement (Continued)

The fair value of investment properties is determined using the market comparison approach, with reference to the recent unit area sales prices of similar or comparable real estate properties available in the local market in the valuation.

The following table sets forth the changes in Level 2 and Level 3 fair value of the investment properties of the Group for January to June 2026:

*Unit: RMB*

| Items | Commercial properties Level 2 | Commercial properties Level 3 |
|---|---|---|
| 31 December 2025 | **1,233,447,300.00** | **46,620,244,425.75** |
| Acquisition for the period | **–** | **38,874,989.15** |
| Transfer from inventories/fixed assets/intangible assets | **485,004,400.00** | **158,513,194.00** |
| Transferred to construction in progress | **–** | **(36,510,212.86)** |
| Transfer from Level 2 to Level 3 | **(753,000,000.00)** | **753,000,000.00** |
| Changes in fair value | **(251,700.00)** | **(58,886,963.01)** |
| **30 June 2026** | **965,200,000.00** | **47,475,235,433.03** |

In view of the insufficient comparable transactions during the Reporting Period, the Group changed the valuation method for parking space investment properties from the market comparison approach to the income approach. Accordingly, the fair value of the relevant investment properties was transferred from Level 2 to Level 3.

The following sets forth the valuation method and key inputs used for the valuation of fair value of the investment properties for January to June 2026:

| Valuation method | Significant unobservable inputs | Range of variation |
|---|---|---|
| Income approach | **Unit rental (RMB/sq.m./day)** | **1.10-12.00** |
| | **Return on investment within the lease term** | **2.0%-6.5%** |
| | **Return on investment beyond the lease term** | **2.5%-7.0%** |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## X. DISCLOSURE OF FAIR VALUE (CONTINUED)

### 4. Information on adjustment of persistent measurement of level-3 fair value and sensitivity analysis of unobservable inputs

The Group's finance team is led by the manager of the finance and capital department, and is responsible for formulating policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the chief financial officer and the Audit and Risk Committee. As at each balance sheet date, the finance team analyses changes in the values of financial instruments and determines the main inputs applicable to the valuation, and the valuation must be reviewed and approved by the chief financial officer. For the purpose of preparing interim and annual financial statements, the finance team meets the Audit and Risk Committee twice a year to discuss the valuation process and results.

Investments in unlisted equity instruments are estimated at fair value using the market approach based on unobservable market prices or interest rate assumptions. The Group needs to determine comparable public companies based on industry, size, leverage and strategy, and calculates an appropriate market multiplier, such as enterprise value multiplier, price to earnings multiplier, for each comparable public company identified. Adjustments are made based on specific facts and circumstances of the Company, taking into account factors such as differences in liquidity and size between comparable public companies. The Group believes that the fair value and its changes estimated using valuation techniques is reasonable and the most appropriate value as of the balance sheet date. For the fair value of investment in unlisted equity instrument, the Group estimated the potential impact of using other reasonable and probable assumptions as inputs to the valuation model.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## X. DISCLOSURE OF FAIR VALUE (CONTINUED)

### 4. Information on adjustment of persistent measurement of level-3 fair value and sensitivity analysis of unobservable inputs (Continued)

Information on adjustment of persistent measurement of level-3 fair value is as follows:

**January to June 2026**

*Unit: RMB*

| | | | | Total profit or loss for the current period | | | | |
|---|---|---|---|---|---|---|---|---|
| Items | Opening balance | Transfer into level 3 | Transfer out of level 3 | Included in profit or loss | Included in other comprehensive income | Purchase | Sale | Closing balance |
| Equity instrument investment | 599,596,074.03 | - | - | - | 12,848.44 | - | - | 599,608,922.47 |
| Investment properties | 46,620,244,425.75 | 911,513,194.00 | (36,510,212.86) | (58,886,963.01) | - | 38,874,989.15 | - | 47,475,235,433.03 |
| Total | 47,219,840,499.78 | 911,513,194.00 | (36,510,212.86) | (58,886,963.01) | 12,848.44 | 38,874,989.15 | - | 48,074,844,355.50 |

2025

*Unit: RMB*

| | | | | Total profit or loss for the current period | | | | |
|---|---|---|---|---|---|---|---|---|
| Items | Opening balance | Transfer into level 3 | Transfer out of level 3 | Included in profit or loss | Included in other comprehensive income | Purchase | Sale | Closing balance |
| Equity instrument investment | 248,504,108.06 | - | - | - | 12,337,578.38 | 356,611,704.63 | (17,857,317.04) | 599,596,074.03 |
| Investment properties | 41,688,405,377.29 | 5,353,595,021.45 | (1,886,247.91) | 401,802,931.12 | - | 161,129,863.67 | (982,802,519.87) | 46,620,244,425.75 |
| Total | 41,936,909,485.35 | 5,353,595,021.45 | (1,886,247.91) | 401,802,931.12 | 12,337,578.38 | 517,741,568.30 | (1,000,659,836.91) | 47,219,840,499.78 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

### 1. Parent company

| Name of parent company | Place of registration | Business nature | Registered capital RMB0'000 | Over the Company Proportion of shareholding (%) | Over the Company Proportion of votes (%) |
|---|---|---|---|---|---|
| BSCOMC | Beijing | Investment and investment management, assets management, as well as the organization of the restructuring or merger of assets of enterprises | 5,000,000.00 | 45.28 | 45.28 |

### 2. Subsidiaries

For details of the subsidiaries, please refer to Note VII. 1. Interests in the subsidiaries.

### 3. Joint ventures and associates

For details of the joint ventures and associates, please refer to Note VII. 2. Interests in joint ventures and associates.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 4. Major transactions between the Group and related parties

#### *(1) Transactions concerning goods and services with related parties*

*Purchase of goods and receipt of services from related parties*

*Unit: RMB*

| Companies | Contents of transactions | January to June 2026 | January to June 2025 |
|---|---|---|---|
| Transactions with joint ventures and associates | | | |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | Purchase of goods/receipt of services | **22,039,491.21** | 26,847,800.50 |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | Purchase of goods/receipt of services | **16,837,076.39** | 23,890,094.06 |
| Anshan Jidong Cement Co., Ltd. | Purchase of goods/receipt of services | **7,435,017.55** | – |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | Purchase of goods/receipt of services | **2,920,448.68** | – |
| Tangshan Conch Profiles Co., Ltd. | Purchase of goods/receipt of services | **625,804.36** | 4,144,578.22 |
| Beijing Chenyu Real Estate Development Co., Ltd. | Receipt of services | **416,439.84** | 294,560.16 |
| STAR-USG Building Materials Co., Ltd. | Purchase of goods | **203,710.96** | 14,912.60 |
| Jidong Cement Fufeng Transportation Co., Ltd. | Purchase of goods | **121,890.13** | 243.54 |
| Hebei Xiongan Zhitong Technology Co., Ltd. | Purchase of goods | **63,220.92** | – |
| Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd. | Purchase of goods/receipt of services | **37,773.58** | 1,648,348.06 |
| **Total** | | **50,700,873.62** | 56,840,537.14 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 4. Major transactions between the Group and related parties (Continued)

#### (1) *Transactions concerning goods and services with related parties (Continued)*

*Sale of goods and rendering of services to related parties*

*Unit: RMB*

| Companies | Contents of transactions | January to June 2026 | January to June 2025 |
|---|---|---|---|
| Transactions with joint ventures and associates | | | |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | Sale of goods/rendering of services | **65,602,133.73** | 102,051,581.08 |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | Sale of goods/rendering of services | **57,065,228.62** | 108,540,262.79 |
| Anshan Jidong Cement Co., Ltd. | Sale of goods/rendering of services | **18,528,791.17** | 26,818,542.46 |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | Sale of goods/rendering of services | **15,541,648.74** | 3,888,429.32 |
| Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司) | Sale of goods/rendering of services | **6,604,841.32** | – |
| CAMC BBMG Intelligent Manufacturing Workshop REIT | Rendering of services | **4,477,799.06** | 3,864,725.52 |
| Cross Point Trading 274 (Pty) Ltd (RF) | Sale of goods/rendering of services | **4,050,659.22** | 1,644,370.12 |
| Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd. | Rendering of services | **3,183,662.56** | – |
| Hebei Xiongan Zhitong Technology Co., Ltd. | Sale of goods/rendering of services | **1,911,776.10** | – |
| Beijing Qiyuan Development and Construction Co., Ltd. (北京啟苑開發建設有限公司) | Rendering of services | **1,650,943.40** | – |
| Easyhome New Retail Group Corporation Limited | Sale of goods/rendering of services | **870,443.96** | – |
| Zehnder (China) Indoor Climate Co., Ltd. | Rendering of services | **550,547.16** | 502,075.47 |
| Jidong Cement Fufeng Transportation Co., Ltd. | Sale of goods/rendering of services | **514,157.26** | 213,275.29 |
| Toto Machinery (Beijing) Company Limited | Sale of goods/rendering of services | **493,814.89** | 592,373.55 |
| STAR-USG Building Materials Co., Ltd. | Sale of goods/rendering of services | **46,934.71** | – |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 4. Major transactions between the Group and related parties (Continued)

#### *(1) Transactions concerning goods and services with related parties (Continued)*

*Sale of goods and rendering of services to related parties (Continued)*

| Companies | Contents of transactions | January to June 2026 | January to June 2025 |
|---|---|---|---|
| Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司) | Rendering of services | **46,226.42** | 830,783.10 |
| OCV Reinforcements (Beijing) Co., Ltd. | Rendering of services | **35,123.85** | 17,798.24 |
| Dahongmen (Beijing) Construction Development Co., Ltd. | Rendering of services | **29,725.49** | 1,769.91 |
| Beijing Jinzhu Xingye Real Estate Development Co., Ltd. | Rendering of services | **17,547.17** | 199,712.28 |
| Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | Sale of goods | – | 40,826.95 |
| Tianjin Yaopi Glass Co., Ltd. | Sale of goods | – | 29,426.42 |
| Beijing Chenyu Real Estate Development Co., Ltd. | Sale of goods | – | 123,048.68 |
| **Total** | | **181,222,004.83** | 249,359,001.18 |

Purchase/sale of goods and receipt/rendering of services from/to related parties by the Group are negotiated and determined based on market price, and carried out according to the agreed terms entered into between the Group and related parties.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 4. Major transactions between the Group and related parties (Continued)

***(2) Leases with related parties***

*As lessor*

*Unit: RMB*

| Name of the lessee | Category of leased assets | January to June 2026 Rental income | January to June 2025 Rental income |
|---|---|---|---|
| STAR-USG Building Materials Co., Ltd. | Building | **7,397,044.14** | 7,418,309.49 |
| Easyhome New Retail Group Corporation Limited | Mall facilities | **14,564,422.75** | 12,960,955.35 |
| Dahongmen (Beijing) Construction Development Co., Ltd. | Building | **546,103.30** | – |
| **Total** | | **22,507,570.19** | 20,379,264.84 |

*As lessee*

*Unit: RMB*

| Name of the lessor | Category of leased assets | January to June 2026 Leasing expenses | January to June 2025 Leasing expenses |
|---|---|---|---|
| Easyhome New Retail Group Corporation Limited | Building | **11,388,977.61** | 10,926,250.36 |
| CAMC BBMG Intelligent Manufacturing Workshop REIT | Building | **4,724,726.28** | 4,713,975.97 |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | Building | **–** | 212,092.17 |
| **Total** | | **16,113,703.89** | 15,852,318.50 |

The rentals from the assets leased out to or leased from related parties by the Group are negotiated and determined by making reference to market price, and carried out according to the agreed terms entered into between the Group and related parties.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 4. Major transactions between the Group and related parties (Continued)

***(3) Guarantees received from/provided to related parties***

*Guarantees provided to related parties*

**January to June 2026**

*Unit: RMB*

| Guarantor | Guaranteed party | Amount guaranteed | Starting date | Maturity date | Completion of performance of guarantee or not |
|---|---|---|---|---|---|
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 5,000,000.00 | 24 September 2025 | 23 September 2026 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 15,000,000.00 | 17 October 2025 | 16 October 2026 | No |
| BBMG Real Estate Development Group Co., Ltd. | Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) | 418,600,000.00 | 31 October 2025 | 31 October 2030 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 5,000,000.00 | 14 November 2025 | 14 November 2026 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 5,000,000.00 | 17 November 2025 | 16 November 2026 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 5,000,000.00 | 15 December 2025 | 14 December 2026 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 10,000,000.00 | 16 December 2025 | 16 December 2026 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 7,500,000.00 | 30 April 2026 | 29 April 2027 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 12,500,000.00 | 15 May 2026 | 14 May 2027 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 10,000,000.00 | 11 June 2026 | 10 June 2027 | No |
| Total | | 493,600,000.00 | | | |

January to June 2025

*Unit: RMB*

| Guarantor | Guaranteed party | Amount guaranteed | Starting date | Maturity date | Completion of performance of guarantee or not |
|---|---|---|---|---|---|
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 15,000,000.00 | 15 October 2024 | 14 October 2025 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 10,000,000.00 | 15 November 2024 | 14 November 2025 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 15,000,000.00 | 16 December 2024 | 16 December 2025 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 20,000,000.00 | 16 May 2025 | 14 May 2026 | No |
| BBMG Jidong Cement Group Co., Ltd. | Anshan Jidong Cement Co., Ltd. | 10,000,000.00 | 17 June 2025 | 15 June 2026 | No |
| BBMG Corporation | Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | 210,000,000.00 | 11 October 2024 | 23 September 2029 | No |
| Total | | 280,000,000.00 | | | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 4. Major transactions between the Group and related parties (Continued)

***(4) Borrowing from/lending to related parties***

*Borrowings from*

**January to June 2026**

*Unit: RMB*

| Related parties | Balance | Commencement date | Maturity date |
|---|---|---|---|
| BSCOMC | **120,550,000.00** | **2 December 2025** | **2 December 2026** |
| BSCOMC | **300,760,000.00** | **26 December 2025** | **26 December 2026** |
| BSCOMC | **60,000,000.00** | **1 April 2026** | **1 April 2027** |
| BSCOMC | **110,000,000.00** | **27 June 2026** | **25 June 2027** |
| **Total** | **591,310,000.00** | | |

January to June 2025

*Unit: RMB*

| Related parties | Balance | Commencement date | Maturity date |
|---|---|---|---|
| BSCOMC | 120,550,000.00 | 2 December 2025 | 2 December 2026 |
| BSCOMC | 300,760,000.00 | 26 December 2025 | 26 December 2026 |
| BSCOMC | 60,000,000.00 | 1 April 2025 | 1 April 2026 |
| BSCOMC | 110,000,000.00 | 27 June 2025 | 27 June 2026 |
| Total | 591,310,000.00 | | |

*Lending to*

As of 30 June 2026, the balance of outstanding lending by the Group to Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) amounted to RMB348,908,000.00, with an annual interest rate of 6.00% (2025: RMB348,908,000.00 with an annual interest rate of 6.00%).

As of 30 June 2026, the total balance of outstanding lending by the Group to Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) amounted to RMB129,416,913.00, of which the balance of outstanding lending by BBMG Jiahua Nanjing Real Estate Co., Ltd. to Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) amounted to RMB72,500,000.00, with an annual interest rate of 3.00%, and the balance of outstanding lending by BBMG Real Estate Development Group Co., Ltd. amounted to RMB56,916,913.00, with an annual interest rate of 3.00% (2025: the balance of outstanding lending by BBMG Jiahua Nanjing Real Estate Co., Ltd. to Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) amounted to RMB72,500,000.00, with an annual interest rate of 3.00%, and the balance of outstanding lending by BBMG Real Estate Development Group Co., Ltd. amounted to RMB131,916,913.00, with an annual interest rate of 3.00%).

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 4. Major transactions between the Group and related parties (Continued)

***(4) Borrowing from/lending to related parties (Continued)***

*Interest income from lending*

*Unit: RMB*

| Related parties | January to June 2026 | January to June 2025 |
|---|---|---|
| Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) | **9,929,614.47** | 8,574,520.11 |
| Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | **2,722,878.25** | 4,494,166.64 |
| Cross Point Trading 274 (Pty) Ltd (RF) | **–** | 3,250,575.22 |
| **Total** | **12,652,492.72** | 16,319,261.97 |

*Interest expenses from borrowings*

*Unit: RMB*

| Related party | January to June 2026 | January to June 2025 |
|---|---|---|
| Beijing State-owned Capital Operation and Management Company Limited | **7,061,201.75** | 5,513,496.04 |

*Other related party transaction*

*Unit: RMB*

| Related party | January to June 2026 | January to June 2025 |
|---|---|---|
| Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司) | **1,277,112.48** | 1,328,131.18 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties

*Receivables financing*

*Unit: RMB*

| Related parties | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Due from associates | | |
| Jidong Cement Fufeng Transportation Co., Ltd. | **12,865.29** | 66,056.71 |
| **Subtotal** | **12,865.29** | 66,056.71 |
| Due from joint ventures | | |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | **9,071,088.67** | 490,884.64 |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | **4,315,062.01** | 1,171,203.11 |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | **612,467.07** | – |
| Anshan Jidong Cement Co., Ltd. | **350,000.00** | 615,503.79 |
| **Subtotal** | **14,348,617.75** | 2,277,591.54 |
| **Total** | **14,361,483.04** | 2,343,648.25 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties (Continued)

***Accounts receivable***

*Unit: RMB*

| Related parties | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|
| | Balance of carrying amount | Provision for bad debts | Balance of carrying amount | Provision for bad debts |
| **Due from associates** | | | | |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | 18,870,391.07 | 13,366,519.25 | 18,940,391.07 | 13,345,989.47 |
| Easyhome New Retail Group Corporation Limited | 10,458,834.81 | 876,459.10 | 11,780,043.89 | 987,177.53 |
| Nanjing Huayu Decoration Engineering Co., Ltd. (南京鏵隅裝飾工程有限公司) | 1,748,632.19 | 12,765.02 | 1,858,418.20 | 1,119.68 |
| Jidong Cement Fufeng Transportation Co., Ltd. | 1,741,652.25 | – | 1,821,238.50 | – |
| Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | 140,939.57 | 1,028.86 | 532,244.07 | 52,549.46 |
| Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd. | 84,045.00 | 12,626.25 | 43,120.00 | 2,156.00 |
| CAMC BBMG Intelligent Manufacturing Workshop REIT | 64,440.45 | – | 1,167,327.20 | – |
| Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司) | 61,740.56 | 2,024.81 | 12,740.56 | 349.81 |
| Toto Machinery (Beijing) Company Limited | 38,358.00 | 1,534.32 | – | – |
| **Subtotal** | 33,209,033.90 | 14,272,957.61 | 36,155,523.49 | 14,389,341.95 |
| **Due from joint ventures** | | | | |
| Dahongmen (Beijing) Construction Development Co., Ltd. | 372,886,951.50 | 3,728,869.52 | 2,196,912,653.00 | 21,969,126.53 |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | 30,859,508.30 | 19,339.46 | 26,008,592.47 | 21,406.42 |
| Anshan Jidong Cement Co., Ltd. | 13,941,497.93 | 30,923.52 | 1,981,689.90 | 4,623.35 |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | 6,588,487.10 | 207.06 | 9,432,712.33 | 21,299.20 |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | 4,798,330.50 | – | 177,556.09 | – |
| STAR-USG Building Materials Co., Ltd. | 15,756.00 | 508.80 | – | – |
| Hebei Xiongan Zhitong Technology Co., Ltd. | 8,500.00 | – | – | – |
| **Subtotal** | 429,099,031.33 | 3,779,848.36 | 2,234,513,203.79 | 22,016,455.50 |
| **Total** | 462,308,065.23 | 18,052,805.97 | 2,270,668,727.28 | 36,405,797.45 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties (Continued)

***Prepayments***

*Unit: RMB*

| | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|
| **Related parties** | **Balance of carrying amount** | **Provision for bad debts** | Balance of carrying amount | Provision for bad debts |
| **Prepayments to associates** | | | | |
| Easyhome New Retail Group Corporation Limited | **3,048,221.18** | **220,548.82** | 2,844,885.73 | 134,512.89 |
| Tangshan Conch Profiles Co., Ltd. | **36,450.00** | **–** | 12,401.28 | 516.72 |
| Zehnder (China) Indoor Climate Co., Ltd. | **11,050.18** | **–** | 15,959.75 | – |
| Toto Machinery (Beijing) Company Limited | **–** | **–** | 64,650.00 | – |
| **Subtotal** | **3,095,721.36** | **220,548.82** | 2,937,896.76 | 135,029.61 |
| **Prepayments to joint ventures** | | | | |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | **709,681.24** | **–** | 203,154.30 | – |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | **605,355.50** | **–** | 346,782.44 | – |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | **155,968.41** | **–** | 348,154.88 | – |
| STAR-USG Building Materials Co., Ltd. | **15,240.65** | **–** | 19,316.41 | – |
| **Subtotal** | **1,486,245.80** | **–** | 917,408.03 | – |
| **Total** | **4,581,967.16** | **220,548.82** | 3,855,304.79 | 135,029.61 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties (Continued)

***Other receivables***

*Unit: RMB*

| Related parties | 30 June 2026 Balance of carrying amount | 30 June 2026 Provision for bad debts | 31 December 2025 Balance of carrying amount | 31 December 2025 Provision for bad debts |
|---|---|---|---|---|
| **Due from associates** | | | | |
| Zhongfang Huarui (Tangshan) Real Estate Co., Ltd. | **440,796,033.00** | **4,416,649.56** | 440,796,033.00 | 4,416,649.57 |
| Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) | **79,989,234.75** | **–** | 69,463,843.41 | – |
| Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | **63,949,183.98** | **–** | 61,128,395.54 | – |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | **10,361,657.00** | **10,354,609.08** | 10,361,657.00 | 10,354,609.08 |
| Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司) | **7,515,341.91** | **–** | 6,238,229.43 | – |
| CAMC BBMG Intelligent Manufacturing Workshop REIT | **3,691,933.86** | **–** | 2,869,145.50 | – |
| Easyhome New Retail Group Corporation Limited | **1,816,645.24** | **–** | – | – |
| Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司) | **520,000.00** | **369,200.00** | 520,000.00 | 369,200.00 |
| Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd. | **187,747.36** | **4,392.97** | 240,146.73 | 3,326.16 |
| Tangshan Conch Profiles Co., Ltd. | **1,000.00** | **120.00** | 1,000.00 | 120.00 |
| Beijing Sinobaide Technology Co., Ltd. | **–** | **–** | 460,000.00 | – |
| **Subtotal** | **608,828,777.10** | **15,144,971.61** | 592,078,450.61 | 15,143,904.81 |
| **Due from joint ventures** | | | | |
| Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司) | **415,656,644.20** | **–** | 1,132,038,465.14 | – |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | **1,564,312.42** | **–** | 4,084,956.00 | – |
| Dahongmen (Beijing) Construction Development Co., Ltd. | **1,000,000.00** | **–** | 1,000,000.00 | – |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | **844,954.10** | **–** | 843,000.00 | – |
| Anshan Jidong Cement Co., Ltd. | **110,284,585.00** | **2,750,000.00** | 107,477,560.00 | – |
| Tangshan Caofeidian Dunshi New Building Material Co., Ltd. | **185,400.00** | **–** | 140,000.00 | – |
| **Subtotal** | **529,535,895.72** | **2,750,000.00** | 1,245,583,981.14 | – |
| **Total** | **1,138,364,672.82** | **17,894,971.61** | 1,837,662,431.75 | 15,143,904.81 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties (Continued)

***Long-term receivables (including the amount due within one year)***

*Unit: RMB*

| | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|
| Related parties | Balance of carrying amount | Provision for bad debts | Balance of carrying amount | Provision for bad debts |
| **Due from associates** | | | | |
| Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司) | 348,908,000.00 | 2,337,580.00 | 348,908,000.00 | 2,337,580.00 |
| Nanjing Huayu Real Estate Development Co., Ltd. (南京鏵隅房地產開發有限公司) | 129,416,913.00 | 1,319,169.13 | 204,416,913.00 | 1,319,169.13 |
| Easyhome New Retail Group Corporation Limited | 93,741,333.06 | – | 106,965,193.55 | – |
| **Total** | 572,066,246.06 | 3,656,749.13 | 660,290,106.55 | 3,656,749.13 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties (Continued)

***Accounts payable***

*Unit: RMB*

| Related parties | 30 June 2026 | 31 December 2025 |
|---|---|---|
| **Due to associates** | | |
| Tianjin Xingye Longxiang Construction Engineering Co., Ltd. | **15,216,052.41** | 14,610,734.19 |
| Hebei Ruisuo Solid Waste Engineering Technology Research Institute Co., Ltd. | **3,281,453.86** | 2,727,611.25 |
| Easyhome New Retail Group Corporation Limited | **1,191,013.37** | 2,029,682.97 |
| Beijing Sinobaide Technology Co., Ltd. | **828,176.33** | 970,604.12 |
| Beijing Chenyu Real Estate Development Co., Ltd. | **786,439.84** | 370,000.00 |
| Tangshan Conch Profiles Co., Ltd. | **414,241.56** | 1,461,982.87 |
| Jidong Cement Fufeng Transportation Co., Ltd. | **79,357.98** | 2,199.98 |
| **Subtotal** | **21,796,735.35** | 22,172,815.38 |
| **Due to joint ventures** | | |
| Anshan Jidong Cement Co., Ltd. | **5,281,335.70** | – |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | **4,327,113.74** | 1,889,625.63 |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | **1,422,031.32** | – |
| STAR-USG Building Materials Co., Ltd. | **304,618.44** | 100,907.48 |
| **Subtotal** | **11,335,099.20** | 1,990,533.11 |
| **Total** | **33,131,834.55** | 24,163,348.49 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties (Continued)

***Contract liabilities***

*Unit: RMB*

| Related parties | 30 June 2026 | 31 December 2025 |
|---|---|---|
| **Associates** | | |
| Jidong Cement Fufeng Transportation Co., Ltd. | **70,309.19** | 32,752.77 |
| Hebei Jiaotou Green Building Materials Co., Ltd. (河北交投綠色建材有限公司) | – | 864,338.02 |
| Beijing Jinzhu Xingye Real Estate Development Co., Ltd. | – | 76,660.00 |
| Beijing Chenyu Real Estate Development Co., Ltd. | – | 46,143.27 |
| **Subtotal** | **70,309.19** | 1,019,894.06 |
| **Joint ventures** | | |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | **4,658,859.31** | 2,328,157.50 |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | **694,643.50** | 1,253,713.71 |
| Anshan Jidong Cement Co., Ltd. | **19,036.09** | 1,941,386.79 |
| **Subtotal** | **5,372,538.90** | 5,523,258.00 |
| **Total** | **5,442,848.09** | 6,543,152.06 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties (Continued)

***Other payables***

*Unit: RMB*

| Related parties | 30 June 2026 | 31 December 2025 |
|---|---|---|
| **Due to associates** | | |
| Beijing Chenyu Real Estate Development Co., Ltd. | **514,500,000.00** | 514,627,660.02 |
| Beijing Jinzhu Xingye Real Estate Development Co., Ltd. | **367,533,954.04** | 245,033,954.04 |
| Beijing Zhongtai Jinjian Real Estate Development Co., Ltd. (北京中泰金建房地產開發有限公司) | **34,000,000.00** | 34,000,000.00 |
| CAMC BBMG Intelligent Manufacturing Workshop REIT | **859,724.72** | – |
| Easyhome New Retail Group Corporation Limited | **523,162.55** | 699,673.59 |
| OCV Reinforcements (Beijing) Co., Ltd. | **133,600.00** | 134,200.00 |
| **Subtotal** | **917,550,441.31** | 794,495,487.65 |
| **Due to joint ventures** | | |
| BBMG Vanke Property Development Co., Ltd. | **184,852,832.07** | 184,852,832.07 |
| Beijing Haiyu Zhixin Real Estate Development Co., Ltd. (北京海隅置欣房地產開發有限公司) | **650,697.15** | – |
| Dahongmen (Beijing) Construction Development Co., Ltd. | **286,704.24** | 286,704.24 |
| Hebei Xiongan Zhitong Technology Co., Ltd. | **197,535.67** | 197,535.67 |
| Jidong Heidelberg (Jingyang) Cement Co., Ltd. | **105,000.00** | – |
| Jidong Heidelberg (Fufeng) Cement Co., Ltd. | **100,000.00** | – |
| Anshan Jidong Cement Co., Ltd. | **1,669.08** | 12,338,473.66 |
| **Subtotal** | **186,194,438.21** | 197,675,545.64 |
| **Total** | **1,103,744,879.52** | 992,171,033.29 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 5. Balances of receivables from and payment to related parties (Continued)

***Short-term loans***

*Unit: RMB*

| Related party | 30 June 2026 | 31 December 2025 |
|---|---|---|
| BSCOMC | **591,310,000.00** | 591,310,000.00 |

As at 30 June 2026, except for short-term loans and the amount due from STAR-USG Building Materials Co., Ltd. in other receivables, and long-term receivables, other amounts due from and due to related parties are interest free, unsecured and have no fixed terms of repayment.

### 6. Remuneration for key management personnel

*Unit: RMB*

| Item | January to June 2026 | January to June 2025 |
|---|---|---|
| Remuneration for key management personnel | **9,000,395.38** | 12,202,298.40 |

## XII. SHARE-BASED PAYMENTS

### 1. Equity instruments

*Unit: RMB*

| Category of grantees | Granted during the period | | Exercised during the period | | Unlocked during the period | | Lapsed during the period | |
|---|---|---|---|---|---|---|---|---|
| | Number | Amount | Number | Amount | Number | Amount | Number | Amount |
| Directors, senior management, core technical personnel and core business personnel of BBMG Jidong Cement Group Co., Ltd. and its holding subsidiaries | – | – | – | – | – | – | 2,070,300.00 | 7,059,723.00 |
| Total | – | – | – | – | – | – | 2,070,300.00 | 7,059,723.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XII. SHARE-BASED PAYMENTS (CONTINUED)

### 2. Equity-settled share-based payments

*Unit: RMB*

| | |
|---|---|
| Equity-settled share-based payments objects | |
| Determination method of fair value of equity instruments as at the grant date | Calculated as the closing price of the restricted shares on the grant date minus the grant price of the restricted shares |
| Significant parameters on fair value of equity instruments as at the grant date | Closing price of the restricted shares on the grant date and the grant price of the restricted shares |
| Basis for determining quantity of exercisable equity instruments | At each balance sheet date during the vesting period, the Group estimates based on latest available subsequent information such as the change in the number of incentive participants who are entitled to exercise and the completion status of performance targets |
| Reasons for significant discrepancies between estimate for the period and the previous period | N/A |
| Accumulated amount of equity-settled share-based payments | 8,324,700.93 |
| Total expenses recognised for equity-settled share-based payments for the period | 3,018,560.65 |

Pursuant to the approval at the 2025 second extraordinary general meeting of BBMG Jidong held on 4 June 2025 and the Resolution in relation to Granting Restricted Shares to Incentive Participants Under the 2025 Restricted Share Incentive Scheme passed at the sixteenth meeting of the tenth session of the board of directors convened on 4 June 2025, BBMG Jidong will implement a restricted share incentive scheme for directors, senior management, core technical personnel and core business personnel of BBMG Jidong and its holding subsidiaries by repurchasing A-share ordinary shares from the secondary market. The number of restricted shares to be granted is 26,580,000 shares, and the grant price is RMB3.41 per share. The restricted shares granted to incentive participants under the incentive scheme will be subject to lock-up periods of 24 months, 36 months and 48 months from the date on which the registration of the corresponding relevant restricted shares are completed. Upon fulfillment of the specified performance vesting conditions, the release ratios will be 33%, 33% and 34% respectively. After the restrictions are released, BBMG Jidong will handle the release procedures for incentive participants who satisfy the release conditions, and the restricted shares held by incentive participants who fail to satisfy the release conditions will be repurchased and canceled by BBMG Jidong.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XII. SHARE-BASED PAYMENTS (CONTINUED)

### 3. Share-based payment expense for the period

*Unit: RMB*

| Category of grantees | Equity-settled share-based payment expenses | Cash-settled share-based payment expenses |
|---|---|---|
| Directors, senior management, core technical personnel and core business personnel of BBMG Jidong Cement Group Co., Ltd. and its holding subsidiaries | **3,018,560.65** | – |

## XIII. COMMITMENTS AND CONTINGENCIES

### 1. Important commitments

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Asset acquisition or construction contracts entered into but not completed | **864,077,715.88** | 317,552,240.01 |
| Property development contracts entered into and being executed or will be executed | **7,169,213,738.63** | 8,014,006,167.00 |
| Total | **8,033,291,454.51** | 8,331,558,407.01 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XIII. COMMITMENTS AND CONTINGENCIES (CONTINUED)

### 2. Contingencies

*Unit: RMB*

| Items | | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| Provision of guarantee on housing mortgage to third parties | Note 1 | **2,680,742,795.60** | 1,748,577,759.96 |
| Provision of guarantee on loans and others to third parties | Note 2 | **585,000,000.00** | 630,000,000.00 |
| Provision of guarantee on loans and others to related parties | Note 3 | **493,600,000.00** | 615,600,000.00 |
| **Total** | | **3,759,342,795.60** | 2,994,177,759.96 |

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

Note 2: As at 30 June 2026, Jidong Development Group Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on the borrowings of RMB585,000,000.00 for Tangshan Culture & Tourism Investment Group Co., Ltd. (唐山市文化旅遊投資集團有限公司). The guarantee will expire in May 2029.

Note 3: As at 30 June 2026, BBMG Jidong Cement Group Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on nine borrowings of RMB5,000,000.00, RMB15,000,000.00, RMB5,000,000.00, RMB5,000,000.00, RMB5,000,000.00, RMB10,000,000.00, RMB7,500,000.00, RMB12,500,000.00 and RMB10,000,000.00, respectively, for Anshan Jidong Cement Co., Ltd. (鞍山冀東水泥有限責任公司), which will expire on 23 September 2026, 16 October 2026, 14 November 2026, 16 November 2026, 14 December 2026, 16 December 2026, 29 April 2027, 14 May 2027, and 10 June 2027, respectively. BBMG Real Estate Development Group Co., Ltd., a subsidiary of the Group, provided a secured guarantee for the bank loan projects of Beijing Yichang Real Estate Co., Ltd. (北京怡暢置業有限公司), with an amount of RMB418,600,000.00. The guarantee will expire on 31 October 2030.

## XIV. OTHER SIGNIFICANT MATTERS

### 1. Segment reporting

For management purposes, the Group is organised into business units based on their products and services, and has two segments, namely modern green building materials segment and property development and operation segment.

The management manages the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results are evaluated based on the segment profits reported. It represents the indicator after adjustments have been made to total profit, and other than the exclusion of overheads attributable to the headquarters, the indicator is consistent with the Group's total profit.

Segment assets and segment liabilities exclude unallocated assets and liabilities of the headquarters as these assets and liabilities are under the unified management of the Group.

Pricing for transfer between operating segments is agreed upon by both parties of transactions with reference to the fair price quoted from transactions with third parties.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

### 1. Segment reporting (Continued)

**For the six months ended 30 June 2026**

*Unit: RMB*

| Items | Modern green building materials | Property development and operation | Unallocated assets/ liabilities/expenses of the headquarters | Adjustments and elimination | Total |
|---|---|---|---|---|---|
| Revenue from external transactions | 32,881,467,076.00 | 3,034,710,457.87 | – | – | 35,916,177,533.87 |
| Revenue from inter-segment transactions | 363,717,147.18 | 46,881,485.37 | – | (410,598,632.55) | – |
| **Total** | 33,245,184,223.18 | 3,081,591,943.24 | – | (410,598,632.55) | 35,916,177,533.87 |
| Gains on investment in joint ventures and associates | 17,145,188.24 | (96,401,030.04) | – | – | (79,255,841.80) |
| Asset impairment losses | 3,451,835.07 | (397,911.01) | – | – | 3,053,924.06 |
| Credit impairment losses | (60,678,708.39) | 19,109,140.32 | – | – | (41,569,568.07) |
| Depreciation and amortisation | 2,048,142,940.08 | 203,702,919.61 | 47,911,529.04 | – | 2,299,757,388.73 |
| Total profits | (1,453,741,881.48) | (930,710,935.49) | (246,151,476.97) | (31,861,037.20) | (2,662,465,331.14) |
| Income tax expense | 184,458,739.50 | 245,291,152.40 | (61,537,869.24) | (7,965,259.30) | 360,246,763.36 |
| Total assets | 128,181,565,091.01 | 173,575,073,634.85 | 124,559,982.43 | (33,733,977,190.01) | 268,147,221,518.28 |
| Total liabilities | 86,562,467,849.30 | 104,093,067,449.62 | 29,081,260,958.90 | (34,962,565,349.01) | 184,774,230,908.81 |
| Long-term equity investment in joint ventures and associates | 1,575,384,847.96 | 7,280,978,719.98 | – | – | 8,856,363,567.94 |
| Increase in other non-current assets, excluding long-term equity investments | 1,387,750,996.07 | 317,990,081.89 | – | – | 1,705,741,077.96 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

### 1. Segment reporting (Continued)

For the six months ended 30 June 2025

*Unit: RMB*

| Items | Modern green building materials | Property development and operation | Unallocated assets/ liabilities/expenses of the headquarters | Adjustments and elimination | Total |
|---|---|---|---|---|---|
| Revenue from external transactions | 40,132,661,668.82 | 5,433,053,412.27 | – | – | 45,565,715,081.09 |
| Revenue from inter-segment transactions | 824,855,880.96 | 68,542,111.05 | – | (893,397,992.01) | – |
| **Total** | 40,957,517,549.78 | 5,501,595,523.32 | – | (893,397,992.01) | 45,565,715,081.09 |
| Gains on investment in joint ventures and associates | 89,026,241.91 | (180,287,109.27) | – | – | (91,260,867.36) |
| Asset impairment losses | (21,024,528.19) | (41,492,623.81) | – | – | (62,517,152.00) |
| Credit impairment losses | (47,182,116.97) | (3,824,909.04) | – | – | (51,007,026.01) |
| Depreciation and amortisation | 2,290,533,209.40 | 293,564,946.54 | 20,158,561.01 | – | 2,604,256,716.95 |
| Total profits | 543,259,958.18 | (1,503,562,043.50) | (249,248,629.41) | (120,824,374.76) | (1,330,375,089.49) |
| Income tax expense | 307,594,427.63 | 363,412,904.38 | (62,312,157.35) | (30,206,093.69) | 578,489,080.97 |
| Total assets | 130,480,589,517.89 | 175,874,831,400.56 | 172,361,067.18 | (34,391,927,407.18) | 272,135,854,578.45 |
| Total liabilities | 84,183,535,212.37 | 102,935,728,669.06 | 28,178,618,808.99 | (34,222,332,745.20) | 181,075,549,945.22 |
| Long-term equity investment in joint ventures and associates | 1,470,752,310.06 | 8,115,029,220.87 | – | – | 9,585,781,530.93 |
| Increase in other non-current assets, excluding long-term equity investments | 3,672,331,414.84 | 1,010,063,190.00 | – | – | 4,682,394,604.84 |

***Other information***

*Information on products and labour services*

Operating revenue by product/service is set out in Note V. 54.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

### 1. Segment reporting (Continued)

***Other information (Continued)***

*Geographic information*

*Unit: RMB*

| Region | January to June 2026 | January to June 2025 |
|---|---|---|
| Asia | **35,907,367,658.34** | 45,557,393,152.19 |
| Africa | **8,809,875.53** | 8,321,928.90 |
| **Total** | **35,916,177,533.87** | 45,565,715,081.09 |

Revenues from external transactions are attributable to the geographic locations where the customers are located.

Major non-current assets of the Group are located in the PRC.

*Information about major customers*

From January to June 2026 and January to June 2025, none of the sales income arising from any single customer of the Group exceeds 10% of the Group's revenues.

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

### 2. Remuneration for key management personnel

Directors' remuneration for the period, disclosed pursuant to the Listing Rules of the Hong Kong Stock Exchange and the Hong Kong Companies Ordinance, was as follows:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Fees | **300,000.00** | 300,000.00 |
| Salaries, allowances and benefits in kind | **1,040,322.00** | 1,176,900.00 |
| Performance related bonuses | **2,999,709.70** | 4,042,578.25 |
| Pension scheme contributions | **309,407.04** | 338,716.80 |
| **Total** | **4,649,438.74** | 5,858,195.05 |

Note: The remuneration for key management personnel for the period includes performance-based salary during the tenure.

#### *(1) Independent non-executive directors*

The fees paid to independent non-executive directors during the period are as follows:

*Unit: RMB*

| Directors | January to June 2026 | January to June 2025 |
|---|---|---|
| Mr. Yu Fei | – | 75,000.00 |
| Mr. Liu Taigang | **75,000.00** | 75,000.00 |
| Mr. Hong Yongmiao | **75,000.00** | 75,000.00 |
| Mr. Tam Kin Fong | **75,000.00** | 75,000.00 |
| Ms. Yin Yuanping | **75,000.00** | – |
| **Total** | **300,000.00** | 300,000.00 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

### 2. Remuneration for key management personnel (Continued)

#### *(2) Executive directors and non-executive directors*

The remuneration details of each director from January to June 2026 are disclosed as follows:

*Unit: RMB*

| Directors | Fees | Salaries, allowances and benefits in kind | Performance related bonuses | Pension scheme contributions | Total remuneration |
|---|---|---|---|---|---|
| **Executive directors** | | | | | |
| Mr. Jiang Yingwu | – | 124,500.00 | 425,800.00 | 34,378.56 | 584,678.56 |
| Mr. Gu Yu | – | 124,500.00 | 425,800.00 | 34,378.56 | 584,678.56 |
| Mr. Zheng Baojin | – | 105,822.00 | 365,785.10 | 34,378.56 | 505,985.66 |
| **Total** | **–** | **354,822.00** | **1,217,385.10** | **103,135.68** | **1,675,342.78** |
| **Non-executive directors** | | | | | |
| Mr. Gu Tiemin | – | – | – | – | – |
| Ms. Hao Liwei | – | 126,000.00 | 149,892.60 | 34,378.56 | 310,271.16 |
| Total | **–** | **126,000.00** | **149,892.60** | **34,378.56** | **310,271.16** |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

### 2. Remuneration for key management personnel (Continued)

#### *(3) Five highest paid employees*

The remuneration details of the five highest paid employees for the period are as follows:

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Salaries, allowances and benefits in kind | **696,410.60** | 972,815.57 |
| Performance related bonuses | **3,407,568.15** | 3,165,183.71 |
| Pension scheme contributions | **156,746.88** | 169,358.40 |
| **Total** | **4,260,725.63** | 4,307,357.68 |

The remuneration distribution of the non-director highest paid employees was as follows:

| Remuneration amount of employees | January to June 2026 | January to June 2025 |
|---|---|---|
| Nil – HK$500,000 | **–** | – |
| HK$500,000 – HK$1,000,000 | **3** | 4 |
| HK$1,000,000 – HK$1,500,000 | **2** | 1 |
| Over HK$1,500,000 | **–** | – |
| **Total** | **5** | 5 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

### 1. Other receivables

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Interests receivable | **993,987,779.38** | 817,122,489.37 |
| Dividends receivable | **79,718,658.53** | 86,703,258.53 |
| Amounts due from subsidiaries | **67,066,735,068.65** | 68,043,442,996.28 |
| Other current account | **110,288,275.61** | 111,887,982.30 |
| **Subtotal** | **68,250,729,782.17** | 69,059,156,726.48 |
| Less: Provision for bad debts of other receivables | **14,484,347.27** | 14,484,347.27 |
| **Total** | **68,236,245,434.90** | 69,044,672,379.21 |

An aging analysis of other receivables is as follows:

*Unit: RMB*

| Items | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year | **24,109,422,992.19** | 28,579,016,789.00 |
| 1 to 2 years | **11,069,804,610.68** | 8,620,713,954.93 |
| 2 to 3 years | **6,647,676,088.81** | 6,421,009,635.17 |
| 3 to 4 years | **1,853,019,577.94** | 1,136,580,394.41 |
| 4 to 5 years | **5,036,249,227.61** | 5,858,932,997.44 |
| Over 5 years | **19,534,557,284.94** | 18,442,902,955.53 |
| **Subtotal** | **68,250,729,782.17** | 69,059,156,726.48 |
| Less: Provision for bad debts of other receivables | **14,484,347.27** | 14,484,347.27 |
| **Total** | **68,236,245,434.90** | 69,044,672,379.21 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

### 1. Other receivables (Continued)

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

*Unit: RMB*

| Items | Stage one Expected credit loss for the next 12 months | Stage two Lifetime expected credit loss (Non credit-impaired) | Stage three Lifetime expected credit loss (Credit-impaired) | Total |
|---|---|---|---|---|
| Opening balance | – | – | 14,484,347.27 | 14,484,347.27 |
| Reversal for the period | – | – | – | – |
| Closing balance | – | – | **14,484,347.27** | **14,484,347.27** |

As at 30 June 2026, the top five of other receivables were as follows:

*Unit: RMB*

| Entity name | Closing balance | Proportion (%) | Nature | Aging |
|---|---|---|---|---|
| BBMG Real Estate Development Group Co., Ltd. | **15,640,498,271.81** | **22.92** | **Amounts due from subsidiaries** | **Within 1 year, 1-2 years, 2-3 years** |
| Beijing Yucheng Real Estate Co., Ltd. | **7,300,088,792.00** | **10.70** | **Amounts due from subsidiaries** | **Within 1 year, 1-2 years, 2-3 years, 3-4 years, 4-5 years, over 5 years** |
| Jidong Development Group Co., Ltd. | **7,212,246,700.00** | **10.57** | **Amounts due from subsidiaries** | **Within 1 year** |
| Tianjin Jinyu Jinli Real Estate Development Co., Ltd. | **3,895,957,655.54** | **5.71** | **Amounts due from subsidiaries** | **Within 1 year, 1-2 years, 4-5 years, over 5 years** |
| Tianjin Jinyu Jinchen Real Estate Development Co., Ltd. | **3,649,987,779.31** | **5.34** | **Amounts due from subsidiaries** | **Within 1 year, 1-2 years, 4-5 years, over 5 years** |
| **Total** | **37,698,779,198.66** | **55.24** | | |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

### 1. Other receivables (Continued)

As at 31 December 2025, the top five of other receivables were as follows:

*Unit: RMB*

| Entity name | Closing balance | Proportion (%) | Nature | Aging |
|---|---|---|---|---|
| BBMG Real Estate Development Group Co., Ltd. | 15,611,016,370.90 | 22.61 | Amounts due from subsidiaries | Within 1 year, 1-2 years, 2-3 years |
| Beijing Yucheng Real Estate Co., Ltd. | 7,515,793,487.96 | 10.88 | Amounts due from subsidiaries | Within 1 year, 1-2 years, 2-3 years, 3-4 years, 4-5 years, over 5 years |
| Jidong Development Group Co., Ltd. | 6,881,833,564.53 | 9.97 | Amounts due from subsidiaries | Within 1 year |
| Tianjin Jinyu Jinli Real Estate Development Co., Ltd. | 4,009,981,379.42 | 5.81 | Amounts due from subsidiaries | Within 1 year, 1-2 years, 4-5 years, over 5 years |
| Beijing Yuxin Real Estate Development Co., Ltd. (北京隅新房地產開發有限公司) | 3,779,598,402.89 | 5.47 | Amounts due from subsidiaries | Within 1 year, 1-2 years |
| **Total** | 37,798,223,205.70 | 54.74 | | |

### 2. Other current assets

*Unit: RMB*

| **Items** | **30 June 2026** | **31 December 2025** |
|---|---|---|
| Entrusted loans | **722,310,000.00** | 722,310,000.00 |
| Input tax deductible | **14,741,488.35** | 14,041,950.75 |
| **Total** | **737,051,488.35** | 736,351,950.75 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

### 3. Long-term equity investments

***Cost method:***

*Unit: RMB*

| Companies | Opening balance | Increase/decrease for the period | Closing balance | Percentage of shareholding (%) | Percentage of voting right (%) | Cash dividends for the period |
|---|---|---|---|---|---|---|
| BBMG Real Estate Development Group Co., Ltd. | 14,323,721,838.38 | – | 14,323,721,838.38 | 100.00 | 100.00 | – |
| BBMG Jidong Cement Group Co., Ltd. | 9,535,955,770.27 | – | 9,535,955,770.27 | 44.34 | 44.34 | 117,864,505.70 |
| BBMG New Building Materials Industrialization Group Co., Ltd. | 6,976,761,235.79 | 71,500,000.00 | 7,048,261,235.79 | 100.00 | 100.00 | – |
| BBMG GEM Real Estate Development Co., Ltd. | 6,165,138,411.45 | – | 6,165,138,411.45 | 100.00 | 100.00 | – |
| Tianjin Building Materials Group (Holding) Co., Ltd. | 6,098,120,595.40 | – | 6,098,120,595.40 | 83.21 | 83.21 | – |
| Jidong Development Group Co., Ltd. | 5,225,000,000.00 | – | 5,225,000,000.00 | 55.00 | 55.00 | – |
| BBMG Investment Property Management Co., Ltd. | 3,936,329,327.93 | – | 3,936,329,327.93 | 100.00 | 100.00 | – |
| BBMG Finance Co., Ltd. | 3,000,000,000.00 | – | 3,000,000,000.00 | 100.00 | 100.00 | – |
| Beijing BBMG Innovation and Technology Incubator Co., Ltd. | 1,700,000,048.47 | – | 1,700,000,048.47 | 100.00 | 100.00 | – |
| Beijing BBMG Xingfa Science and Technology Co., Ltd. | 1,421,740,918.29 | – | 1,421,740,918.29 | 95.70 | 95.70 | – |
| Jinyu Concrete Group Co., Ltd. | 1,419,515,156.27 | – | 1,419,515,156.27 | 55.00 | 55.00 | – |
| Beijing BBMG Finance Lease Co., Ltd. (北京金隅融資租賃有限公司) | 800,000,000.00 | – | 800,000,000.00 | 100.00 | 100.00 | – |
| Beijing BBMG Tongda Fire-resistant Technology Co., Ltd. | 537,421,261.73 | – | 537,421,261.73 | 100.00 | 100.00 | – |
| Beijing Doors and Windows Co., Ltd. | 430,370,700.00 | – | 430,370,700.00 | 100.00 | 100.00 | – |
| BBMG Finance Lease Co., Ltd. | 393,876,000.00 | – | 393,876,000.00 | 60.00 | 60.00 | – |
| Beijing Woodworking Factory Co., Ltd. | 342,001,954.50 | – | 342,001,954.50 | 100.00 | 100.00 | – |
| BBMG Hong Kong Limited | 288,057,387.91 | – | 288,057,387.91 | 100.00 | 100.00 | – |
| Beijing Building Materials Academy of Sciences Research Co., Ltd. (北京建築材料科學研究總院有限公司) | 246,317,784.68 | – | 246,317,784.68 | 100.00 | 100.00 | – |
| Beijing BBMG Xinggang Technology Development Co., Ltd. | 166,166,021.38 | – | 166,166,021.38 | 55.68 | 55.68 | – |
| Beijing Jingcai Talent Development Center Co., Ltd. (北京京才人才開發中心有限公司) | 141,480,261.00 | – | 141,480,261.00 | 100.00 | 100.00 | – |
| Beijing Building Materials Testing Academy Co., Ltd. | 68,139,760.78 | – | 68,139,760.78 | 39.43 | 39.43 | – |
| Beijing Yanshui Asset Management Co., Ltd. | 32,707,342.45 | – | 32,707,342.45 | 100.00 | 100.00 | – |
| Total under cost method | 63,248,821,776.68 | 71,500,000.00 | 63,320,321,776.68 | | | 117,864,505.70 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

### 3. Long-term equity investments (Continued)

***Equity method:***

*Unit: RMB*

| Companies | Opening balance | Increase investment | Decrease investment | Investment profit or loss under equity method | Other changes in equity | Cash dividend declared | Provision for impairment | Carrying value at the end of the period |
|---|---|---|---|---|---|---|---|---|
| Joint venture | | | | | | | | |
| STAR-USG Building Materials Co., Ltd. | 72,831,513.36 | - | - | 1,953,454.95 | - | - | - | 74,784,968.31 |
| Associates | | | | | | | | |
| Easyhome New Retail Group Corporation Limited | 2,138,003,062.63 | - | - | 8,965,326.93 | - | - | - | 2,146,968,389.56 |
| CAMC BBMG Intelligent Manufacturing Workshop Industrial Park Closed-end Infrastructure Securities Investment Fund (華夏金隅智造工場產業園封閉式基礎設施證券投資基金) | 385,330,697.59 | - | - | 6,238,209.86 | - | (6,091,400.00) | - | 385,477,507.45 |
| Beijing Innovation Industry Investment Co., Ltd. | 261,142,236.22 | - | - | 9,555,909.40 | - | - | - | 270,698,145.62 |
| Tangshan Conch Profiles Co., Ltd. | 156,972,201.50 | - | - | (552,806.46) | - | - | - | 156,419,395.04 |
| Toto Machinery (Beijing) Company Limited | 78,765,002.32 | - | - | (1,446,585.18) | - | - | - | 77,318,417.14 |
| Zehnder (China) Indoor Climate Co., Ltd. | 62,789,219.11 | - | - | 45,078.36 | - | - | - | 62,834,297.47 |
| OCV Reinforcements (Beijing) Co., Ltd. | 62,796,479.78 | - | - | 177,007.31 | - | - | - | 62,973,487.09 |
| Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司) | 3,772,448.34 | - | - | (1,651,108.93) | - | - | - | 2,121,339.41 |
| Subtotal for associates | 3,149,571,347.49 | - | - | 21,331,031.29 | - | (6,091,400.00) | - | 3,164,810,978.78 |
| Total under equity method | 3,222,402,860.85 | - | - | 23,284,486.24 | - | (6,091,400.00) | - | 3,239,595,947.09 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

### 4. Investment properties

***Measured subsequently through fair value model:***

*Unit: RMB*

| Items | Buildings |
|---|---|
| Opening balance | **14,382,591,848.42** |
| Changes in fair value | **(7,357,600.00)** |
| **Closing balance** | **14,375,234,248.42** |

All the above investment properties are located in the PRC, and leased out in form of operating leases.

As at 30 June 2026, there was no investment property for which the procedures for obtaining title certificates were incomplete.

### 5. Operating revenue and cost

*Unit: RMB*

| | **January to June 2026** | | January to June 2025 | |
|---|---|---|---|---|
| **Items** | **Revenue** | **Cost** | Revenue | Cost |
| Principal business | **359,233,916.36** | **42,715,942.36** | 431,951,237.68 | 52,669,302.76 |
| Other business | **1,463,653.29** | **1,372,832.64** | 1,534,313.66 | 767,156.83 |
| **Total** | **360,697,569.65** | **44,088,775.00** | 433,485,551.34 | 53,436,459.59 |

# Notes to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

### 6. Investment gains

*Unit: RMB*

| Items | January to June 2026 | January to June 2025 |
|---|---|---|
| Gains from long-term equity investments under cost methods | **117,864,505.70** | 190,370,429.27 |
| Gains from long-term equity investments under equity method | **23,284,486.24** | (24,769,987.40) |
| Investment gains from financial assets at fair value through profit or loss during the holding period | **9,671,800.49** | 2,312,868.41 |
| Investment gains from disposal of long-term equity investments | – | 357,290,531.45 |
| **Total** | **150,820,792.43** | 525,203,841.73 |

## XVI. EVENTS AFTER BALANCE SHEET DATE

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

# Supplementary Information to Unaudited Interim Financial Statements

**For the six months ended 30 June 2026**

**Unit: RMB**

## SUPPLEMENTARY INFORMATION

### 1. Breakdown of Non-recurring Profit and Loss

*Unit: RMB*

| Items | Amount |
|---|---|
| Profit or loss from disposal of non-current assets, including the part written off for provision for impairment on assets | **180,763,334.85** |
| Government grants recognised through profit or loss for the current period (excluding those closely related to the Company's ordinary business operations, in line with national policies and entitled in accordance with established standard, and having a continuous impact on profit or loss | **128,583,455.42** |
| Profit or loss from change in fair value of financial assets and financial liabilities held by non-financial enterprises, as well as profit or losses from disposal of financial assets and financial liabilities, other than effective hedging business relating to the ordinary business operations of the Company | **30,875,297.67** |
| Capital occupancy fee from non-financial enterprises recognized through profit or loss for the current period | **12,652,492.72** |
| Reversal of provisions for impairment of receivables that are individually tested for impairment | **26,748,726.42** |
| Profit or loss from debt restructuring | **269,846.47** |
| Profit or loss from change in fair value of investment properties measured subsequently through fair value model | **(59,138,663.01)** |
| Other non-operating income and expenses other than the above items | **92,321,649.42** |
| Impact of income tax | **(95,016,626.80)** |
| Impact of minority interests (after tax) | **(60,760,305.55)** |
| **Total** | **257,299,207.61** |

Note 1: The Group recognised items of non-recurring profit or loss in accordance with provisions under the "Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public – Non-recurring Profit or Loss (公開發行證券的公司信息披露解釋性公告第1號—非經常性損益)" (CSRC Announcement [2023] No. 65). Items listed as non-recurring profit or loss in the "Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public – Non-recurring Profit or Loss (公開發行證券的公司信息披露解釋性公告第1號—非經常性損益)" and categorised as items of recurring profit or loss are set out as below:

# Supplementary Information to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## SUPPLEMENTARY INFORMATION (CONTINUED)

### 1. Breakdown of Non-recurring Profit and Loss (Continued)

*Unit: RMB*

| Items | Amount | Reason |
|---|---|---|
| Value-added tax refund income | **75,696,537.30** | **In line with national policies and occurring on an ongoing basis** |
| Gains from changes in fair value | **18,553,605.47** | **Business within the operation scope of the finance company** |
| Heating subsidies | **2,712,400.00** | **In line with national policies and occurring on an ongoing basis** |

### 2. Return on Net Assets and Earnings per Share

**January to June 2026**

| Items | Weighted average return on net assets (%) | Earnings per share Basic and diluted |
|---|---|---|
| After deducting other equity instrument indicators: | | |
| Net profit attributable to ordinary shareholders of the Company | **(6.76)** | **(0.25)** |
| Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss | **(7.41)** | **(0.27)** |
| Before deducting other equity instrument indicators: | | |
| Net profit attributable to ordinary shareholders of the Company | **(3.00)** | **(0.20)** |
| Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss | **(3.36)** | **(0.23)** |

# Supplementary Information to Unaudited Interim Financial Statements (Continued)

**For the six months ended 30 June 2026**

**Unit: RMB**

## SUPPLEMENTARY INFORMATION (CONTINUED)

### 2. Return on Net Assets and Earnings per Share (Continued)

January to June 2025

| Items | Weighted average return on net assets (%) | Earnings per share Basic and diluted |
|---|---|---|
| After deducting other equity instrument indicators: | | |
| Net profit attributable to ordinary shareholders of the Company | (4.76) | (0.19) |
| Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss | (6.42) | (0.26) |
| Before deducting other equity instrument indicators: | | |
| Net profit attributable to ordinary shareholders of the Company | (2.07) | (0.14) |
| Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit and loss | (3.05) | (0.21) |

In calculating the weighted average return on net assets and earnings per share after deducting other equity instruments, the Company has excluded declared and provided dividends of perpetual bonds.

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